Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Financial Statements

For the Year Ended 31 October 2019

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Contents

For the Year Ended 31 October 2019

	Page
Financial Statements	
Committee's Report	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Statement by Members of the Committee	20
Independent Audit Report	21

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Committee's Report

For the Year Ended 31 October 2019

The committee members submit the financial report of the Association for the financial year ended 31 October 2019.

Committee members

The names of committee members throughout the year and at the date of this report are:

James Lawrence	President
Rob Griffin	Secretary
Bryan Collis	Treasurer
Darren Hughes	Vice President Management
Bruce Hartican	Vice President Tiobunga
Richard Radajewski	Vice President Kyilla
Rob McGregor	Vice President Thredbo
Warwick Foster	Club Captain
David Pember	Business Planning
David Banham	Information Officer
Margaret Smythe	Membership Officer

Principal activities

The principal activities of the Association during the year ended 31 October 2019 were to organise, promote and encourage skiing, snowboarding, bushwalking and similar outdoor sporting activities and provide quality, inexpensive and friendly accommodation for snow sports and mountain enthusiasts.

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The profit of the Association for the financial year amounted to $26,192 (2018:$70,835).

Signed in accordance with a resolution of the Members of the Committee:

James Lawrence: .... Bryan Collis: ....

President Treasurer

Dated this ...10... day of ...MARCH... 2020

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 October 2019

	Note	2019 $	2018 $
Revenue	4	**707,682**	682,117
Employee benefits expense		**(34,664)**	(35,422)
Depreciation and amortisation expense		**(159,617)**	(156,676)
Audit fees		**(3,193)**	(3,181)
Other operating expenses		**(110,318)**	(78,156)
Thredbo/Waragun lodge expenses	5	**(101,691)**	(111,724)
Kyilla lodge expenses	5	**(72,680)**	(72,255)
Tiobunga lodge expenses	5	**(148,032)**	(101,795)
Social & skier development/racing		**(12,292)**	(10,627)
Finance costs		**(39,003)**	(41,446)
Profit before income tax		**26,192**	70,835
Income tax expense		**-**	-
Profit for the year		**26,192**	70,835
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**26,192**	70,835

The Association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement.*

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement of Financial Position

As At 31 October 2019

	Note	2019 $	2018 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**52,956**	51,509
Other assets	7	**64,379**	57,318
TOTAL CURRENT ASSETS		**117,335**	108,827
NON-CURRENT ASSETS			
Property, plant and equipment	8	**4,382,245**	4,462,030
Intangible assets	9	**3,388**	-
TOTAL NON-CURRENT ASSETS		**4,385,633**	4,462,030
TOTAL ASSETS		**4,502,968**	4,570,857
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**34,670**	37,282
Borrowings	11	**69,754**	117,990
Other liabilities	12	**30,792**	23,123
TOTAL CURRENT LIABILITIES		**135,216**	178,395
NON-CURRENT LIABILITIES			
Borrowings	11	**383,065**	433,967
TOTAL NON-CURRENT LIABILITIES		**383,065**	433,967
TOTAL LIABILITIES		**518,281**	612,362
NET ASSETS		**3,984,687**	3,958,495
EQUITY			
Asset revaluation reserve		**294,571**	294,571
Retained earnings		**3,690,116**	3,663,924
		3,984,687	3,958,495
TOTAL EQUITY		**3,984,687**	3,958,495

The Association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement.*

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 October 2019

2019

	Retained Earnings	Asset Revaluation Reserve	Total
	$	$	$
Balance at 1 November 2018	**3,663,924**	**294,571**	**3,958,495**
Profit for the year	**26,192**	**-**	**26,192**
Balance at 31 October 2019	**3,690,116**	**294,571**	**3,984,687**

2018

	Retained Earnings	Asset Revaluation Reserve	Total
	$	$	$
Balance at 1 November 2017	3,593,089	294,571	3,887,660
Profit for the year	70,835	-	70,835
Balance at 31 October 2018	3,663,924	294,571	3,958,495

The Association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Statement of Cash Flows
For the Year Ended 31 October 2019

	Note	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**784,288**	775,194
Payments to suppliers and employees		**(561,860)**	(524,800)
Interest received		**380**	659
Interest paid		**(39,003)**	(41,446)
Net cash provided by operating activities	13	**183,805**	209,607
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(83,220)**	(90,215)
Net cash used in investing activities		**(83,220)**	(90,215)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		**(99,138)**	(268,801)
Net cash used in financing activities		**(99,138)**	(268,801)
Net increase/(decrease) in cash and cash equivalents held		**1,447**	(149,409)
Cash and cash equivalents at beginning of year		**51,509**	200,918
Cash and cash equivalents at end of financial year	6	**52,956**	51,509

Notes to the Financial Statements

For the Year Ended 31 October 2019

The financial statements cover Brindabella Ski Club Incorporated as an individual entity. Brindabella Ski Club Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

The functional and presentation currency of Brindabella Ski Club Incorporated is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Act.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Certain comparative figures have been restated to comform to current year's presentation.

2 First time adoption of Australian Accounting Standards and its interpretation

Financial Instruments - Adoption of AASB 9

The Association has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 November 2018.

As part of the adoption of AASB 9, the Association adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.

- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Association's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Association has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 November 2018.

Classification of financial assets

The financial assets of the Association have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost.

2 First time adoption of Australian Accounting Standards and its interpretation

Financial Instruments - Adoption of AASB 9

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

Classification of financial assets and financial liabilities

The table below illustrates the classification and measurement of financial assets and liabilities under AASB 9 and AASB 139 at the date of initial application.

	Note	Classification under AASB 139	Classification under AASB 9	Carrying amount under AASB 139	Reclassification	Re-measurements	Carrying amount under AASB 9
				$	$	$	$
Financial assets							
Cash and cash equivalents		Loans and receivables	Amortised cost	51,509	-	-	51,509
Financial liabilities							
Secured bank loans		Other financial liabilities	Other financial liabilities	530,148	-	-	530,148
Finance lease liabilities		Other financial liabilities	Other financial liabilities	21,809	-	-	21,809
Trade payables		Other financial liabilities	Other financial liabilities	13,439	-	-	13,439
Total financial liabilities				565,396	-	-	565,396

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Act 1993.

(b) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Notes to the Financial Statements
For the Year Ended 31 October 2019

3 Summary of Significant Accounting Policies

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

(d) Finance costs

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss.

(e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(f) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements

For the Year Ended 31 October 2019

3 **Summary of Significant Accounting Policies**

(g) **Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Land and buildings

Land and buildings are measured using the cost model.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment

Plant and equipment are measured using the cost model.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment, excluding leasehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Thredbo lease	2%
Building	2%
Furniture and equipments	10-20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

3 Summary of Significant Accounting Policies

(h) Financial instruments

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Association's trade and other receivables fall into this category of financial instruments.

In some circumstances, the Association renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Association does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Association's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

3 Summary of Significant Accounting Policies

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Association uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Association's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

At the end of the reporting period the Association assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

For current year

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

3 Summary of Significant Accounting Policies

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

3 Summary of Significant Accounting Policies

Financial assets

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and finance lease liabilities.

Notes to the Financial Statements

For the Year Ended 31 October 2019

3 Summary of Significant Accounting Policies

(i) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in fair value.

4 Revenue

	2019	2018
	$	$
Tiobunga accommodation	163,560	149,575
Tiobunga accomodation refund	(24,156)	(10,079)
- Tiobunga accomodation revenue	139,404	139,496
Thredbo accommodation	201,307	196,402
Thredbo accomodation refund	(17,537)	(10,475)
- Thredbo accomodation revenue	183,770	185,927
Kyilla accommodation	101,460	82,656
Kyilla accomodation refund	(12,492)	(6,327)
- Kyilla accomodation revenue	88,968	76,329
- Kyilla winter ski camp	15,524	14,227
- member subscriptions	262,673	260,916
- Interest income	380	659
- Other income	16,963	4,563
Total Revenue	707,682	682,117

Notes to the Financial Statements

For the Year Ended 31 October 2019

5 Expenses

	2019 $	2018 $
Thredbo/Waragun Lodge		
- Maintenance	**16,058**	31,203
- Telephones	**3,087**	1,835
- Utilities and MSU charges	**19,644**	23,280
- Lease charges	**41,171**	37,187
- Insurance	**12,599**	8,143
- Food and consumables	**7,915**	7,091
- Other expenses	**1,217**	2,985
Thredbo lodge total	**101,691**	111,724
Kyilla Lodge		
- Maintenance	**13,671**	13,171
- Telephones	**892**	636
- Utilities and MSU charges	**30,872**	32,534
- Lease charges	**12,887**	12,658
- Insurance	**6,311**	4,751
- Food and consumables	**8,047**	6,751
- Other expenses	**-**	1,754
Kyilla lodge total	**72,680**	72,255
Tiobunga Lodge		
- Maintenance	**64,905**	14,638
- Telephones	**1,484**	1,199
- Utilities and MSU charges	**43,462**	50,323
- Lease charges	**14,553**	14,576
- Insurance	**14,764**	9,486
- Food and consumables	**8,864**	6,543
- Other expenses	**-**	5,030
Tiobunga lodge total	**148,032**	101,795

Notes to the Financial Statements

For the Year Ended 31 October 2019

6 Cash and cash equivalents

	2019	2018
	$	$
Cash at bank and in hand	**52,956**	51,509

7 Other Assets

CURRENT		
Prepayments	**64,379**	57,318

8 Property, plant and equipment

Buildings		
At cost	**5,186,449**	5,146,660
Accumulated depreciation	**(1,398,090)**	(1,275,208)
Total buildings	**3,788,359**	3,871,452
Capital works in progress		
At cost	**5,666**	-
Furniture, fixtures and fittings		
At cost	**322,528**	292,433
Accumulated depreciation	**(268,011)**	(256,277)
Total furniture, fixtures and fittings	**54,517**	36,156
Office equipment		
At cost	**8,886**	7,340
Accumulated depreciation	**(5,327)**	(6,529)
Total office equipment	**3,559**	811
Thredbo leasehold land		
At cost	**762,515**	762,515
Accumulated amortisation	**(244,001)**	(228,751)
Total thredbo leasehold land	**518,514**	533,764
Over snow vehicles		
At cost	**41,080**	41,080
Accumulated depreciation	**(29,450)**	(21,233)
Total over snow vehicles	**11,630**	19,847
Total property, plant and equipment	4,382,245	4,462,030

Notes to the Financial Statements

For the Year Ended 31 October 2019

8 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Work in Progress	Buildings	Furniture, Fixtures and Fittings	Office Equipment	Leasehold Land	Over snow vehicles	Total
	$	$	$	$	$	$	$
Year ended 31 October 2019							
Balance at the beginning of year	**-**	**3,871,452**	**36,156**	**811**	**533,764**	**19,847**	**4,462,030**
Additions	**5,666**	**39,789**	**30,095**	**3,570**	**-**	**-**	**79,120**
Disposals - Cost	**-**	**-**	**-**	**(2,024)**	**-**	**-**	**(2,024)**
Disposals - Accumulated Depreciation	**-**	**-**	**-**	**2,024**	**-**	**-**	**2,024**
Depreciation expense	**-**	**(122,882)**	**(11,734)**	**(822)**	**(15,250)**	**(8,217)**	**(158,905)**
Balance at the end of the year	**5,666**	**3,788,359**	**54,517**	**3,559**	**518,514**	**11,630**	**4,382,245**

	Capital Work in Progress	Buildings	Furniture, Fixtures and Fittings	Office Equipment	Leasehold Land	Over snow vehicles	Total
	$	$	$	$	$	$	$
Year ended 31 October 2018							
Balance at the beginning of year	-	3,915,696	34,353	1,364	549,014	28,064	4,528,491
Additions	-	78,559	11,656	-	-	-	90,215
Depreciation expense	-	(122,803)	(9,853)	(553)	(15,250)	(8,217)	(156,676)
Balance at the end of the year	-	3,871,452	36,156	811	533,764	19,847	4,462,030

Notes to the Financial Statements

For the Year Ended 31 October 2019

9 Intangible Assets

	2019	2018
	$	$
Websites		
Cost	4,100	-
Accumulated amortisation	(712)	-
Net carrying value	3,388	-

(a) Movements in carrying amounts of intangible assets

	Websites	Total
	$	$
Year ended 31 October 2019		
Balance at the beginning of the year	-	-
Additions	4,100	4,100
Amortisation	(712)	(712)
Closing value at 31 October 2019	3,388	3,388

10 Trade and other payables

	2019	2018
	$	$
Current		
Trade payables	13,700	13,439
GST payable	(3,203)	(3,557)
Accrued expenses	24,173	27,400
	34,670	37,282

Notes to the Financial Statements

For the Year Ended 31 October 2019

11 Borrowings

	2019	2018
	$	$
CURRENT		
Motor vehicle lease	**8,554**	7,990
Bank loans	**61,200**	110,000
	69,754	117,990
NON-CURRENT		
Bank loans	**377,800**	420,148
Motor vehicle lease	**5,265**	13,819
	383,065	433,967
Total borrowings	**452,819**	551,957

The bank loan is secured by a registered first ranking mortgage over all present and after acquired property other than any property that does not relate in any way to the Ski club business of the grantor known as 'Tiobunga Ski Lodge' situated at Lot 147, Mt Tate Road, Guthega, NSW 2624.

The financial assets pledged as collateral represent a floating charge and cannot be disposed of without consent of the financier. The bank loan is also secured by a registered mortgage over the leasehold of Tiobunga Lodge, which operates as a fixed charge.

12 Other liabilities

	2019	2018
	$	$
CURRENT		
Amounts received in advance	**30,792**	23,123

13 Cash flow information

(a) Reconciliation of result for the year to cashflows from operating activities

	2019	2018
Reconciliation of net income to net cash provided by operating activities:		
Profit for the year	**26,192**	70,835
Non-cash flows in profit:		
- depreciation	**159,617**	156,676
Changes in assets and liabilities:		
- (increase)/decrease in other assets	**(7,061)**	(4,762)
- increase/(decrease) in income in advance	**7,669**	(2,358)
- increase/(decrease) in trade and other payables	**(2,612)**	(10,784)
Cashflows from operations	**183,805**	209,607

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement by Members of the Committee

In the opinion of the committee the financial report as set out on pages 2 to 19:

1. Present fairly the financial position of Brindabella Ski Club Incorporated as at 31 October 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Brindabella Ski Club Incorporated 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:

President .... Treasurer ....

Dated 10 MARCH 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRINDABELLA SKI CLUB INCORPORATED

Opinion

We have audited the financial report of Brindabella Ski Club Incorporated (the Association), which comprises the statement of financial position as at 31 October 2019, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and managements' assertion statement.

In our opinion, the financial report of Brindabella Ski Club Incorporated:

a) gives a true and fair view of the Association's financial position as at 31 October 2019 and of its performance for the year ended on that date; and

b) is in accordance with the accounting policies described in Note 2, and the provisions of the *Associations Incorporation Act 1991 (ACT)*.

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* (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 to assist Brindabella Ski Club Incorporated to meet the reporting requirements of the *Associations Incorporation Act 1991 (ACT)*. 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 Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act 1991(ACT)* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

canberra. adelaide. brisbane. gold coast. melbourne. sydney

Level 2. 14 Moore Street. Canberra ACT 2601 t 61.2 6274 3400 f 61.2 6274 3499
GPO Box 680. Canberra ACT 2601 w www.vincents.com.au

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 Australian Auditing Standards, we exercise professional judgment 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 management.

- Conclude on the appropriateness of management'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 those charged with governance 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 our audit.

Vincents Audit Pty Ltd

PMiller

Phillip Miller CA
Director

Canberra

Date:12 March 2020