KELLY+PARTNERS
CHARTERED ACCOUNTANTS

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

A B N 48 302 491 360

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28th FEBRUARY 2022

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

A B N 48 302 491 360

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HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

A B N 48 302 491 360

DIRECTORS' REPORT

Your directors present this report on the Co-operative for the financial year ended 28 February 2022.

Directors

The names of the directors in office at the date of this report are:

A Brnabic
P Byrne
J Fanous
J Juniper
D Longhurst
G Wakeman
L S Winnacott

Principal activities

The principal activity of the Co-operative during the financial year was that of a co-operative ski club. No significant change in the nature of these activities occurred during the year.

Operating results

The Co-operative's loss for the year ended 28 February 2022 amounted to $12,225.

Dividends

No dividends were paid or recommended during the financial year as the payment of dividends is prohibited by the rules of the Co-operative.

Financial position

The Co-operative had positive operating cash flow during the year ended 28 February 2022. This was, in part, due to the receipt of the NSW COVID Grant, in support of the travel restrictions in force during the financial year. The club has continued to maintain and improve the ski lodge.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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DIRECTORS' REPORT

After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in subsequent financial years.

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

: A Brnabic
: J Bussing (Resigned 21st Aug 2022)
: P Byrne
: J Fanous
: J Juniper
: D Longhurst
: G Wakeman
: L S Winnacott

Meetings of directors

During the financial year 5 meetings of directors and committees were held. Attendances were:

Directors	Directors' meetings	
	Meetings entitled to attend	Meetings attended
A Brnabic	5	5
J Bussing	5	3
P Byrne	5	5
J Fanous	5	5
J Juniper	5	5
D Longhurst	5	5
G Wakeman	5	5
L S Winnacott	5	5

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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DIRECTORS' REPORT

Indemnifying officer or auditor

The Co-operative has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Co-operative:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings.

Proceedings on behalf of Co-operative

No person has applied for a leave of Court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or part of those proceedings.

The Co-operative was not party to any such proceedings during the year.

Directors' benefits

No director of the Co-operative has received or become entitled to receive, during or since the financial year, a benefit by reason of a contract made by the Co-operative with the director or with a firm of which the director is a member, or with a Co-operative in which the director has a substantial financial interest.

Signed in accordance with a resolution of the Board of Directors.

.....DIRECTOR
LAWRENCE WINNACOTT

.....DIRECTOR
GRAHAM WAKEMAN

Dated 15/8/2023

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Report on the 28 February 2022 Financial Report

Conclusion

We have reviewed the 2022 financial report of Highway Alpine Club Co-operative Limited which comprises the statement of financial position as at the 28 February 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information, and the director's declaration. Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying 2022 financial report of Highway Alpine Club Co-operative Limited has not been prepared, in all material respects, in accordance with *Co-operatives(Adoption of National Law) Act 2012*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Accountant of the Entity. Our responsibilities are further described in the Accountant's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Highway Alpine Club Co-operative Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our review of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of Management for the Financial Report

Management of the Highway Alpine Club Co-operative Limited are responsible for the preparation of the 2022 financial report and for such internal control management determine is necessary to enable the preparation of the 2022 financial report that is free from material misstatement, whether due to fraud or error.

Accountant's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the financial report has not been prepared, in all material respects in accordance with *Co-operatives (Adoption of National Law) Act 2012*.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

David Duff
Dated

10 Bundaroo Street, BOWRAL, NSW

The income statement is to be read in conjunction with the notes to the financial accounts numbered 1 to 13.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2022

		2022 $	2021 $
Revenue from ordinary activities	2	96,082	59,348
Administration expenses		(108,307)	(102,770)
Profit/(loss) before income tax		(12,225)	(43,422)
Income tax expense		-	-
Profit attributable to members of the entity		(12,225)	(43,422)

The income statement is to be read in conjunction with the notes to the financial accounts numbered 1 to 13.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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BALANCE SHEET AS AT 28 FEBRUARY 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	3	17,246	5,448
Trade and other receivables	4	62,523	63,634
Total current assets		79,769	69,082
Non-current assets			
Property, plant and equipment	5	250,911	269,219
Total non-current assets		250,911	269,219
Total assets		330,680	338,301
Liabilities			
Current liabilities			
Trade and other payables	6	166,074	127,617
Short term borrowings	7	-	38,248
Total current liabilities		166,074	165,865
Non-current liabilities			
Long term borrowings	8	87,221	87,751
Long term provisions	9	39,254	35,829
Share capital and share premium	10	327,520	326,020
Less: Uncalled capital		(3,102)	(3,102)
Total non- current liabilities		450,893	446,498
Total liabilities		616,967	612,363
Shareholder net equity		(286,287)	(274,062)
Represented by:			
Capital reserve		47,617	47,617
Retained earnings		(333,904)	(321,679)
Total equity		(286,287)	(274,062)

The balance sheet is to be read in conjunction with the notes to the financial accounts numbered 1 to 13.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2022

	Share capital $	Retained earnings $	Capital reserve $	Share premium reserve $	Total $
Balance at 28 February 2015	317,460	(281,258)	47,617	24,000	107,819
Shares issued during the year	8,800			1,000	9,800
Shares resigned during the year	(9,240)				(9,240)
Profit attributable to members	-	(18,381)	-	-	(18,381)
Balance at 28 February 2016	317,020	(299,639)	47,617	25,000	89,998
Shares issued during the year					0
Shares resigned during the year					0
(Loss) attributable to members	-	(5,689)	-	-	(5,689)
Balance at 28 February 2017	317,020	(305,328)	47,617	25,000	84,309
Shares issued during the year	4,400				4,400
Shares resigned during the year	(13,200)				(13,200)
(Loss) attributable to members	-	2,397	-	-	2,397
Balance at 28 February 2018	308,220	(302,931)	47,617	25,000	77,906
Shares issued during the year	4,400			500	4,900
Shares resigned during the year	(8,800)			(500)	(9,300)
Profit attributable to members	-	14,015	-	-	14,015
Balance at 28 February 2019	303,820	(288,916)	47,617	25,000	87,521
Shares issued during the year					
Shares resigned during the year					
Profit attributable to members	-	10,659	-	-	10,659
Balance at 29 February 2020	303,820	(278,257)	47,617	25,000	98,180
Shares issued during the year	4,400			500	4,900
Shares resigned during the year	(7,700)				(7,700)
(Loss) attributable to members		(43,422)			(43,422)
Balance at 28 February 2021	300,520	(321,679)	47,617	25,500	51,958
Shares issued during the year	13,200			1,500	14,700
Shares resigned during the year	(13.200)				(13,200)
(Loss) attributable to members		(12,225)			(12,225)
Balance at 28 February 2022	300,520	(333,874)	47,617	27,000	41,233

The cash flow statement is to be read in conjunction with the notes to the financial accounts numbered 1 to 13.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Cash receipts in the course of operations		131,470	70,422
Payments to suppliers		(87,999)	(89,425)
Net cash provided by operating activities		43,471	(19,003)
Cash flows from investing activities			
Purchase of property, plant and equipment			
Net cash (used in) investing activities			
Cash flows from financing activities			
Capital, subscriptions, application money and premiums received		14,700	5,000
Repayment of share capital		(8,125)	-
Proceeds/Repayment of borrowings		-	(1,935)
Net cash provided by/(used in) financing activities		6,575	3,065
Net increase (decrease) in cash held		50,046	(15,938)
Cash at the beginning of the financial year		(32,800)	(16,862)
Cash at the end of the financial year	11	17,246	(32,800)

The cash flow statement is to be read in conjunction with the notes to the financial accounts numbered 1 to 13.

1. Statement of significant accounting policies

This financial report is a special purpose financial report prepared for use by directors and members of the co-operative. The directors have determined that the co-operative is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 101	Presentation of financial statements
AASB 107	Cash flow statements
AASB 108	Accounting policies, changes in accounting estimates and errors
AASB 1048	Interpretation and application of standards

No other Australian Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report is prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the presentation of this report:

Income tax

The Co-operative is not subject to income tax.

Property, plant and equipment

Property, plant and equipment are included at cost or valuation, the method of which is described. All items in property, plant and equipment are depreciated over their estimated useful lives commencing from the time the asset is held ready for use. No account has been taken for potential capital gains tax on assets acquired after the introduction of capital gains tax.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

		2022 $	2021 $
2.	**Income statement**		
a)	***Revenue***		
	Accommodation charge	34,327	52,748
	NSW COVID Grant	39,000	
	Other revenue	22,755	6,600
		96,082	59,348
b)	***Expenses***		
	Depreciation and amortization	18,308	18,299
	Operating lease rentals	-	-
	Auditors remuneration - audit services	3,740	2,420
	Finance cost	109	146
		22,157	20,865
3.	**Cash and cash equivalents**		
	Cash at bank	17,246	5,448
4.	**Trade and other receivables**		
	Current		
	Annual subscription in arrears	61,756	62,838
	Ski locker rent in arrears	767	796
		62,53	63,634
5.	**Property, plant and equipment**		
	Land and buildings		
	Home unit at Nelson Bay - at directors' valuation	160,000	160,000
	Lodge building - at cost	524,708	524,708
	Less accumulated depreciation	(451,480)	(436,834)
		73,228	87,874

		2022 $	2021 $
5.	**Property, plant and equipment (continued)**		
	Land and buildings (continued)		
	Capitalized leasing costs- at cost	53,954	53,954
	Less accumulated amortisation	(38,654)	(35,594)
		15,300	18,360
	Furniture and fittings		
	Furniture and fittings (lodge) - at cost	96,720	96,720
	Less accumulated depreciation	(94,643)	(94,142)
		2,077	2,578
	Furniture and fittings (Nelson Bay) - at cost	27,122	27,122
	Less accumulated depreciation	(26,816)	(26,714)
		306	408
	Total property, plant and equipment	250,911	269,219
6.	**Trade and other payables**		
	Current		
	Annual subscription in advance	1,789	789
	Associates' deposits (refundable)	-	-
	Ski locker deposits (refundable)	-	-
	Working party credits	160,485	121,898
	Other creditors	3,740	4,840
	Ski locker subscriptions in advance	60	90
	Capital subscription in advance	-	-
		166,074	127,617
7.	**Short term borrowings**		
	Current		
	Bank overdraft	-	38,248

The National Bank of Australia Ltd has provided overdraft facility to the amount of $128,000 secured by registered first mortgage over Thurlow Lodge Strata Title together with registered mortgage debenture over all of the assets of the Co-operative.

		2022 $	2021 $
8.	**Long term borrowings**		
	Non-current		
	Members' loans	87,221	87,751
9.	**Long term provisions**		
	Non-current		
	Provision for site restoration	32,000	32,000
	Provision for return of capital on forfeited shares	7,254	3,829
		39,254	35,829
10.	**Issued capital**		
	150,260 (2021: 150,260) fully paid ordinary shares of $2 each	300,520	300,520
11.	**Cashflow information**		
	Reconciliation of cash		
	Cast at bank	17,246	5,448
	Bank overdraft	-	(38,248)
		17,246	(32,800)

12. Contingent liabilities and assets

The directors are not aware of any contingent liabilities that will become payable as at the end of the financial year.

13. Events after the balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in subsequent financial years.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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DIRECTORS' DECLARATION

The directors of the Co-operative have determined that the Co-operative is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in note 1 to the financial statements.

In the opinion of the directors of the Co-operative:

1. the financial statements and notes attaching present fairly the Co-operative's financial position at 28 February 2022 and its performance for the year ended on that date in accordance with the accounting policies described in note 1 to the financial statements; and

2. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

.....DIRECTOR
LAWRENCE WINNACOTT

.....DIRECTOR
GRAHAM WAKEMAN

Dated: 15/8/2023

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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DETAILED INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2022

	2022 $	2021 $
Income		
Accommodation charge		
- ski lodge winter	12,820	38,045
- ski lodge summer	13,379	7,941
- ski lodge Nelson Bay	8,128	6,762
Annual subscriptions	22,103	6,345
Application fees	75	100
Ski lockers rent	570	90
Interest Received	7	65
NSW CoVID Grants	39,000	
Total income	96,082	59,348
Expenditure		
Accommodation discounts	3,762	4,200
Administration costs	3,278	2,600
Advertising	-	-
Agents commission - Nelson bay	-	-
Annual community service charges	17,382	17,224
Audit fee	3,740	2,420
Bank fees, excl interest	1,394	1,394
Cleaning - Nelson bay	-	-
Electricity - ski lodge	8,296	10,197
Electricity - Nelson Bay	661	639
Heating gas	92	93
Home unit levies	6,143	4,448
Home unit rates	2,123	2,081
Insurance - ski lodge	19,531	31,720
Insurance - Nelson Bay	-	420
Interest paid	109	146
Lease rentals	15,867	-
Postage and stationery	-	-
Repairs and maintenance - ski lodge	7,234	6,197
Repairs and maintenance - Nelson Bay	86	-
Subscriptions	300	275
Telephone - ski lodge	-	420
Telephone - Nelson Bay	-	-
Total expenses	89,998	84,471
Profit (Loss) before depreciation	6,084	(25,123)

These disclosures should be read in conjunction with the attached Compilation Report of Kelly Partners (Southern Highlands) Pty Limited.

HIGHWAY ALPINE CLUB CO-OPERATIVE LIMITED

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DETAILED INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2022

	2022 $	2021 $
Depreciation - building	17,706	17,706
Depreciation - furniture ski lodge	501	491
Depreciation - furniture Nelson Bay	102	102
Amortisation - capitalised leasing costs	-	-
Total depreciation	18,309	18,299
(Loss) after depreciation	(12,225)	(43,422)

MEMBERS' CREDITS AS AT 28 FEBRUARY 2022

(Not forming part of audited financial statements)

Accommodation credit points		**Points**	**Value** **$**
Unused points at beginning of year (01/03/2021)		60,949	121,898
Add:	Points issued for working parties	-	-
	Points issued on loans from members	1,881	3,762
	Points issued on Accommodation Refunds	21,264	42,528
	Pointed issued on loan converted	-	-
Total Points Granted		23,145	46,290
Less:	Points redeemed as Accommodation Discounts	(1,381)	(2,762)
	Points redeemed on Members Subscriptions	(1,989)	(3,978)
	Points redeemed on Ski Lockers	(150)	(300)
Total Points Redeemed		(3,851)	(7,703)
Balance of unused points at end of year		80,243	160,485

These disclosures should be read in conjunction with the attached Compilation Report of Kelly Partners (Southern Highlands) Pty Limited.