

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Financial Statements

For the Year Ended 31 October 2020

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Contents

For the Year Ended 31 October 2020

	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	22
Independent Audit Report	23

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Committee's Report For the Year Ended 31 October 2020

The committee members submit the financial report of the Association for the financial year ended 31 October 2020

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 (Re-appointed 11 November 2020)
Russell Kerrison	Assistant Treasurer (Appointed 9 February 2021)
Darrell Porter	Vice President Management
Curtis Hancock	Vice President Tiobunga
Richard Radajewski	Vice President Kyilla
Rob McGregor	Vice President Waragun
Warwick Foster	Club Captain
David Pember	Business Planning
Ben Coutts	Information Officer
Margaret Smythe	Membership Officer

Principal activities

The principal activities of the Association during the year ended 31 October 2020 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

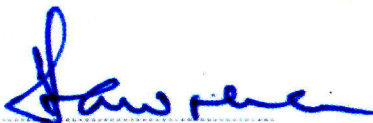
No significant change in the nature of these activities occurred during the year.

Operating result

The (loss)/profit of the Association for the financial year amounted to \$(172,641) (2019 \$26,192).

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

James Lawrence



President

Russell Kerrison



Assistant Treasurer

Dated this _____ day of _____ 2021

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 October 2020

		2020	2019
	Note	\$	\$
Revenue	4	415,040	707,682
Employee benefits expense		(37,523)	(34,664)
Depreciation and amortisation expenses		(165,350)	(159,617)
Depreciation of right-of-use asset	5	(30,411)	-
Audit fees		(4,600)	(3,193)
Other operating expenses		(73,064)	(110,318)
Thredbo/Waragun lodge expenses	5	(70,786)	(101,691)
Kyilla lodge expenses	5	(50,090)	(72,680)
Tiobunga lodge expenses	5	(73,408)	(148,032)
Social & skier development/racing		(1,738)	(12,292)
Finance costs - Leases	5	(57,950)	-
Finance costs - Bank		(22,761)	(39,003)
Total Expenses		(587,681)	(681,490)
Profit/(loss) before income tax		(172,641)	26,192
Income tax expense		-	-
Profit/(loss) for the year		(172,641)	26,192
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(172,641)	26,192

The accompanying notes form part of these financial statements.

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement of Financial Position

As At 31 October 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	72,514	52,956
Other assets	7	66,536	64,379
TOTAL CURRENT ASSETS		139,050	117,335
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,260,980	4,382,245
Intangible assets	9	2,568	3,388
Right-of-use assets	10	1,133,189	-
TOTAL NON-CURRENT ASSETS		5,396,737	4,385,633
TOTAL ASSETS		5,535,787	4,502,968
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	41,791	34,670
Borrowings	12	73,633	69,754
Other liabilities	13	18,687	30,792
Lease liabilities	10	10,641	-
TOTAL CURRENT LIABILITIES		144,752	135,216
NON-CURRENT LIABILITIES			
Borrowings	12	436,153	383,065
Lease liabilities	10	1,142,836	-
TOTAL NON-CURRENT LIABILITIES		1,578,989	383,065
TOTAL LIABILITIES		1,723,741	518,281
NET ASSETS		3,812,046	3,984,687
EQUITY			
Asset revaluation reserve		-	294,571
Retained earnings		3,812,046	3,690,116
TOTAL EQUITY		3,812,046	3,984,687

The accompanying notes form part of these financial statements.

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement of Changes in Equity For the Year Ended 31 October 2020

2020

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 November 2019	3,690,116	294,571	3,984,687
Profit/(loss) for the year	(172,641)	-	(172,641)
Transfer revaluation reserve to retained earnings	294,571	(294,571)	-
Balance at 31 October 2020	3,812,046	-	3,812,046

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

The accompanying notes form part of these financial statements.

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement of Cash Flows For the Year Ended 31 October 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	407,869	784,288
Payments to suppliers and employees	(320,892)	(561,860)
Interest received	81	380
Interest paid	(22,761)	(39,003)
Net cash provided by operating activities	64,297	183,805
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(48,932)	(83,220)
Net cash used in investing activities	(48,932)	(83,220)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	56,967	(99,138)
Payment of lease liabilities	(52,774)	-
Net cash used in financing activities	4,193	(99,138)
Net increase/(decrease) in cash and cash equivalents held	19,558	1,447
Cash and cash equivalents at beginning of year	52,956	51,509
Cash and cash equivalents at end of financial year	6 72,514	52,956

The accompanying notes form part of these financial statements.

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements For the Year Ended 31 October 2020

The financial statements cover Brindabella Ski Club Incorporated as an individual entity. Brindabella Ski Club Incorporated is a not-for-profit Association incorporated in Queensland under the *Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007)* ('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 conform to current year's presentation.

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Association has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 November 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 November 2019.

There have been no key changes to the Association's accounting policies and no impact on these financial statements from applying AASB 15 and AASB 1058.

Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 November 2019 and therefore the comparative information for the year ended 31 October 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

Notes to the Financial Statements

For the Year Ended 31 October 2020

2 Change in Accounting Policy

Leases - Adoption of AASB 16

Impact of adoption of AASB 16

The Association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases is recognised in the statement of profit or loss on a straight line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition, the Association has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Association's incremental borrowing rate at 1 November 2019;
- right-of-use assets at 1 November 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 31 October 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 31 October 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;
- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 November 2019 are the same value as the leased asset and liability on 31 October 2019.

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

For comparative year

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.

Notes to the Financial Statements

For the Year Ended 31 October 2020

3 Summary of Significant Accounting Policies

(b) 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.

For current year

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition is comprised of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements

For the Year Ended 31 October 2020

3 Summary of Significant Accounting Policies

(b) Leases

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(c) Revenue and other income

For comparative year

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.

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Notes to the Financial Statements

For the Year Ended 31 October 2020

3 Summary of Significant Accounting Policies

(c) Revenue and other income

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Subscription income

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

Interest income

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

Accommodation income

Accommodation revenues are recognised as services are performed, which for lodges is over the term of the customer's stay. Advance deposits for accommodation are recorded as customer deposits (i.e. contract liability) until services are provided to the customer. No changes to revenue recognition were identified upon adoption of AASB 15.

(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 2020

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%
Buildings	2%
Furniture and equipment	10-20%

The entity also has leases in Guthega that were being depreciated and have been depreciated to a written-down-value of zero.

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.

(h) Financial instruments

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

Notes to the Financial Statements

For the Year Ended 31 October 2020

3 Summary of Significant Accounting Policies

instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

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
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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 that 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
- debt investments measured at FVOCI

Notes to the Financial Statements

For the Year Ended 31 October 2020

3 Summary of Significant Accounting Policies

Financial assets

When determining whether the credit risk of a financial assets has increased significantly 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.

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
- the financial assets are more than 90 days past due.

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 a 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 lease liabilities.

Notes to the Financial Statements

For the Year Ended 31 October 2020

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 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

	2020	2019
	\$	\$
Tiobunga accommodation	45,878	163,560
Tiobunga accommodation refund	(8,192)	(24,156)
- Tiobunga accommodation revenue	37,686	139,404
Thredbo accommodation	75,811	201,307
Thredbo accommodation refund	(13,285)	(17,537)
- Thredbo accommodation revenue	62,526	183,770
Kyilla accommodation	29,505	101,460
Kyilla accommodation refund	(5,950)	(12,492)
- Kyilla accommodation revenue	23,555	88,968
 - Kyilla winter ski camp	 -	 15,524
- member subscriptions	245,677	262,673
- Interest income	81	380
- Other income	45,515	16,963
Total Revenue	415,040	707,682

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements For the Year Ended 31 October 2020

5 Expenses

	2020 \$	2019 \$
Thredbo/Waragun Lodge		
- Maintenance	27,520	16,058
- Telephones	1,913	3,087
- Utilities	14,694	19,644
- Lease charges	-	41,171
- Insurance	22,811	12,599
- Food and consumables	3,441	7,915
- Other expenses	407	1,217
Thredbo lodge total	70,786	101,691
Kyilla Lodge		
- Maintenance	12,899	13,671
- Telephones	600	892
- Utilities and MSU charges	24,487	30,872
- Lease charges	-	12,887
- Insurance	10,186	6,311
- Food and consumables	1,918	8,047
Kyilla lodge total	50,090	72,680
Tiobunga Lodge		
- Maintenance	7,797	64,905
- Telephones	1,579	1,484
- Utilities and MSU charges	35,397	43,462
- Lease charges	-	14,553
- Insurance	26,862	14,764
- Food and consumables	1,773	8,864
Tiobunga lodge total	73,408	148,032
Finance cost - leases		
- Tiobunga	12,278	-
- Kyilla	10,818	-
- Waragun	34,854	-
Finance cost total	57,950	-
Depreciation of right-of-use asset		
- Tiobunga	6,372	-
- Kyilla	5,618	-
- Waragun	18,421	-
Depreciation total	30,411	-

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements For the Year Ended 31 October 2020

6 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	<u>72,514</u>	<u>52,956</u>

7 Other Assets

CURRENT

Prepayments	<u>66,536</u>	<u>64,379</u>
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8 Property, plant and equipment

Buildings

At cost	5,201,277	5,186,449
Accumulated depreciation	<u>(1,519,845)</u>	<u>(1,398,090)</u>
Total buildings	<u>3,681,432</u>	<u>3,788,359</u>

Capital works in progress

At cost	-	5,666
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Furniture, fixtures and fittings

At cost	348,426	322,528
Accumulated depreciation	<u>(285,487)</u>	<u>(268,011)</u>
Total furniture, fixtures and fittings	<u>62,939</u>	<u>54,517</u>

Office equipment

At cost	8,885	8,886
Accumulated depreciation	<u>(6,541)</u>	<u>(5,327)</u>
Total office equipment	<u>2,344</u>	<u>3,559</u>

Thredbo leasehold land

At cost	762,515	762,515
Accumulated amortisation	<u>(259,251)</u>	<u>(244,001)</u>
Total thredbo leasehold land	<u>503,264</u>	<u>518,514</u>

Over snow vehicles

At cost	49,287	41,080
Accumulated depreciation	<u>(38,286)</u>	<u>(29,450)</u>
Total over snow vehicles	<u>11,001</u>	<u>11,630</u>

Total property, plant and equipment

<u>4,260,980</u>	<u>4,382,245</u>
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Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements

For the Year Ended 31 October 2020

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 & Buildings	Over snow vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
Year ended 31 October 2020							
Balance at the beginning of year	5,666	3,788,359	54,517	3,559	518,514	11,630	4,382,245
Additions	-	14,827	25,898	-	-	8,206	48,931
Disposals - Cost	(5,666)	-	-	-	-	-	(5,666)
Depreciation expense	-	(121,754)	(17,476)	(1,215)	(15,250)	(8,835)	(164,530)
Balance at the end of the year	-	3,681,432	62,939	2,344	503,264	11,001	4,260,980

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements

For the Year Ended 31 October 2020

8 Property, plant and equipment

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

	Capital Work in Progress	Buildings	Furniture, Fixtures and Fittings	Office Equipment	Leasehold Land & Buildings	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

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements For the Year Ended 31 October 2020

9 Intangible Assets

	2020 \$	2019 \$
Websites		
Cost	4,100	4,100
Accumulated amortisation	(1,532)	(712)
Net carrying value	2,568	3,388

(a) Movements in carrying amounts of intangible assets

	Websites \$	Total \$
Year ended 31 October 2020		
Balance at the beginning of the year	3,388	3,388
Amortisation	(820)	(820)
Closing value at 31 October 2020	2,568	2,568

10 Leases

The Association has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

Association as a lessee

The Association has leases over a range of assets including land and buildings, and motor vehicles.

The Association has chosen not to apply AASB 16 to leases of intangible assets.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

Brindabella Ski Club had a lease with NSW National Parks and Wildlife Service that was in place at 31st October 2019. The Tiobunga and Kyilla leases expire at 30 June 2028 with lease extensions every 10 years up to 30 June 2058. During the term of the leases Brindabella Ski Club has exclusive rights to the use of these facilities.

Brindabella Ski Club also has a lease with Kosciuszko Thredbo Pty Ltd. in place at 31st October 2019. The Thredbo lease expiring at 27 June 2057 with no lease extension. During the term of the lease Brindabella Ski Club has exclusive rights to the use of these facilities.

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements For the Year Ended 31 October 2020

10 Leases

Right-of-use assets

	Tiobunga	Kyilla	Waragun	Total
	\$	\$	\$	\$
Year ended 31 October 2020				
Balance at beginning of year	246,374	217,222	700,004	1,163,600
Depreciation	(6,372)	(5,618)	(18,421)	(30,411)
Balance at end of year	240,002	211,604	681,583	1,133,189

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	Current	Non current	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$
2020			
Lease liabilities - Waragun	6,783	686,768	693,551
Lease liabilities - Kyilla	1,985	213,348	215,333
Lease liabilities - Tiobunga	1,873	242,720	244,593
	10,641	1,142,836	1,153,477

11 Trade and other payables

	2020	2019
	\$	\$
Current		
Trade payables	42,033	13,700
GST payable	(4,824)	(3,203)
Accrued expenses	4,582	24,173
	41,791	34,670

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Notes to the Financial Statements For the Year Ended 31 October 2020

12 Borrowings

	2020	2019
	\$	\$
CURRENT		
Motor vehicle lease	7,955	8,554
Bank loans	65,678	61,200
	<u>73,633</u>	<u>69,754</u>
NON-CURRENT		
Bank loans	433,783	377,800
Motor vehicle lease	2,370	5,265
	<u>436,153</u>	<u>383,065</u>
Total borrowings	<u>509,786</u>	<u>452,819</u>

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.

13 Other liabilities

	2020	2019
	\$	\$
CURRENT		
Amounts received in advance	18,687	30,792

Brindabella Ski Club Incorporated

A.B.N 24 978 549 949

Statement by Members of the Committee

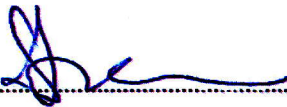
In the opinion of the committee the financial report as set out on pages 2 to 21:

1. Present fairly the financial position of Brindabella Ski Club Incorporated as at 31 October 2020 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:

JAMES LAWRENCE

President



Assistant Treasurer



Russell Kerrison

Dated

15-3-2021

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 2020, 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 2020 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.



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.

Vincent's Audit Pty Ltd

**Phillip Miller CA
Director**

Canberra

Date: 15 March 2021