

FALLS CREEK RACE CLUB INCORPORATED
(A0005699V)

ANNUAL REPORT
2007

REPORT OF THE MANAGEMENT COMMITTEE For the year ended 31 December 2007

The Falls Creek Race Club provides an environment for children, juniors and senior snow sport enthusiasts to hone their skills, become 'snow fit' and enjoy the company of like-minded people endeavouring to increase their skill level.

The 2007 year has been a successful one for the Club in many ways.

Once again, we were treated to sight of so many race club members on the mountain in their blue uniforms, ranging from the very small to the very big. Not only did our members enjoy considerable success in racing both at all levels, but the financial performance of the Club was greatly improved.

Training Programs

The club ran a number of training programs during the year.

FIS Alpine Racing Team - there were both full time and part time athletes doing the FIS training and races during the year. Athletes competed in a number of races, which included the Mt Hotham Ski and Snowboard Australia series and the Thredbo FIS series.

Child 1 and Child 2 Alpine Racing Team - the Child 1 (under 12) and Child 2 (under 14) junior skiers competed in a number of races. Many competed at the Victorian Children's Championships. The giant slalom was held at Falls Creek and the slalom was held at Mt Buller. Athletes from Falls Creek Race Club achieved some excellent results.

Child 0 Racing Team - this program is the foundation of the children race team. These children competed in a number of races throughout the season although this year, they were not eligible for the Victorian Children's Championships and Australian Children's Championships.

Development Squad - this squad is designed for children aged 7-10 years old. This squad (known as the Devo's) again enjoyed a strong level of participation and a successful year.

Snowboard - once again, a snowboarding program was provided, with athletes competing in the Falls Creek Interschools Grand Prix series, the Rossignol Cup and Subaru Victorian Interschools.

Children and athletes from all squads also competed in the Subaru Victorian Interschools held at Mt Buller and National Interschools Championships in September of 2007.

Falls Creek hosted the National Interschools in what were mostly ideal conditions, save for the day of the Moguls competition. Falls Creek Race Club members competed for their schools and were conspicuous on the podium.

Falls Creek Ski Lifts and the Race Department provided an excellent venue for all racing events, and did an outstanding job at the National Interschools, hosting so many events over three days.

Financial Performance

The Club's accounting and financial reporting system has been changed slightly from previous years in an attempt to provide more detailed information to members on the financial performance and financial position of the Club.

The Club recorded a profit for the year of \$10,995, compared to \$4,332 in the previous year (on a comparable basis). The improvement was principally a result of increased membership, a modest increase in membership and administration fees together with tighter control over trading

activities and expenses. Expenses were reduced, principally as a result of the Club arranging for Falls Creek Ski Lifts to host its website – a saving of over \$5,000.

Cash flow from operating activities for the year totalled \$17,436, compared to \$4,843 in the previous year. The strong result principally reflected the increase in earnings plus positive working capital movements, with the Club being able to reduce uniform stocks during the year.

The strong cash flows allowed the Club to spend \$10,522 on capital expenditure items during the year, compared to \$4,457 in the previous year. Key items purchased during the year were new timing equipment used for race training, new radios for on mountain communication and new software for videoing of races and for race training.

The Club's cash reserves increased during the year from \$11,734 to \$18,650. These reserves provide the Club with flexibility in the future in relation to any major expenditure initiatives that may be contemplated by the Club.

Governance

The process for incorporation of the Falls Creek Race Club Incorporated was completed during the year, and the new rules were adopted by the membership and registered with Consumer Affairs. Incorporation affords the Club members considerable legal protection and provides an updated governance structure in line with many other clubs and incorporated associations.

Fund Raising

The Auction Night was a great success, raising gross proceeds of \$15,311. Members of the Club donated generously-both in their contribution of goods for the Auction Night, and in their generosity in purchasing what was on offer.

The night was a lively one, with a fantastic turn up from the members and their friends. There was also some additional entertainment provided by Tim, an instructor with the Ski School.

Falls Creek Ski Lifts made a donation of \$10,000 during the year, matching its donation of the previous year. In the future, however, Falls Creek Ski Lifts has indicated that it prefers to provide ongoing financial support to the Club through a sponsorship arrangement, which is considered more appropriate. Steps have been taken by the Committee to put this in place, with the logo of Falls Creek Ski Lifts to be a part of the new uniform.

Falls Creek Ski Lifts continues to be very supportive of the Club and the Committee wishes to continue to work closely with Falls Creek Ski Lifts in 2008 and the future.

The Club would like to take the opportunity of securing further sponsorships during 2008.

Administration

Membership of the Committee during the year was as follows:

Steven Lee	President	reappointed 14 March 2007
Alan Easton	Vice President	ceased 14 March 2007
Andrew Watson	Vice President	appointed 14 March 2007
Bruce Golightly	Member	reappointed 14 March 2007 ceased as Treasurer on 14 March 2007
John Morrison	Treasurer	appointed 14 March 2007
Craig Stevenson	Secretary	ceased 14 March 2007
Andrew Whittle	Secretary	appointed 14 March, ceased 9 July 2007
Miranda Milne	Secretary	appointed 16 July 2007
Neroli Ellis	Member	reappointed 14 March 2007

Noelene Lee again performed her invaluable role as administration officer, not only dealing with matters of administration, but she continued as a pivotal part of the organisation in liaising with parents and in ensuring that the children understood their obligations as members of the Club and as skiers, both on the mountain and inside the Club.

During the year, the Committee considered that the Club should no longer buy uniform in quantity and then on sell them to Club members. The purchase of uniforms by the Club had been a considerable financial burden to the Club in the past and it was decided that members should order and pay for new uniforms directly from the supplier. The Club committed to buying a small quantity of uniforms from the supplier in order to have some stock for new members in 2008.

Ed Martin was Program Director for the year. Ed resigned from his position with Falls Creek Ski Lifts and as Program Director of the Race Club in September 2007. The athletes of the Falls Creek Race Club and indeed the whole membership were appreciative of Ed's efforts over the years during which he was Program Director. As he so often said "the athletes come first".

Ed encouraged the club to invest in sophisticated timing equipment to enhance training for the athletes. This also required expenditure on behalf of the athletes themselves, namely purchase of chronometers. The Club wishes Ed well for the future.

The Committee of the Falls Creek Race Club Incorporated

FALLS CREEK RACE CLUB INCORPORATED - FINANCIAL REPORT

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2007

	NOTE	2007 \$	2006 \$
Revenue			
Donations Received		10,066	12,148
Interest Income		673	495
Membership Fees - Admin		5,520	2,945
Membership Fees - Subscriptions		7,100	4,835
Membership Fees - Work Levy		2,550	4,770
Sales - Accommodation	2	12,585	5,558
Sales - Auction	2	15,311	14,924
Sales - Away Race Lift & Other	2	1,750	2,434
Sales - Bib Collection	2	600	400
Sales - Catering	2	5,115	3,172
Sales - disability insurance	2	0	315
Sales - Race entries	2	8,920	5,533
Sales - Racer Registration	2	4,554	5,170
Sales - Second Hand	2	4,435	920
Sales - training equipment	2	4,697	0
Sales - Uniform	2	9,060	10,110
Total revenue		92,936	73,729
Cost of Goods Sold			
COS - Accommodation	2	14,343	6,660
COS - Auction	2	350	1,500
COS - Away Race Lift & Other	2	1,470	2,084
COS - Bib Deposit	2	800	400
COS - Catering	2	4,753	1,926
COS - disability insurance	2	0	315
COS - Race entries	2	8,700	3,186
COS - Racer Registration	2	4,554	5,319
COS - Second hand	2	2,516	1,735
COS - training equipment	2	4,697	0
COS - Uniforms	2	8,790	10,730
Total COGS		50,973	33,855
Gross profit		41,963	39,874
Expenses			
Administration Wages		3,150	3,150
Advertising		0	406
Bank Charges		1,386	1,302
Catering & Cleaning Supplies		1,151	2,620
Coaches Meetings		875	1,186
Coaches Travel		2,975	1,344
Coaching Expenses		3,895	3,792
Computers		273	88
Depreciation		5,321	4,239
Electricity		271	685
Freight & Deliveries		62	146
Insurance		2,871	3,245
Motor Vehicle		1,396	625
Office		469	1,162
Other		323	464
Postage		50	53
Rental		125	0
Repairs & Maintenance		307	478
Telephone		3,389	2,741
Tuning & Waxes		2,679	2,345
Website		0	5,171
Total Expenses		30,968	35,242
Net profit		10,995	4,632

The accompanying notes form part of these financial statements

FALLS CREEK RACE CLUB INCORPORATED - FINANCIAL REPORT

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER

	NOTE	2007 \$	2006 \$
Current assets			
Cash	3	18,650	11,734
Receivables		1,223	1,290
Inventories	4	<u>16,834</u>	<u>20,838</u>
Total current assets		<u>36,708</u>	<u>33,862</u>
Non-current assets			
Communications equipment	5	6,594	5,703
Computer equipment	5	1,703	2,238
Furniture & fittings	5	2,363	1,882
Training equipment	5	5,907	1,315
Video equipment	5	<u>8,421</u>	<u>8,651</u>
Total non-current assets		<u>24,988</u>	<u>19,788</u>
Total assets		<u>61,697</u>	<u>53,650</u>
Current liabilities			
Payables		2,751	5,701
Interest bearing liabilities	6	<u>-</u>	<u>-</u>
Total current liabilities		<u>2,751</u>	<u>5,701</u>
Total liabilities		<u>2,751</u>	<u>5,701</u>
Net assets		<u>58,945</u>	<u>47,949</u>
Members' funds			
Opening balance		47,949	43,317
Net income		<u>10,995</u>	<u>4,632</u>
Total members' funds		<u>58,945</u>	<u>47,949</u>

The accompanying notes form part of these financial statements

FALLS CREEK RACE CLUB INCORPORATED - FINANCIAL REPORT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2007

	NOTE	2007 \$	2006 \$
Operating activities			
Net income		10,995	4,632
<i>Adjustments:</i>			
Depreciation		5,320	4,239
Accounts receivable		67	4,408
Stock - training equipment		(671)	0
Stock - uniforms		4,675	(10,869)
Accounts payable		(2,950)	2,433
Net cash from operating activities		17,436	4,843
Investing activities			
Communications equipment		(3,105)	(914)
Computer equipment		0	(1,975)
Furniture & fittings		(927)	(715)
Video equipment		(1,320)	(304)
Training equipment		(5,170)	(549)
Net cash from investing activities		(10,522)	(4,457)
Net increase/(decrease) in cash held		6,914	386
Cash at end of period	3	18,650	11,734

The accompanying notes form part of these financial statements

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

1. GENERAL

The Falls Creek Race Club Incorporated (A0005699V) (Club) is registered in Victoria under the Associations Incorporations Act 1981. It does not own any subsidiary companies or entities and does not act as trustee for any entity. Significant accounting policies that have been adopted in the preparation of this financial report are as follows:

(a) Basis of preparation

This financial report is a special purpose financial report and has been prepared in accordance the Associations Incorporations Act 1981 and generally in accordance with Australian Accounting Standards.

It has been prepared on the basis of historical cost and does not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless stated otherwise. Financial results for the previous year have been restated so they are on a comparable basis to that presented in this financial report.

(b) Revenue

Revenue is recognised when received and receivable under the accruals basis. Membership subscriptions are levied for the period 1 January to 31 December each year and recognised on receipt. Membership administration fees are levied on members who participate in the training program each ski season and are recognised on entry into the training program. Membership work levies are levied on families who have children participating in the training program each season and are recognised as revenue in that year. In the event that certain work is undertaken by each family during the season membership work levies are either refunded or carried over to the following year (but not recognised as deferred revenue). Donations or sponsorship income are recognised on receipt. Revenue from trading or other activities is recognised on receipt.

(c) Receivables

Receivables are carried at nominal amounts due less any provision for doubtful debts. Provision for doubtful debts is made when collection of the full nominal amount is no longer probable.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of sales are allocated on the basis of average costs.

(e) Property, plant and equipment

Property, plant and equipment are brought to account at cost, less where applicable, any accumulated depreciation. The depreciation amount of all fixed assets, excluding freehold land and certain other assets, is depreciated over the useful life of each asset commencing from the time the asset is held ready for use.

(f) Income tax

The Club is a non-profit sporting club and is exempt from income tax.

(g) Goods and services tax

The Club is a non-profit sporting club and is not registered and is not required to be registered for GST. Therefore the Club does not include GST in the price of its sales and does not claim GST credits for GST in the price of items it buys in the course of its activities.

FALLS CREEK RACE CLUB INCORPORATED - FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

	2007	2006
	\$	\$
2. PROFIT FROM ORDINARY ACTIVITIES		
Gross profit from trading activities		
Sales - Accommodation	12,585	5,558
COS - Accommodation	<u>(14,343)</u>	<u>(6,660)</u>
Gross profit	(1,758)	(1,102)
Sales - Auction	15,311	14,924
COS - Auction	<u>(350)</u>	<u>(1,500)</u>
Gross profit	14,961	13,424
Sales - Away Race Lift & Other	1,750	2,434
COS - Away Race Lift & Other	<u>(1,470)</u>	<u>(2,084)</u>
Gross profit	280	350
Sales - Bib Collection	600	400
COS - Bib Deposit	<u>(800)</u>	<u>(400)</u>
Gross profit	(200)	0
Sales - Catering	5,115	3,172
COS - Catering	<u>(4,753)</u>	<u>(1,926)</u>
Gross profit/(loss)	362	1,246
Sales - disability insurance	0	315
COS - disability insurance	<u>0</u>	<u>(315)</u>
Gross profit/(loss)	0	0
Sales - Race entries	8,920	5,533
COS - Race entries	<u>(8,700)</u>	<u>(3,186)</u>
Gross profit/(loss)	220	2,347
Sales - Racer Registration	4,554	5,170
COS - Racer Registration	<u>(4,554)</u>	<u>(5,319)</u>
Gross profit/(loss)	0	(149)
Sales - Second Hand	4,435	920
COS - Second hand	<u>(2,516)</u>	<u>(1,735)</u>
Gross profit/(loss)	1,919	(815)
Sales - training equipment	4,697	0
COS - training equipment	<u>(4,697)</u>	<u>0</u>
Gross profit/(loss)	0	0
Sales - Uniform	9,060	10,110
COS - Uniforms	<u>(8,790)</u>	<u>(10,730)</u>
Gross profit/(loss)	270	(620)
Total trading revenue	67,027	48,536
Cost of sales	<u>(50,973)</u>	<u>(33,855)</u>
Total gross profit from trading activities	<u>16,054</u>	<u>14,681</u>
3. CASH		
Cash at bank	2,982	1,736
Cash on deposit	15,669	9,996
Cash on hand	<u>-</u>	<u>2</u>
	<u>18,650</u>	<u>11,734</u>

Note: Cash includes amounts received in respect of work levies paid by members which have been carried over to the following year.

FALLS CREEK RACE CLUB INCORPORATED - FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
4. INVENTORIES		
Training equipment	671	-
Uniforms	<u>16,163</u>	<u>20,838</u>
	<u>16,834</u>	<u>20,838</u>
5. PLANT AND EQUIPMENT		
Communications equipment		
At cost/valuation	12,619	9,514
Accumulated depreciation	<u>(6,025)</u>	<u>(3,811)</u>
	6,594	5,703
Computer equipment		
At cost/valuation	2,675	2,675
Accumulated depreciation	<u>(973)</u>	<u>(438)</u>
	1,703	2,238
Furniture & fittings		
At cost/valuation	4,262	3,335
Accumulated depreciation	<u>(1,899)</u>	<u>(1,453)</u>
	2,363	1,882
Training equipment		
At cost/valuation	7,719	2,549
Accumulated depreciation	<u>(1,811)</u>	<u>(1,234)</u>
	5,907	1,315
Video equipment		
At cost/valuation	13,124	11,804
Accumulated depreciation	<u>(4,703)</u>	<u>(3,153)</u>
	8,421	8,651
Total plant and equipment	<u>24,988</u>	<u>19,788</u>

6. MORTGAGES, CHARGES AND SECURITIES

There are no mortgages, charges or securities affecting the property of the Club

7. TRUSTS

The Club is not a trustee of any trust, nor is there any trust into which funds or assets of the Club have been placed.

8. RELATED PARTIES

Management Committee

The names of each of the members of the Management Committee who have held office during the year are:

Steven Lee	President	reappointed 14 March 2007
Alan Easton	Vice President	ceased 14 March 2007
Andrew Watson	Vice President	appointed 14 March 2007
Bruce Golightly	Member	reappointed 14 March 2007
		ceased as Treasurer on 14 March 2007
John Morrison	Treasurer	appointed 14 March 2007
Craig Stevens	Secretary	ceased 14 March 2007
Andrew Whittle	Secretary	appointed 14 March 2007, ceased 9 July 2007
Mandy Milne	Secretary	appointed 16 July 2007
Neroli Ellis	Member	reappointed 14 March 2007

No member of the Committee has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Club with a member of the Committee or an entity in which the member has a substantial financial interest.

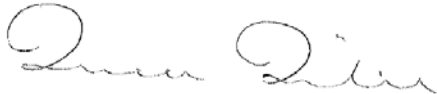
FALLS CREEK RACE CLUB INCORPORATED - FINANCIAL REPORT

DECLARATION BY THE COMMITTEE

The Committee of the Falls Creek Race Club Incorporated declares that the financial statements and notes accompanying the financial statements:

- (i) generally comply with applicable Accounting Standards;
- (ii) give a true and fair view of the Club's financial position as at 31 December 2007 and of its performance, as represented by the results of its operations and cash flows for the year ended on that date;
- (iii) are in accordance with the Associations Incorporation Act 1981; and
- (iv) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Committee dated 18 April 2008.



Miranda Milne
Public Officer and Secretary of the Falls Creek Race Club Incorporated

Membership List - 2007

	Surname	Family members		Surname	Family members
1	Ashby	Three	36	Martin	Single
2	Athanasiadis	Single	37	Marwood	Single
3	Batt	Five	38	McComb	Two
4	Blight	Four	39	McIntosh	Four
5	Bowers	Two	40	McKendrick	Two
6	Brooke	Single	41	McMahon	Four
7	Brown	Single	42	Milne	Single
8	Callahan	Single	43	Montgomery	Three
9	Cameron	Three	44	Morrison	Six
10	Cherny	Two	45	Pay	Single
11	Cody	Two	46	Payne	Four
12	Cook	Single	47	Perna	Five
13	Cox	Four	48	Pinto	Three
14	Dinham	Single	49	Plant	Two
15	Easton	Four	50	Poon	Four
16	Ellis	Five	51	Redford-Hunt	Single
17	Etherton	Three	52	Saisch	Four
18	Evett	Single	53	Schryver	Single
19	Ford	Two	54	Scott	Four
20	Frawley	Four	55	Scott - Sylvia	Single
21	Gavin	Single	56	Severin	Three
22	Gibson	Single	57	Small	Single
23	Golightly	Five	58	Stephens	Four
24	Hall	Single	59	Stevenson	Four
25	Horrigan	Single	60	Teychenne	Single
26	Hughes-Scott	Two	61	Tobler	Single
27	Johnson	Four	62	Vile	Single
28	Johnstone	Five	63	Ward	Two
29	Judd G	Three	64	Watson	Two
30	King	Five	65	Wenk	Six
31	Kirton	Three	66	Whittle	Three
32	Kitchin	Three	67	Wilson	Three
33	Lee	Five	68	Wong	Four
34	Low	Single	69	Wooley	Single
35	Madsen	Five		Total	185