Acknowledgements:
Photo Credit: Falls Creek Alpine Resort Management Board

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17 October 2016

The Hon. Lily D’Ambrosio MP
Minister for Energy, Environment and Climate Change
PO Box 500
EAST MELBOURNE VIC 8002

Dear Minister,

ALPINE RESORTS CO-ORDINATING COUNCIL 2015–16 ANNUAL REPORT


The attached 2015-16 Annual Report highlights the key activities and programs undertaken by Council during the past year and outlines the progress made on the tasks and projects outlined in our current Corporate Plan.

I trust that you find the enclosed report informative and useful.

Yours sincerely

Bill Jaboor
Chairperson
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In accordance with the relevant provisions of the Financial Management Act 1994, this report covers the period 1 July 2015 to 30 June 2016.
Chairperson's Report

Throughout the 2015/16 financial year, the Council continued to co-ordinate the implementation and delivery of key actions within the Victorian Alpine Resorts Strategic Plan 2012 (2012 Plan).

The 58 actions within the 2012 Plan have been allocated to a range of industry, agency, Alpine Resort Management Boards (ARMB) and department partners and it is pleasing to note that the majority of these are either complete or are on track for completion within the timeframes of the 2012 Plan.

One of the Actions (Nos 21), relating to progressing climate adaptation planning, has and will form the focus of the Council’s work over the remainder of the life of the 2012 Plan. To this end, Council is working with the department to ensure alignment of alpine adaptation planning is within the parameters of the new Victorian Climate Change Framework.

In this regard, the ARMBs have continued to show initiative in developing approaches to climate adaptation, especially through the expansion of resort focussed ‘green season’ activity. This is reflected in an increasing trend of 3.0% growth per annum in green season visitor numbers to the resorts over the summer period.

Towards the end of 2015 the government announced the proposed amalgamation of the Mt Baw Baw ARMB and the Lake Mountain ARMB. At the same time, new board member appointments were made to all ARMBs and the Council, resulting in a change of member composition for the Council part way through the financial year. In addition, a cabinet reshuffle early in 2016 resulted in a change of portfolio minister from the Hon Lisa Neville to the Hon Lily D’Ambrosio. The subsequent ‘machinery of government’ changes also saw an expanded role for the department in taking on the new energy portfolio.

Against this back drop of change, the Council has continued its leading work in providing research to assist industry’s forward planning with commissioning the University of Tasmania’s report on the potential impacts of climate change at resort level and a new industry economic significance study, facilitating the finalisation of the draft master plans for Falls Creek and Mt Hotham ARMBs, the re-branding and relaunch of the co-operative ‘Snow Victoria’ winter marketing campaign and achieving the Council’s various Business Plan outputs.

The ongoing enhancement of relationships facilitated by the Council with a range of industry and government partners continues to foster co-operation, allowing the Council to fulful its key role in assisting the industry’s continued development. I would like to take the opportunity to thank the ARMBs and staff in assisting the Council to deliver on its mission statement and I would also like to acknowledge the positive contribution of Council members and the ARCC staff in ensuring the successful operation of the Council.

Bill Jaboor
Chairperson
Summary of Achievements in 2015–16

Key Activities and Programs

The Council continues to provide a mechanism for working through and promoting a collaborative approach to resolve industry issues and act as vehicle for consultation with the Minister.

Council has worked closely with a range of stakeholders including its five Victorian Alpine Resort Management Boards (ARMBs), the Department of Environment, Land, Water and Planning (DELWP), the Minister’s Office, Tourism Victoria (TV), Regional Development Victoria (RDV), the Alpine Resorts Industry Advisory Group (ARIAG) and key alpine industry organisations and bodies.

The focus for Council’s work has been provided by its Corporate Plan 2015-16. The Corporate Plan 2015-16 includes the thirteen actions listed in the Alpine Resorts Strategic Plan 2012 (2012 Plan) for which the Council is the lead agency. All but 3 of these actions have been completed. Action 21; ‘Develop and implement industry and resort specific climate adaptation plans’ is on track for initial scoping, however it will survive the expiry of the 2012 Plan itself. Actions 53 and 56; ‘Industry performance to be assessed against KPIs’ and ‘Monitor and report on implementation of the Alpine Resorts Strategic plan 2012’, will both be completed at the expiry of the 2012 Plan.

The Council commissioned two pieces of research to assist forward planning for the industry. A report on the ‘Long Term Viability of Victorian Alpine Resorts Medical Services’ was completed in June 2016 and ‘The Potential Impacts of Climate Change on Victorian Alpine Resorts’ was completed in late January 2016. The key outcomes from this later report were presented to all Council and individual resort board members in February 2016 and Council’s Co-operation Committee and ARIAG representatives in March 2016.

The Council also called tenders for the delivery of the Snow Victoria campaign, following the expiry of previous arrangements, with contracts awarded at Council’s December 2015 meeting. The continued engagement of a range of key industry stakeholders providing advice and direction for the co-operative marketing campaign, through the Industry Steering Committee, has resulted in a significant re-positioning and re-branding for the campaign.

Through the Victorian Alpine Resorts Development Program (VARDP), two capital projects were submitted via DELWP for funding consideration as part of the state budget bid process. These included Falls Creek ARMB’s Altitude Training Facility and Mount Buller/Mount Stirling ARMB’s Water Storage Project. Both were unsuccessful in attracting state government funding for the 2016-2017 financial year.

Council continued to monitor the finalisation of the Falls Creek ARMB Master Plan and Mount Hotham ARMB Master Plan to ensure compliance with the 2012 Plan and to facilitate feedback provided by DELWP.

Discussion continues with DELWP’s Climate Change Division on developing a cooperative approach to implementing Council’s requirements to undertake Action 21 of the 2012 Plan; ‘Develop and Implement Industry and Resort Specific Climate Adaptation Plans.

Over the course of the financial year the state government announced the proposed amalgamation of the Lake Mountain ARMB and Mount Baw Baw ARMB. It also appointed new members to resorts boards and subsequently to the Alpine Resorts Co-ordinating Council, following the expiry of the term for previous members.

This resulted in a significant change in membership for the Council, with new members beginning a two year term from 1 January 2016. All Council and individual ARMB members were invited to a comprehensive induction session on 2 February 2016 where former Minister Neville, the Secretary and other key DELWP Officers provided information, advice and an opportunity to address a range of questions.
In late May 2016 the state government announced a Cabinet reshuffle which resulted in the Hon. Lily D’Ambrosio being appointed as Minister for Energy, Environment and Climate Change.

In the short-term, the success of Council is measured by its delivering of the activities stated in its annual corporate plan. The long-term success of the Council is measured by its fulfilment of its mission.

**Strategic Positioning**

This work program area continues to focus on progressing the implementation of the 2012 Plan. Higher level strategic activity has focused on enhancing the integrated state-wide model for marketing Victoria’s alpine resorts, implementing the new guidelines and policy for VARDP, monitoring the finalisation of Alpine Resort Master Plans and Council’s Communication’s Plan, which all contribute to maintaining Council’s position within the industry.

**Implementation of the Alpine Resorts Strategic Plan 2012**

The 2012 Plan was released in December 2012, following endorsement by the government. The plan takes an integrated approach to the opportunities and challenges facing the alpine industry. It sets out the strategic framework and direction for the development, promotion, management and use of Victoria’s six alpine resorts: Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller, Mount Hotham and Mount Stirling.

The vision of the plan is that ‘Victoria’s alpine resorts will be vibrant, growing and environmentally sustainable places, delivering alpine recreational tourism experiences that are available to all’. The plan, through its six strategic objectives, focuses on the long-term financial viability of the alpine resorts, recognising winter as the ‘economic engine’ and building on the competitive strengths of individual alpine resorts in winter and the green season. The plan also includes opportunities to improve the regulatory environment, governance and initiatives to address impediments to growth.

The 2012 Plan is being implemented by a series of actions undertaken by a range of parties including Council, ARMBs, DELWP, the alpine industry and other public entities. The Council is responsible for several actions under each of the strategic objectives, including several shared actions with industry partners and government agencies. It is also accountable for monitoring and reporting on the implementation of the 2012 Plan. The Council provides a comprehensive Annual Evaluation Report and a mid-year exceptions report to the Minister.

Implementation of the 2012 Plan is generally progressing well. At the reporting date, of the 58 actions within the plan, 27 have been completed, 21 are on track, three are at risk of delay and seven have been delayed.

Council will now concentrate its effort on progressing and completing the following actions:

- Action 21 – Progress climate adaptation planning;
- Action 53 – Assess industry performance against KPIs; and
- Action 56 – Continue to monitor and report on the 2012 Plan including completion of an overall evaluation/review in preparation for the development of the next Strategic Plan.

**Alpine Resorts Master Plans**

The 2012 Plan requires ARMBs to prepare a master plan for each alpine resort. The master plans reference native vegetation provisions, precinct development plans, infrastructure plans and fire and emergency management plans.

Council’s role is to work with ARMBs and DELWP to ensure the master plans are consistent with the 2012 Plan and the framework subsequently developed by the Council, in conjunction with ARMBs. All ARMBs were invited to present relevant master plans to former Minister Neville in September 2015 for her information and feedback.

The final draft Falls Creek and Mt Hotham ARMB master plans were subsequently provided to both the Council and DELWP for final comment and feedback in April 2016 in preparation for Ministerial consideration.

With the proposed amalgamation of the Lake Mountain ARMB and Mount Baw Baw ARMB, master plan development has been deferred until the outcomes of further strategic planning and community consultation have been completed by the respective ARMBs and DELWP.
Marketing the Alpine Resorts

The Council, in conjunction with TV and industry partners, developed and implemented the co-operative state-wide Snow Victoria winter marketing campaign for the 2016 winter season, which is an integral component of the Alpine Resorts Strategic Marketing Plan 2014-2018. Following the successful delivery of the 2014 and 2015 Snow Victoria campaigns, the Council continues to take the ongoing role of lead agency for this marketing activity.

The Snow Victoria campaign budget for 2016 was $474,286. This amount included a collective $414,280 marketing contribution from the Alpine Resort Management Boards, as per Council’s adopted budget, an amount of $54,280 rolled over from the 2015 campaign and a contribution of $6,000 from the Alpine Shire Council.

The 2016 Snow Victoria campaign activities commenced on 29 May 2016 with the launch of the campaign website snowvictoria.com and associated social media activity.

Key activities for the 2016 campaign included:
- A rebrand of the campaign’s ‘look and feel, and strategic direction with the launch of the ‘Nothing Feels like Snow’ creative concept;
- Television/digital/mobile advertising; and
- Social media promotion.

Victorian Alpine Resorts Development Program

The 2012 Plan requires the establishment of an integrated program of infrastructure priorities for the Victorian alpine resorts. The 2012 Plan states that VARDP will be a rigorous process for identifying and pursuing high priority public and private infrastructure investment initiatives within the Victorian alpine resorts. It is intended to maximise the public value that is achievable from the Victorian alpine resorts and enhance regional development.

The VARDP Policy was endorsed by the then Minister for Environment and Climate Change in September 2014. This followed the Council undertaking significant consultation with the industry to develop the program. A key output of the program is the Victorian Alpine Resorts Infrastructure Project List. This identifies the infrastructure investment priorities across the Victorian alpine resorts and current stage of development (concept, feasibility or business case completed). Projects on the list undergo a comprehensive review process by the Council in conjunction with representatives of the ARMBs. This ensures projects are supported by robust business cases and are aligned with resort, regional and state-wide strategic plans.

The first Victorian Alpine Resorts Infrastructure Project List was published in April 2015 with subsequent revisions following regular rounds of project submission and assessment processes. Council’s secretariat supports the ARMBs in funding applications for projects that have reached full business case stage.

Industry Access and Equity Plan

The 2012 Plan requires Council to investigate mechanisms and establish criteria whereby any site holders meeting agreed access and equity goals could receive suitable discounts. During the reporting period the then Minister for Environment and Climate Change established an Access and Equity Working Group which finalised an Access and Equity Policy. Council continues to work with DELWP to explore additional funding opportunities for the policy.

Communications Plan and Issues Register

Council’s Communication Plan was updated during 2015/16 to ensure its communications activities were responsive and current, including the development of proactive and reactive media strategies to increase stakeholder awareness of Council and ARMB responsibilities. The associated ‘Issues Register’ was revised to ensure currency as an effective reference to deal with a range of reactive media issues.
Co-ordination and Co-operation

This work program area focuses on the facilitation of co-ordination and co-operation between ARMBs, with industry and across government, with a focus on engagement and advocacy on matters that are of sector-wide importance, but with a particular focus on the support of operational activity.

ARMB Uniform Reporting Framework

The 2012 Plan required the implementation of uniform, simple and robust reporting framework for the ARMBs to use for regular reporting to the Minister. Twice a year ARMBs provide the following information to Council:

- financial reports;
- ‘traffic light’ activity reports on the implementation of their actions in the 2012 Plan; and
- a report identifying key successes, issues and risks associated with statutory obligations, governance, and the implementation of strategic and business plans.

Inter-resort Co-operation

Inter-resort co-operation remained a focus for Council, and it provided forums for promoting capacity building and knowledge sharing between the alpine resorts. In particular, the Council continued to support regular meetings of the ARMB Chairs and CEOs by way of acting as the secretariat for the Co-operation Committee. A Parks Victoria (PV) representative also actively participated on this Committee throughout the year. Council, in supporting inter-resort co-operation, has consciously sought to engage in projects that are seen as beneficial to all alpine resorts, highlighting issues of common interest. One meeting is held on-mountain, rotating between the alpine resorts, to facilitate a greater shared understanding of on-ground developments and issues. The on-mountain meeting in 2015-16 was held at Mt Hotham.

Alpine Resorts Industry Advisory Group

The establishment of a peak industry group – ARIAG – was a key recommendation in the 2012 Plan in order to provide an on-going mechanism for discussion of industry-driven issues. Its membership includes broad industry representation, comprising: Lift Companies, Chambers of Commerce, Local Councils, Regional Tourism Boards and key user groups.

ARIAG has become an effective forum to engage with the stakeholders of the Victorian alpine resorts. The group has provided valuable input into a number of programs including the development of VARDP and the Alpine Resorts Strategic Marketing Plan 2014-2018. It has also been proactive in raising matters of concern to the industry.

Securing and Stabilising ARMB Revenue

Arising out of its consideration of possible access and equity incentives, Council established a working party to consider more broadly mechanisms by which ARMB revenue could be secured and stabilised in the longer term. This project is separate from, but related to, consideration of long-term access and equity incentives for site holders. During the reporting period the working group progressed consideration of the matter. A policy proposal, developed finalised towards the end of the reporting period, will now go to Council for consideration.

Stakeholder Engagement

Work was initiated on the development of a stakeholder engagement framework. The framework will be used to guide Council’s future engagement and consultation processes and form the basis of project-specific stakeholder engagement plans.

All Resorts Season Entry Pass

Council co-ordinated the delivery of an All Resorts Entry Pass Program during the 2015 winter season. The Pass provides a cost effective and convenient mechanism for people wishing to visit multiple alpine resorts during the snow season. Council has again worked with each of the five ARMBs to offer for sale a similar Pass for the 2016 winter season.
Knowledge and Understanding

This work program area has focused on sector-wide data collection and collation, research, assessment and understanding. Published reports can be found on the Council’s website on the ‘Publications & Research’ page.

Understanding the Impacts of Climate Change at Resort Level

During the reporting period, Council engaged the University of Tasmania to conduct a major research project investigating the potential impact of climate change over time, at an individual alpine resort level. The outcomes of this study will be utilised by Council, ARMBs and DELWP in the development of climate adaptation strategies at both industry and individual resort levels.

Summer Visitation Survey

To reflect the need for sound statistics to measure the success of green season initiatives, Council together with the ARMBs, commenced a summer vehicle survey program in 2007-08. Vehicle occupancy surveys commenced in 2008-09. The survey continues to be conducted annually from the Melbourne Cup weekend until Anzac Day.

Visitor Satisfaction Survey

Since 2009, Council has partnered with the ARMBs and lift companies to undertake a survey of visitor satisfaction. The survey builds on a previous survey undertaken by the Australian Ski Areas Association. The survey was again conducted at resorts during the 2015 winter season. The high-level, all resort results were published in the 2015 Winter End of Season Report. Council continues to work with its partners to improve the survey methodology and veracity of the data collected, with the survey being undertaken largely online during the 2015 winter season.

Winter Visitor Counting Survey

The Council continued its winter visitor counting project, again incorporating a survey of season permit holders at all alpine resorts and standardised procedures to ensure the accurate counting of all visitors. Council worked closely with the ARMBs to collect, collate and publish weekly visitor statistics. These results are published on Council’s website and are also available via a web-based self-select email system. As well as releasing weekly statistics, adjusted end of year statistics were produced, which took into account the results of the season permit holder survey.

Snow Data Reporting Project

The Council again collected and collated the daily snow reports produced by the Victorian Snow Reporting Service. Council also maintains the historical records. The daily snow depth statistics are a vital tool for promoting visitation and long-term development planning of the alpine resorts. The collected data is included in Council’s Winter 2015 End of Season Report.

Winter End of Season Report

Using both historical and current information collected by the Council on winter visitation and snow depth, the Council produced its tenth annual report, the Victorian Alpine Resorts Winter 2015 End of Season Report, during the reporting period. The report consolidates into a readily accessible single document a wealth of detailed information that will assist those involved in the planning, use and development of the alpine resorts – as well as being of great interest to snow sports enthusiasts. It provides graphical representation of the 2015 winter season and commentary. Annual snow depth data, estimates of economic significance and high-level, all resort visitor satisfaction survey results were also included.

In addition to, and prior to, the release of the detailed Winter End of Season Report, the Council also produced a Fact Sheet, which provides a ‘snapshot’ of the winter season in the form of a single sheet ‘flyer’.
Victorian Economic Significance Study
In June 2016 the Council commissioned a study to update the previous 2011 research into the economic significance of the Victorian Alpine Resorts to local, regional and the state economies, in both winter and summer. Council has conducted such studies on a five-yearly basis for a number of years. The contract was awarded to EY Sweeney following a public tender process. Primary surveys of visitors, businesses and employees will take place during winter 2016 and the 2016-17 summer period. The results of the study are expected to be available by May 2017.

Long-term Viability of Medical Services
In March 2016 the Council commissioned a study to describe current and existing alpine resort medical services and funding arrangements; develop service level options for the on-going provision of winter medical services with business models and financial viability advice; describe existing and potential external funding to support options; provide recommendations; and, provide trend and cost analysis at each resort over both winter and summer. The results of the study were delivered in June 2016.

Industry Research Program Review
As an ongoing action under the Corporate Plan 2015-16, Council reviews its current industry research annually to ensure that it both meets the needs of the industry and enables KPIs to be reported upon.

Corporate Governance
As a public sector entity, the Council is subject to a range of governance standards and requirements. In addition, being a ‘public body’ for the purposes of the Financial Management Act 1994, further requirements must be met, including those set out under the Minister for Finance’s ‘Financial Management Compliance Framework’.

Under this work program, Council has established an annual corporate planning calendar that sets out its corporate governance requirements and associated timing, consistent with good corporate governance principles. It has also developed a range of financial and governance policies to guide both members and staff. Council has a number of committees, including an Audit and Risk Management Committee, to assist it to properly manage its business and corporate governance requirements.
### Performance Indicators

**Business Plan Outputs**

#### Strategic Positioning

<table>
<thead>
<tr>
<th>2015–2016 Performance Indicator</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitor and report on implementation of all actions in the 2012 Plan to the Minister by December 2015.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>An assessment of industry performance against KPIs is included in the 2012 Plan Annual Evaluation Report.</td>
<td>KPI matrix developed, although data still to be sourced.</td>
</tr>
<tr>
<td>Monitor and report on the development and implementation of ARMB Master Plans by September 2015.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Council actions within the Alpine Resorts Strategic Marketing Plan are implemented within stated timelines.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Implementation of the Alpine Resorts Strategic Marketing Plan is monitored and reported to stakeholders by October 2015.</td>
<td>Forum not held at the request of Tourism Victoria.</td>
</tr>
<tr>
<td>Implement the on-going Victorian Alpine Resorts Development Program by June 2016.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Implement the Industry Access and Equity Plan, consistent with Ministerial decision.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Strategic Communications Program maintained.</td>
<td>Achieved.</td>
</tr>
</tbody>
</table>

#### Co-ordination and Co-operation

<table>
<thead>
<tr>
<th>2015-16 Performance Indicator</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide mid-year and end of year uniform reporting of ARMB to the Minister.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Facilitate industry co-operation and engagement, including three Co-operation Committee meetings, a yearly industry forum/conference, two meetings of the Alpine Resorts Industry Advisory Group and ongoing engagement with DELWP and other government agencies.</td>
<td>Achieved.</td>
</tr>
</tbody>
</table>
### Performance Indicators

#### Business Plan Outputs (continued)

#### Knowledge and Understanding

<table>
<thead>
<tr>
<th>2015-16 Performance Indicator</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top line 2015 winter research fact sheet released by February 2016.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Arrangements in place to conduct the next economic significance study in winter 2016.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Undertake research to understand impacts of climate change at the individual resort level to inform development of future climate adaptation plans.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Council’s current research programs continue to meet industry needs.</td>
<td>Achieved.</td>
</tr>
</tbody>
</table>

#### Corporate Governance

<table>
<thead>
<tr>
<th>2015-16 Performance Indicator</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Corporate Plan and Business Plan presented to the Minister by 31 July 2015.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Annual report presented to the Minister by September 2015.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>All Council functions and proceedings undertaken in accordance with the requirements of the Alpine Resorts (Management) Act 1997, Financial Management Act 1994 and other relevant legislation and government policy.</td>
<td>Achieved.</td>
</tr>
<tr>
<td>Financial Management Compliance Framework compliance certificate provided to the Minister by 30 September 2015.</td>
<td>Achieved.</td>
</tr>
</tbody>
</table>
Performance Indicators
Council Outcomes

Mission Statements

To drive responsible use of Victoria’s Alpine Resorts by:

1. Strategic positioning of, and advocacy for, alpine resorts and the broader alpine industry;
   Council’s profile is now well established with on-mountain and government stakeholders, due in part to Council’s stewardship role in developing and implementing the 2012 Plan and increased focus for Council on communication activities related to strategic positioning of the alpine industry.

2. Developing strong and co-operative stakeholder partnerships, through programs and projects;
   Council continues to develop partnerships with a range of private and public bodies, including Council’s joint lead role in the development and implementation of state-level marketing initiatives.

3. Building knowledge of their unique values, assets and opportunities;
   Council undertakes a range of research projects to build knowledge and promotional activities, including web-based and other communication activities.

4. Promoting alpine tourism to grow visitation;
   All alpine resorts undertake a range of promotional activities. Consistent with its greater role in state-level marketing, Council has managed the delivery of the Victorian state-wide co-operative winter campaign since 2014. Winter and summer visitation over the decade is shown in Figure 1 (below).

5. Fostering proactive environmental and cultural stewardship; and,
   Whilst primary responsibility for these matters sits with Boards, Council continues to foster opportunities and provide relevant forums, including a website for dissemination of information on Board environmental activities and consideration in individual alpine resort Master Plans. In relation to cultural stewardship, Boards continue to engage with Traditional Owners on a resort-specific basis.

6. Working closely with ARMBs, DELWP, Tourism Victoria, Regional Development Victoria, Parks Victoria and other land managers.
   Council continues to work with a range of bodies in relation to specific initiatives, as well as regular forums involving ARMBs, Parks Victoria and Tourism Victoria.

Figure 1 All Resorts Winter and Summer Visitation (Past 10 years)

Winter Entry Statistics – ARMBs until 2004; ARCC 2005 onwards. Winter season from Queen’s Birthday weekend until 1st weekend in October.
Summer ARCC Visitation Surveys 2007 onwards. Summer season from Melbourne Cup weekend until ANZAC Day.
Financial Summary of Operational Results and Financial Position

The Council receives its funding mainly by way of contributions from the ARMBs. Its major expense items arise from the cost of the provision of administrative services (comprising salaries and on costs), Members fees and expenses, and projects.

Five Year Financial Summary

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Revenue from Board contributions</td>
<td>1,071,120</td>
<td>925,246</td>
<td>730,292</td>
<td>649,708</td>
<td>623,518</td>
</tr>
<tr>
<td>Marketing the Alpine Resorts</td>
<td>460,404</td>
<td>810,864</td>
<td>395,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other revenue</td>
<td>49,223</td>
<td>67,485</td>
<td>38,762</td>
<td>131,083</td>
<td>13,831</td>
</tr>
<tr>
<td>Total revenue</td>
<td>1,580,747</td>
<td>1,805,028</td>
<td>1,164,054</td>
<td>780,791</td>
<td>637,349</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>1,620,432</td>
<td>1,532,017</td>
<td>1,054,136</td>
<td>806,234</td>
<td>759,317</td>
</tr>
<tr>
<td>Net operating result</td>
<td>(39,685)</td>
<td>279,402</td>
<td>109,918</td>
<td>(25,433)</td>
<td>(121,968)</td>
</tr>
<tr>
<td>Total assets</td>
<td>526,999</td>
<td>676,012</td>
<td>444,591</td>
<td>132,025</td>
<td>141,490</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>67,731</td>
<td>157,632</td>
<td>228,441</td>
<td>25,793</td>
<td>9,814</td>
</tr>
</tbody>
</table>

In the financial year ending 30 June 2016, the Council’s result was attributed to the following:

- ARMBs contributions increase as per Minister’s Direction;
- Marketing the Alpine Resorts contributions significantly decreased due to the external parties no longer directly contributing to the program through the Council;
- Other revenue decrease as a result of interest earnings declining due to declining cash holdings and lower interest rates during the financial year; and
- Operating expenses were slightly higher due mainly to staff increases.

During 2015-16, Council delivered the 6 projects as outlined in the Strategy Plan and Budget.

Council decrease in Total assets is a result of a decrease in Receivables as a result of tighter debt collection processes.

Council decrease in Total liabilities is due to a reduced level of accruals and repayment of motor vehicle liability.

There were no events occurring after the balance date which may affect the Council’s operations in subsequent reporting periods.

Council had budgeted for a balanced outcome for the 2015-2016 financial year but due to the variations as outlined above, Council had a deficit of ($39,685) which was a result of spending the carry over funding in relation to the marketing program.
The Council

Establishment, Objectives and Functions

The Council was established in accordance with the provisions of the Alpine Resorts (Management) Act 1997 (the Act) and is a statutory body corporate. The responsible Minister for the period from 1 July 2015 to 22 May 2016 was the Hon. Lisa Neville MP, Minister for Environment and Climate Change. The responsible Minister for the period from 23 May 2016 to 30 June 2016 was the Hon. Lily D’Ambrosio MP, Minister for Energy, Environment and Climate Change.

The purpose of the Council is to undertake the statutory functions as set out in Section 18 of the Act. Some of Council’s functions are quite prescriptive while others are much broader.

Prescriptive functions are:

• to review and co-ordinate the implementation of the Alpine Resorts Strategic Plan;
• to monitor the development and implementation of Strategic Management Plans for each alpine resort; and
• to co-ordinate, in conjunction with TV, established under the Tourism Victoria Act 1992, the overall promotion of alpine resorts.

Broad functions are:

• to plan for and facilitate the establishment, development, promotion, management and use of alpine resorts in accordance with the object of this Act;
• to undertake research into alpine resort issues;
• to liaise with and encourage the co-operation of all State and local government authorities, industries, communities and other persons involved in the development, promotion, management and use of alpine resorts;
• to make recommendations to the Minister on matters related to the provision and improvement of services and facilities in alpine resorts;
• to make recommendations to the Minister on any matter relating to alpine resorts in respect of which the Minister has asked for recommendations;
• to attract investment for the improvement of alpine resorts; and
• to carry out any other function conferred on the Council by or under this or any other Act.

In carrying out its functions and powers the Council is subject to the general direction and control of the Minister for Energy, Environment and Climate Change.

It provides a source of independent advice to the government, whilst working closely with relevant government departments and agencies. In undertaking its functions, Council works collaboratively with the ARMBs for whole-of-industry benefit.
Council’s Vision
Victoria’s alpine resorts will be vibrant, growing and sustainable places, delivering alpine recreational and tourism experiences that are available to all.

Council’s Mission
To drive responsible use of Victoria’s alpine resorts by:

• strategic positioning of, and advocacy for, alpine resorts and the broader alpine industry;
• developing strong and co-operative stakeholder partnerships, through programs and projects;
• building knowledge of their unique values, assets and opportunities;
• promoting alpine tourism to grow visitation;
• fostering proactive environmental and cultural stewardship; and
• working closely with each ARMB, DELWP, RDV, TV and other land managers, including PV.

Services Provided
Council addresses key issues relating to the alpine resorts, including strategic positioning and advocacy; co-operation; and research. It provides a focus for co-ordinated discussion, advocacy and consultation on issues of broad concern to alpine resort stakeholders, an avenue through which co-ordinated action can occur and a mechanism for consultation with the Minister and through which the Minister may seek advice and refer matters for consideration.

It has an important strategic planning role to set the framework for investment, promotion, management and use of the alpine resorts and a monitoring responsibility for the strategic planning of individual alpine resorts. The Council also has the ability to undertake marketing and communications, research and the seeking of investment. It undertakes strategic research projects, policy analysis and communications; co-ordinates marketing; conducts forums and fosters co-operation. The Council does not provide any services of an operational nature for the alpine resorts.

Relationships
As a co-ordinating body, the continued development and maintenance of stakeholder relationships forms an integral part of the Council’s work and is essential in undertaking its functions.

The Council has forged a range of public agency/private partnerships with agencies and organisations within Victoria and interstate. These partnerships may be for specific projects or of an ongoing nature. Formal partnerships include those with DELWP, TV, the Australian Ski Areas Association, PV, the NSW Parks and Wildlife Service and Australian Alps National Landscapes Inc. Council has also developed an array of informal relationships such as those with Lift Companies, the Australian Alps Liaison Committee, Regional Tourism Boards, Local Government Shires, Snowsafe Inc, the Victorian Snowsports Association, VicRoads, and the like.

Council has also maintained a membership with the Tourism and Transport Forum (TTF), which is providing the Victorian alpine resorts with access to TTF’s resources and high-level negotiation and policy skills.

The Council relies on the provision of a range of administrative support services by DELWP – principally the allocation of staff. This relationship is formalised by a Memorandum of Understanding.
Organisational Structure and Corporate Governance Arrangements

Organisational Structure
The Council reports to the Minister for Energy, Environment and Climate Change and is led by a Chairperson appointed by the Governor in Council. The Council operates by holding regular meetings and undertaking work through a committee structure. It is supported by a small secretariat managed by an Executive Officer.
Council Membership

Section 17 of the Act provides that the Council consists of the Chairperson and four members appointed by the Governor in Council and the Chairpersons of each Board.

The Council members bring together considerable knowledge in business management, legal issues, the alpine tourism industry, resort management and land management.

Bill Jaboor
Member (24 June 2014 – 31 December 2015) & Chairperson (1 January 2016 – present)

Bill has been a local government professional in both Victoria and Queensland for more than 45 years. For the last 20 years he has been CEO at the Cities of Brimbank, Hobsons Bay, Greater Shepparton and Benalla. He retired from Local Government in October 2015, and is currently Chair of the Western Melbourne Regional Development Australia Committee, a Director of City West Water and a Board Member of Community Chef. His qualifications include an Associate Diploma of Business Studies (RMIT), a Bachelor of Arts Degree (University of Queensland) and a MBA (Deakin University). He has completed a short course for State and Local Government Executives at Harvard University and became a Williamson Leadership Fellow in 1996. Bill is an enthusiastic skier at Mt Buller.

Mark Anderson
Member (2 February 2009 – present)

Mark is an experienced Board member in the Government and not for profit sectors and has been Chair of Falls Creek Alpine Resort and Council Member of Alpine Resorts Coordinating Committee for seven years. He is also a Board member of the Melbourne International Comedy Festival.

Mark is currently on the Audit Committees for the Country Fire Authority, the City of Maribyrnong, the Alpine Shire, Working Heritage, EREA and is the Treasurer of the Friends of the Royal Botanic Gardens.

Previously, he was the CEO of Doutta Galla Aged Services, an aged care provider, the Director of Finance for Melbourne City Council and at the Department of Treasury and Finance. Mark has extensive financial experience and has been involved in many large Melbourne projects including the 2006 Commonwealth Games, Federation Square and the development of Docklands. Mark is a Fellow of the Australian Institute of Company Directors and a Fellow Certified Practising Accountant.

Allan Bawden
Member (1 January 2016 – present)

Allan Bawden PSM is a CEO and non-executive director with extensive experience in the local government and not-for-profit sectors. His local government career spanned almost four decades involving senior executive appointments in some of Victoria’s most dynamic regions including inner metropolitan Melbourne, the Latrobe Valley and the Bass Coast. He was the inaugural CEO of Bass Coast Shire Council following the state-wide restructuring of local government in 1995 and held this position until 2014. He now divides his time between serving as a non-executive director, consulting to governing bodies on strategy and governance, pursuing his interest in primary production and mentoring young professionals. Allan is a member of the Gippsland Coastal Board, the Port Phillip & Western Port Catchment Management Authority and Chair of the Lake Mountain and Mt Baw Baw Alpine Resort Management Boards. He holds a MBA (Melb Uni) and is a graduate of the Australian Institute of Company Directors. He is a life member of the Bass Coast Landcare Network and was awarded the Public Service Medal in 2014 for outstanding public service to the Bass Coast and the Gippsland regions. He has been an active bushwalker, skier and snowboarder in the Victorian alps for many years.

Stacey Daniel
Member (1 January 2016 – present)

Stacey is an independent professional with diverse experience across the public, private and not-for-profit sectors. Stacey is a Graduate Member of the Australian Institute of Company Directors, Chartered Professional Engineer, qualified trainer and business services operator. She is a Board Member on the Victorian Coastal Council and former Director of the Falls Creek ARMB and Local Government Professionals Victoria. Stacey and her family are alpine and snowsports enthusiasts who have enjoyed the Victorian resorts for many years.
Nicole Feeney
Member (29 April 2010 – 27 April 2013 and 1 January 2016 – present)
Nicole is the current Chair of the Mount Hotham ARMB. She has been a member of the Board since April 2007 and was previously its Chair from 2010 to 2013. She was also previously a member of the Alpine Resorts Co-ordinating Council between 2010 and 2013. Nicole is a commercial disputes and construction lawyer at Lander & Rogers; is a past Chair of the Litigation Lawyers Section of the Law Institute of Victoria (LIV) and represents the LIV on the Supreme Court Rules Committee and the County Court Building Cases Users Group. Nicole is a Graduate Member of the Australian Institute of Company of Directors. Her prior board experience includes having been a director of UFS Dispensaries Ltd for six years, a not-for-profit company which owns and operates a number of pharmacies and associated businesses in Ballarat and Western Victoria. In 2001 Nicole was introduced to skiing and Mt Hotham. She loved the experience so much she became a member of a lodge and later purchased an apartment at Hotham and now spends most of her annual leave skiing in Australia and overseas!

Jennifer Hutchison
Member (28 October 2011 – present)
Jennifer is the Chairperson of Mount Buller & Mount Stirling ARMB. Ms Hutchison has substantial expertise and experience in regional management, private enterprise and statutory authority methodologies, and in delivering national projects in Australia and offshore. Her corporate career spans technical, manufacturing and in service industry sectors. In addition, Ms Hutchison has expertise in governance, government and private enterprise interface, and the establishment of comprehensive and reliable processes and communication in complex environments.

Robyn Leeson
Member (1 January 2016 – present)
Robyn is a sustainability consultant who works with transnational corporations as well as industry bodies and the public sector. She has previously held positions in Commonwealth, State and local government agencies. Robyn has a PhD in environmental impact assessment and a Masters of Environmental Science from Monash University. She has a long association with the Global Reporting Initiative (GRI) which develops standards for sustainability reporting world-wide. Robyn served for six years on the GRI’s Stakeholder Council and three years on the GRI’s Technical Advisory Committee. Robyn has been skiing with her family at Mount Hotham for more than 15 years and is a member of the Jalanga Ski Club and the Mount Hotham Racing Squad.

Tim Piper
Member (1 January 2016 – present)
Tim Piper is the Victorian Director of the Australian Industry Group which represents nearly 60,000 businesses in manufacturing, IT, telecommunications, food, mining, construction and utility companies across the country. He also represents the confectionery industry in Australia and is the Vice-President of the International Confectionery Association. Tim is Head of the Waste Industry Alliance in Victoria and Western Australia. Prior to working with AI Group, Tim was Executive Director of the Australian Retailers Association – Victoria (ARAV) for 5 years. Tim has practised as a barrister and solicitor in Australia and the UK and worked as a journalist in television, radio and newspapers. He also has completed an MBA. Tim is Chair of the Industry Capability Network and the Manufacturing Skills and Training Taskforce. He sits on a number of senior Government Committees including the Victorian Premier’s Jobs and Investment Advisory Panel, the Victorian Climate Change Ministerial Advisory Panel, the Victorian Multicultural Affairs Ministerial Advisory Council, the Victorian WorkCover Advisory Committee and the National Health Star Rating Agency. Tim is also a Director of GSI and sits on the IPAA Public Sector of the Future Committee. He has also been an Australia Day Ambassador and was the recipient of the Centenary Medal for services to the business community.
**Arianne Rose**  
Member (1 January 2016 – present)  
Arianne is a commercial lawyer practising in both the private and the public sectors, with a background in financial services, agribusiness, commercial and property law. She has worked in a wide range of complex and highly regulated industries with a strong skill set in corporate governance and risk management.

Arianne is a non-executive director of Melbourne Polytechnic, a TAFE and higher education institute offering students a career-focused holistic learning experience, the Architects Registration Board of Victoria, regulating architects and accreditation of architecture courses, and Greening Australia Limited, a national environmental NGO, transforming vulnerable Australian landscapes into places where people and wildlife can thrive.

She was the Company Secretary and General Counsel, VicTrack (2010-2014), a Victorian Public Sector transport agency that is the custodian of Victoria’s railway assets. Arianne is a passionate skier at Mount Buller.

**Michael Marasco**  
Chairperson (4 June 2013 – 31 December, 2015)  
Mike was appointed Chairperson of the Alpine Resorts Co-ordinating Council in June 2013 until 31 December, 2015. He has extensive experience in strategic and business planning, and complements this with demonstrable skills in financial management, governance and community engagement. Mike commenced his career in the private sector with Ford Australia. His roles were specific to the forward planning and marketing disciplines. A move to the Local Government sector saw him embark on a career spanning more than thirty years across four municipalities, including a total of twenty years as Chief Executive Officer. His Local Government experience encompassed the Cities of Melbourne, Fitzroy, Doncaster & Templestowe and Maroondah.

**Vicky Papachristos**  
Member (24 May 2013 – 31 December 2015)  
Vicky is a non-executive director of GMHBA Private Health Insurance, EFTPOS Payments Australia, Coventry Group and Chair of Mount Baw Baw ARMB. In 2006 she formed Currant Marketing – an independent marketing, loyalty, sales, customer and digital strategy consultancy. She has over 25 years as an executive in Australia and the USA in petrochemicals, banking & payments, sport, IT & retailing at Shell, Westpac, Myer, Visa, the Olympics as well as an IT start-up. She holds a Chemical Engineering degree, an MBA and is a MAICD. Vicky is also involved in several committees, clubs & associations in investment, professional women, technology, high school alumni, mentoring, outdoor/sport & travel. She is passionate about women participating in the corporate arena and making a change from bottom-up as well as top-down.

**Leigh Phillips**  
Member (28 April 2010 – 31 December 2015)  
Leigh has over 30 years’ experience with the Victorian Planning system. He has held a number of senior planning positions in various state government departments with a particular focus on regional land use, project facilitation and management of the planning system. His contribution to planning in Victoria has been recognised by the Victorian Planning and Environmental Law Association when he was presented with the ‘Paul Jerome’ award in 2008. He is a member of the Victorian Coastal Council and Mint Inc. He now runs his own planning consultancy business. Leigh has also been a regular visitor to Falls Creek.
Rob Spargo  
Member (28 October 2011 – 31 December 2015)  
Rob has been involved in the ski industry for many years at Falls Creek as a business owner and keen skier in all disciplines. He has held various positions on the Falls Creek ARMB, including the role of Chairperson. Rob was involved in the Falls Creek Chamber of Commerce and Joint Resort Chamber, Ski Vic and the former BART. Rob is a member the Falls Creek SES, a Justice of the Peace, member of Rotary and the CFA.

Deborah Spring  
Member (5 June 2013 – 31 December 2015)  
Deb was the Chairperson of the Mount Hotham ARMB. She is an experienced company director with broad experience as a senior executive in the private, public and semi-government sectors across a diverse range of industries including energy, manufacturing, recycling, petro-chemicals, rail, technology, transport and logistics. Deb has a Master of Science in Mechanical Engineering and a Master in Business Administration from Harvard Business School, and is a licensed professional engineer and a Graduate Member of the Australia Institute of Company Directors. She has been skiing in Victoria for over 25 years, where she has watched her three daughters advance to skiing far better than she ever has.

Anthony Thompson  
Member (24 May 2013 – 31 December 2015)  
Anthony has managed his own businesses for approximately 28 years. For the past 12 years, Anthony and his wife, Penni have owned and run Maryton Park B & B Country Cottages and the Marysville Beer & Platter Garden successfully. Since the Black Saturday Fires in 2009, he has been the Chairman of The Community Recovery Committee. Anthony was formerly the Chairperson of the Lake Mountain ARMB and is currently: Chairman of Gallipoli Park Section 86 Committee of the Murrindindi Shire and Board Member of Regional Development of Australia Hume Region, Dandenong Ranges Community Banking Group (Bendigo Bank), and Marysville & Triangle Community Foundation.
**Council Meetings**

The Council meets on a bi-monthly basis and held six Council meetings during the reporting period. During the reporting period, members attended meetings as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Meetings Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill Jaboor (Member &amp; Chairperson) +</td>
<td>6 of 6</td>
</tr>
<tr>
<td>Mark Anderson +</td>
<td>4 of 6</td>
</tr>
<tr>
<td>Allan Bawden +</td>
<td>2 of 3</td>
</tr>
<tr>
<td>Stacey Daniel +</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Nicole Feeney +</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Jennifer Hutchison +</td>
<td>5 of 6</td>
</tr>
<tr>
<td>Robyn Leeson +</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Tim Piper +</td>
<td>2 of 3</td>
</tr>
<tr>
<td>Arianne Rose +</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Michael Marasco (Chairperson)</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Vicky Papachristos</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Leigh Phillips</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Rob Spargo</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Deborah Spring</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Anthony Thompson</td>
<td>2 of 3</td>
</tr>
</tbody>
</table>

* members as at 30 June 2016

**Committees**

Council has three Committees to assist it to carry out its functions.

The Audit and Risk Management Committee has a focus on overseeing:

- Financial performance and the financial reporting process;
- The operation and implementation of the risk management framework; and

Two other committees, to assist Council with its operational activities, have been established:

- Co-operation Committee; and
- Strategic Planning Committee (combining the functions of the former Marketing Committee and Research, Strategy and Planning Committee).

Further information about the purposes of each Committee is available on the Council’s website. Each operates under an adopted Term of Reference. The Members of, and regular invitees to, these Committees and attendance over the year ending 30 June 2016, are as follows:

**Audit and Risk Management Committee**

<table>
<thead>
<tr>
<th>Name</th>
<th>Meetings Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark Anderson (Committee Chairperson) +</td>
<td>5 of 5</td>
</tr>
<tr>
<td>Allan Bawden +</td>
<td>2 of 2</td>
</tr>
<tr>
<td>Bill Jaboor +</td>
<td>2 of 2</td>
</tr>
<tr>
<td>Michael Marasco</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Anthony Thompson</td>
<td>3 of 3</td>
</tr>
</tbody>
</table>

Note: All members satisfy the criteria for ‘independent member’ as laid down in the Guidelines of the Financial Management Compliance Framework issued by the Department of Treasury and Finance in June 2003 and subsequent updates.

* members as at 30 June 2016
Human Resource Management and Public Administration Values

The Council does not directly employ any on-going staff. Secretariat support is provided by officers of the Land Management Policy Division of DELWP attached to the Council. The salary and on-costs of these officers is reimbursed to DELWP by the Council. Ian Swan was Executive Officer from 1 July 2015 to 30 June 2016. The Council has no executives employed as a public service body head or other executive under Part 3, Division 5 of the Public Administration Act 2004.
As at 30 June 2016, the Council secretariat consisted of six staff:

- Ian Swan – Executive Officer
- Alex Shilton – Principal Policy Officer
- Natalie Baran – Senior Project Officer (part time)
- Lorena Gibson – Senior Marketing and Communications Officer (part time)
- Julia Street – Senior Project Officer (1 July 2015 - 2 August 2015)
- Cassie Elder – Project Support Officer (part time; provided at no cost to Council as part of the Memorandum of Understanding with DELWP)

Julia Street was seconded to DELWP Land Governance Branch (at no cost to Council) from 3 August 2015 to 30 June 2016.

In addition, Tony Christianen, an independent contractor, acts as Council’s Chief Finance and Accounting Officer.

Council’s operations are managed in accordance with DELWP procedures and guidelines for financial management, human resource management, code of conduct, occupational health and safety, employment policies, dispute resolution processes, and industrial relations. In addition, consistent with the Public Administration Act 2004, Council applies public sector employment and conduct values and principles and has also adopted a ‘Financial Code of Practice for Staff’ which all staff working for the Council are required to meet. Staff selection processes are merit-based, with applicants assessed and evaluated fairly and equitably on the basis of key selection criteria and other accountabilities without discrimination. A formal induction program is provided for each new staff member. Council is committed to the fair and reasonable treatment of staff. Consistent with DELWP policies, staff have availed themselves of ergonomic assessment, health check and vaccination services arranged by DELWP.

Consistent with the principles of the Carer Recognition Act 2012, Council provides flexible working arrangements and leave provisions for all Council staff. A number of staff members have availed themselves of those arrangements.

Regular office safety audits are undertaken, including annual testing of electrical appliances and the Council’s vehicle has a set of recovery and safety equipment that is checked prior, and subsequent, to each snow season. There were no industrial accidents or industrial disputes in the 12 months ending 30 June 2016.

Consistent with the requirements of the Public Administration Act 2004, the Council has also adopted a range of policies designed to promote good governance in all of its decision making and operations.

The policies comprise:

- Code of Conduct;
- Conflict of Interest;
- Dispute Resolution;
- Gifts, Benefits and Hospitality;
- Meetings and Decision Making; and
- Performance and Assessment.

The policies apply to all members and, in the case of the Gifts, Benefits and Hospitality Policy, to all staff.

**Community Inclusiveness**

The Council is committed to policies, programs and strategies servicing all Victorians, including culturally and linguistically diverse communities, seniors, people with disabilities, women, youth and Aboriginal Victorians, in the management, use and enjoyment of Victoria’s alpine resorts. All staff are required to complete cultural awareness training where available, which assists in developing a greater awareness of the issues facing Indigenous communities.

Council has continued to work with the ARMBs as they implement actions to achieve positive Aboriginal cultural outcomes and partnerships, as set out within the 2012 Plan. Council continues to work with ARMBs and contribute to the further development of social equity and social capital outcomes within the Resorts, in particular DELWP’s Aboriginal Inclusion Plan 2016-2020: ‘Munganin-Gaghaba; Achieve Together’.
Other Information

Statement of Availability of Other Information
All of the following additional information is retained by the Accountable Officer (the Executive Officer) and can be made available on request to the relevant Ministers, Members of Parliament and the public, subject to the provisions of the Freedom of Information Act 1982, as outlined under FRD 22G.

Additional information included in Annual Report
Details in respect of the following items have been included in this section of this report:
- Details of publications produced, and how these can be obtained;
- Details of major research and development activities undertaken;
- Details of major promotional, public relations and marketing activities undertaken to develop community awareness of the entity and its services;
- Assessments and measures undertaken to improve the occupational health and safety of employees;
- A statement on industrial relations;
- A list of the Council’s committees; and
- A statement of completion of declarations of pecuniary interests.

Information that is not applicable to the Council
The following information is not relevant to the Council for the reasons set out below:
- A declaration of shares held by Council members and senior officers (No shares have ever been issued in the Council);
- Details of overseas visits undertaken (No Council members or senior executives took overseas work-related trips); and
- Details of any major external reviews carried out on the Council (No external reviews were carried out).

The reported information has been compiled as at 30 June 2016.

Compliance with the Building Act 1993
In accordance with the requirements of the Directions of the Minister for Finance, the annual report must include a statement about compliance with the building and maintenance provisions of the Building Act 1993, for publicly owned buildings under Council’s control. The Council makes use of buildings and facilities controlled by DELWP to perform its functions and does not own or control any government buildings.
Consultancies

Details of Consultancies over $10,000

<table>
<thead>
<tr>
<th>Consultant</th>
<th>University of Tasmania</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose of consultancy</td>
<td>Overview of impacts of Climate Change on Individual Alpine Resorts at Finer Temporal Scales</td>
</tr>
<tr>
<td>Start date</td>
<td>19 October, 2015</td>
</tr>
<tr>
<td>End date</td>
<td>29 January, 2016</td>
</tr>
<tr>
<td>Total approved fee (excl. GST)</td>
<td>$35,690</td>
</tr>
<tr>
<td>Expenditure 2015-16 (excl. GST)</td>
<td>$36,899</td>
</tr>
<tr>
<td>Future expenditure (excl. GST)</td>
<td>Nil</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Birru Pty Ltd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose of consultancy</td>
<td>Long term viability of Victorian Alpine Resorts’ Medical services</td>
</tr>
<tr>
<td>Start date</td>
<td>3 March, 2016</td>
</tr>
<tr>
<td>End date</td>
<td>29 May, 2016</td>
</tr>
<tr>
<td>Total approved fee (excl. GST)</td>
<td>$49,000</td>
</tr>
<tr>
<td>Expenditure 2015-16 (excl. GST)</td>
<td>$49,182</td>
</tr>
<tr>
<td>Future expenditure (excl. GST)</td>
<td>Nil</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consultant</th>
<th>EY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose of consultancy</td>
<td>Study into the Economic Significance of the Victorian Alpine Resorts</td>
</tr>
<tr>
<td>Start date</td>
<td>21 June, 2016</td>
</tr>
<tr>
<td>End date</td>
<td>1 June, 2017</td>
</tr>
<tr>
<td>Total approved fee (excl. GST)</td>
<td>$158,800</td>
</tr>
<tr>
<td>Expenditure 2015-16 (excl. GST)</td>
<td>$0</td>
</tr>
<tr>
<td>Future expenditure (excl. GST)</td>
<td>$158,800</td>
</tr>
</tbody>
</table>

Details of Consultancies under $10,000

In 2015/16, Council did not engage in any consultancies where the total fees payable to the consultants were less than $10,000.

Declarations of Pecuniary Interests

Declarations of pecuniary interests have been duly completed by all Council members and relevant officers. A Register of Pecuniary Interest Declarations is retained by the Executive Officer (the Council’s Accountable Officer) and is available on request to the relevant Ministers, Members of Parliament and the public, subject to the provisions of the Freedom of Information Act 1982.

Details of Changes in Contributions

Details of changes in contributions to Council’s operations are reported in Note 3 of the Financial Reports.
Details of other communications, public relations and advertising activities

Council revises its Communications Plan on a regular basis which provides a framework for ensuring that information about the Council and Council projects are made available to relevant stakeholders and target audiences in a strategic, timely and effective manner. In line with the Communications Plan, Council operates its own website: www.arcc.vic.gov.au.

The website provides the public and industry partners with direct access to information about the activities of Council.

As part of its responsibilities for co-ordinating the state-wide winter co-operative marketing campaign, Council also operates and maintains a website: www.snowvictoria.com, which provides up to date information and promotion of Victoria’s alpine resorts.

Disclosure of ICT Expenditure

Government policy requires disclosure of all ICT Expenditure.

During the reporting period Council purchased a laptop computer to the value of $1,264 (exclusive of GST).

Details of Publications Produced

Publications produced by the Council during the reporting period were:

- Corporate Plan 2015/16 - 2017/18 – as approved for publication (September 2015);
- Alpine Resorts Co-ordinating Council 2014-2015 Annual Report (September 2015);
- Winter 2015 Fact Sheet (January 2016);
- Winter 2015 End of Season Report (February 2016);

These publications are available electronically through Council’s website on the ‘Publications & Research’ page.

Disclosure of Major Contracts

Government policy requires disclosure of all contracts greater than $10 million dollars in value. No major contracts were entered into by Council during the reporting period.
Compliance with the Protected Disclosure Act 2012

The Protected Disclosure Act 2012 enables people to make disclosures about improper conduct by public officers and public bodies. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

What is a ‘protected disclosure’?
A ‘protected disclosure’ is a complaint of corrupt or improper conduct by a public officer or a public body. The Council is a ‘public body’ for the purposes of the Act.

What is ‘improper or corrupt conduct’?
‘Improper or corrupt conduct’ involves substantial:
• mismanagement of public resources; or
• risk to public health or safety or the environment; or
• corruption.
The conduct must be criminal in nature or a matter for which an officer could be dismissed.

How do I make a ‘protected disclosure’?
You can make a protected disclosure about the Council or its board members, officers or staff by contacting IBAC on the contact details below.
Please note that the Council is unable to receive protected disclosures.

How can I access Council’s procedures for the protection of persons from detrimental action?
The Council has established procedures for the protection of persons from detrimental action in reprisal for making a protected disclosure about the Council or its officers or staff. You can access Council’s procedures on its website at:
www.arcc.vic.gov.au/about/protected-disclosures

Contacts

Independent Broad-based Anti-corruption Commission (IBAC):
Level 1, North Tower, 459 Collins Street,
Melbourne Victoria 3000
GPO Box 24234, Melbourne Victoria 3001
Telephone: 1300 735 135
Internet: www.ibac.vic.gov.au
Email: see the website above for the secure email disclosure process, which also provides for anonymous disclosures.

Freedom of Information
The Freedom of Information Act 1982 allows the public a right of access to documents held by the Council. Freedom of information requests are made in writing describing the documents requested and including payment of the $27.20 application fee. Further charges may be payable. FOI fees and charges are not subject to GST. The Council has determined that its authorised officer is DELWP’s Freedom of Information Manager. Applications are to be sent to
Freedom of Information Unit, DELWP
PO Box 500 East Melbourne, Victoria, 8002
Telephone: 9637 9730
Email: foi.unit@delwp.vic.gov.au

One request for information was received in the prior reporting period, from a community organisation. During the reporting period DELWP’s Freedom of Information Unit facilitated the transfer of this request to the Mt Buller and Mt Stirling ARMB for consideration, as the documents being sought were produced by the ARMB.
Reporting Requirements under Part II of the Freedom of Information Act 1982

The organisational arrangements and functional responsibilities of the Council are shown above. The Council’s powers are drawn from the Alpine Resorts (Management) Act 1997. The Council held and maintained the following categories of documents:

- correspondence files;
- minutes of the various meetings held by the Council; and
- project reports and related statistical information.

Project reports and general information related to the Council are available for inspection at the Council’s contact address. The Council’s Annual Report, key policy documents and project reports can all be found on the Council’s website – www.arcc.vic.gov.au. In addition, limited hard copies of some Council documents are available. Any person seeking access to a particular document produced by the Council should write to the Council describing in as much detail as possible, the nature of the document required.

Information Privacy

The Privacy and Data Protection Act 2014 deals with the manner in which public and private sector organisations may record, use, store and disclose information collected from individuals. The Council is committed to upholding and implementing the Privacy Principles set out in the legislation. The full Council acts as a Privacy Committee. No complaints were handled by the Privacy Committee during the reporting period.

Major Research and Development Activities

During the reporting period, Council funded the engagement of the University of Tasmania to conduct a major research project on the impact of climate change over time at an individual alpine resort level. The outcomes of this study will be utilised by Council, ARMBs and DELWP in the development of climate adaptation strategies.

During the reporting year, the Council, in close collaboration with the five ARMBs, continued to undertake a summer vehicle counting survey, its surveys of snow season performance and with the respective resort lift companies, undertook a visitor profile and satisfaction survey. All of these activities are reported elsewhere in this Annual Report.
National Competition Policy

Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience, simply as a result of government ownership, should be neutralised. The Council continues to implement and apply this principle in its business undertakings.

Summary of Environmental Performance

The Government’s aim of improved environmental management is supported by a requirement that Departments disclose their ongoing performance in managing and reducing the environmental impacts of their office-based activities. The Council makes use of DELWP offices and facilities to perform its functions and the reporting requirement of the office is met by DELWP. The Council secretariat participates fully in a range of environmental programs undertaken by DELWP, including:

- separation of reusable, recyclable, compostable and landfill waste;
- use of Green Power;
- use of flow restricted taps and waterless urinals;
- use of recycled paper and use of duplex printing;
- environmentally sustainable fitouts; and
- regular use by staff of public transport, cycling or walking to and from work.

Victorian Industry Participation Policy

The Victorian Industry Participation Policy Act 2003 requires departments and public sector bodies to report on the implementation of the Victorian Industry Participation Policy (VIPP). Departments and public sector bodies are required to apply VIPP in all procurement activities valued at $3 million or more in metropolitan Melbourne and for statewide projects, or $1 million or more for procurement activities in regional Victoria. The Council did not have any tenders over the threshold values during the reporting period.

Compliance with DataVic Access Policy

Risk Management Compliance Attestation

We, Bill Jaboor and Mark Anderson, certify that the Alpine Resorts Co-ordinating Council has complied with the Ministerial Standing Direction 4.5.5 - Risk Management Framework and Processes. The Alpine Resorts Co-ordinating Council’s Audit and Risk Management Committee has verified this.

Bill Jaboor  
Chairperson,  
Alpine Resorts Co-ordinating Council  
5 October 2016

Mark Anderson  
Chairperson, Audit and Risk Management Committee  
Alpine Resorts Co-ordinating Council  
5 October 2016
Gifts, Benefits and Hospitality Framework Attestation

Attestation for compliance with the Gifts, Benefits and Hospitality Policy Framework

We, Bill Jaboor and Mark Anderson of the Alpine Resorts Co-ordinating Council certify that:

• the Alpine Resorts Co-ordinating Council has gifts, benefits and hospitality policies and procedures in place;
• these policies and procedures are consistent with the minimum requirements and accountabilities outlined in the Gifts, Benefits and Hospitality Policy Framework for the Victorian Public Sector – Revised April 2012 issued by the Public Sector Standards Commissioner; and
• these policies and procedures are updated, promulgated and provided to the Audit and Risk Management Committee for review at least once a year.

Bill Jaboor  
Chairperson,  
Alpine Resorts Co-ordinating Council  
5 October 2016

Mark Anderson  
Chairperson, Audit and Risk Management Committee  
Alpine Resorts Co-ordinating Council  
5 October 2016
# Financial Statements

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Financial Statements

Declaration

Chairperson’s, Accountable Officer’s and Chief Finance and Accounting Officer’s Declaration

The attached financial statements for the Alpine Resorts Co-ordinating Council have been prepared in accordance with Direction 4.2 of the Standing Directions of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2016 and financial position of the Alpine Resorts Co-ordinating Council at 30 June 2016.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 5 October 2016.

Bill Jaboor
Chairperson,
Alpine Resorts Co-ordinating Council
5 October 2016

Antony Christianen
Chief Finance and Accounting Officer,
Alpine Resorts Co-ordinating Council
5 October 2016

Ian Swan
Executive Officer,
Alpine Resorts Co-ordinating Council
5 October 2016
INDEPENDENT AUDITOR’S REPORT

To the Council Members, Alpine Resorts Co-ordinating Council

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Alpine Resorts Co-ordinating Council which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the chairperson’s, accountable officer’s and chief finance and accounting officer’s declaration.

The Council Members’ Responsibility for the Financial Report

The council members of the Alpine Resorts Co-ordinating Council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the Financial Management Act 1994, and for such internal control as the council members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

As required by the Audit Act 1994, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity’s preparation and fair presentation of the financial report 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 entity’s internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the council members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.
Independent Auditor’s Report (continued)

Independence

The Auditor-General’s independence is established by the Constitution Act 1975. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with the applicable independence requirements of the Australian Auditing Standards and relevant ethical pronouncements.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Alpine Resorts Co-ordinating Council as at 30 June 2016 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the Financial Management Act 1994.

MELBOURNE
6 October 2016

for Andrew Greaves
Auditor-General
Comprehensive Operating Statement
for the financial year ended 30 June 2016

<table>
<thead>
<tr>
<th></th>
<th>Notes</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from transactions</td>
<td>2</td>
<td>1,580,747</td>
<td>1,805,028</td>
</tr>
<tr>
<td>Expenses from transactions</td>
<td>3</td>
<td>(1,620,432)</td>
<td>(1,532,017)</td>
</tr>
<tr>
<td><strong>Net result from transactions (net operating balance)</strong></td>
<td></td>
<td>(39,685)</td>
<td>273,011</td>
</tr>
<tr>
<td>Other economic flows included in net result</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net gain/(loss) on non-financial asset</td>
<td>0</td>
<td>6,391</td>
<td></td>
</tr>
<tr>
<td><strong>Net result</strong></td>
<td></td>
<td>(39,685)</td>
<td>279,402</td>
</tr>
<tr>
<td><strong>Comprehensive result</strong></td>
<td></td>
<td>(39,685)</td>
<td>279,402</td>
</tr>
</tbody>
</table>

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.
## Balance Sheet
as at 30 June 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>215,668</td>
</tr>
<tr>
<td>Receivables</td>
<td>5</td>
<td>270,299</td>
</tr>
<tr>
<td>Total financial assets</td>
<td></td>
<td>485,967</td>
</tr>
<tr>
<td>Non-financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>6</td>
<td>38,163</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>2,869</td>
</tr>
<tr>
<td>Total non-financial assets</td>
<td></td>
<td>41,032</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>526,999</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>7</td>
<td>29,241</td>
</tr>
<tr>
<td>Borrowings</td>
<td>8</td>
<td>38,490</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>67,731</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>459,268</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Surplus</td>
<td></td>
<td>459,268</td>
</tr>
<tr>
<td><strong>NET WORTH</strong></td>
<td></td>
<td>459,268</td>
</tr>
</tbody>
</table>

The balance sheet should be read in conjunction with the notes to the financial statements.
# Statement of Changes in Equity

for the financial year ended 30 June 2016

<table>
<thead>
<tr>
<th></th>
<th>Accumulated Surplus</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at 1 July 2014</strong></td>
<td>$219,551</td>
<td>$219,551</td>
</tr>
<tr>
<td>Comprehensive result</td>
<td>$279,402</td>
<td>$279,402</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2015</strong></td>
<td>$498,953</td>
<td>$498,953</td>
</tr>
<tr>
<td>Comprehensive result</td>
<td>$(39,685)</td>
<td>$(39,685)</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2016</strong></td>
<td>$459,268</td>
<td>$459,268</td>
</tr>
</tbody>
</table>

The statement of changes in equity should be read in conjunction with the notes to the financial statements.
## Cash Flow Statement

for the financial year ended 30 June 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts received</td>
<td>1,771,354</td>
<td>1,778,152</td>
</tr>
<tr>
<td>Interest received</td>
<td>15,017</td>
<td>20,514</td>
</tr>
<tr>
<td>Goods and Services Tax received from the ATO(^{(1)})</td>
<td>112,490</td>
<td>73,638</td>
</tr>
<tr>
<td>Payments to suppliers and council members</td>
<td>(1,836,892)</td>
<td>(1,775,521)</td>
</tr>
<tr>
<td><strong>Net cash inflows/ (used in) operating activities</strong></td>
<td>12</td>
<td>61,968</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of non-financial assets</td>
<td>(0)</td>
<td>(46,705)</td>
</tr>
<tr>
<td>Sales of non-financial assets</td>
<td>0</td>
<td>16,909</td>
</tr>
<tr>
<td><strong>Net cash flows from/(used in) investing activities</strong></td>
<td>(0)</td>
<td>(29,796)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of borrowings and financial leases</td>
<td>(6,208)</td>
<td>(16,311)</td>
</tr>
<tr>
<td>Proceeds from borrowings</td>
<td>(0)</td>
<td>46,705</td>
</tr>
<tr>
<td><strong>Net cash inflow from/(used in) investing activities</strong></td>
<td>(6,208)</td>
<td>30,394</td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash held</strong></td>
<td>55,760</td>
<td>97,381</td>
</tr>
<tr>
<td>Cash at beginning of financial year</td>
<td>159,908</td>
<td>62,527</td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</strong></td>
<td>4</td>
<td>215,668</td>
</tr>
</tbody>
</table>

The cash flow statement should be read in conjunction with the notes to the financial statements.

\(^{(1)}\) Goods and Services Tax received from the ATO is presented on a net basis.
Notes to the Financial Statements  
for the financial year ended 30 June 2016

Note 1: Summary of significant accounting policies

These annual financial statements represent the audited general purpose financial statements for the Alpine Resorts Co-ordinating Council (ARCC) for the year ending 30 June 2016. The purpose of the report is to provide users with information about the ARCC’s stewardship of resources entrusted to it.

a) Statement of compliance

These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA) and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 18.

These annual financial statements were authorised for issue by Council on 5 October 2016.

b) Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates, relate to:

(i) fair value of plant and equipment;
(ii) useful lives of plant and equipment; and
(iii) estimation of accrual.

These financial statements are presented in Australian dollars, the functional and presentation currency of ARCC.

This report has been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

Consistent with AASB 13 Fair Value Measurement, ARCC determines the policies and procedures for both recurring fair value measurements such as plant and equipment, and financial instruments, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, ARCC has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, ARCC determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c) Reporting entity

The financial statements cover the ARCC as an individual reporting entity.

The ARCC is a statutory authority of the State of Victoria, established under the Alpine Resorts (Management) Act 1997.

The principal address is:
8 Nicholson Street, East Melbourne VIC 3002

A description of the nature of ARCC’s operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

d) Scope and presentation of financial statements

Comprehensive operating statement

The comprehensive operating statement comprises the ‘net result from transactions’ (or termed as ‘net operating balance’) with ‘other economic flows included in net result’ which represents the net result.

The net result is equivalent to profit or loss derived in accordance with AASs.

‘Other economic flows’ are changes arising from market remeasurements. They include:

- gains and losses from disposals of non-financial assets;
- revaluations and impairments of non-financial physical and intangible assets; and
- fair value changes of financial instruments.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities are disclosed in the notes, where relevant. In general, non-current assets or liabilities are expected to be recovered or settled more than 12 months after the reporting period, except for the provisions of employee benefits, which are classified as current liabilities if ARCC does not have the unconditional right to defer the settlement of the liabilities within 12 months after the end of the reporting period.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.
Statement of changes in equity
The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts related to “Transactions with owner in its capacity as owner”.

Rounding
Amounts in the financial statements (including the notes) have been rounded to the nearest $1, unless otherwise stated. Figures in the financial statements may not equate due to rounding. Please refer to the end of Note 18 for a style convention for explanations of minor discrepancies resulting from rounding.

e) Changes in accounting policies
Subsequent to the 2014-15 reporting period, ARCC has not adopted any new and revised accounting standards in the 2015-16 financial year as the new and revised standards are not applicable to ARCC.

f) Income from transactions
Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured.

Contribution payments
Contribution payments are recognised as revenue when the ARCC gains control over the assets comprising the contributions.

Contribution payments are made by the Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller & Mount Stirling and Mount Hotham Alpine Resort Management Boards (ARMBs) to contribute to and support the operation of the ARCC and recognised when invoiced.

These payments are related party transactions (see Note 14(ii)).

Marketing the alpine resorts (contributions and payments)
Marketing contributions are recognised as revenue when the ARCC gains control over the assets comprising the contributions.

Marketing payments are made by the Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller & Mount Stirling and Mount Hotham Alpine Resort Management Boards (ARMBs) to contribute to and support the marketing of the Alpine Resorts and recognised when invoiced.

These payments are related party transactions (see Note 14(ii)).

Department Environment, Land, Water and Planning (DELWP) funding
DELWP funding is received to fund the external accounting services engaged by ARCC.

Interest income
Interest income received on bank term deposits and other investments is recognised in the month it is earned.

All other revenue is brought to account as it is earned and where the services have been provided.

g) Expenses from transactions
Expenses from transactions are recognised as they are incurred, and reported in the financial year to which they relate.

Employee expenses and entitlements
ARCC does not directly employ staff. Staff are seconded to the ARCC from the Department of Environment Land Water and Planning (DELWP) and the costs of these staff and all leave entitlements are included in the Administration services in Note 3. ARCC council members are paid an annual fee and employer contributions for superannuation in accordance with Government policy. ARCC council members who are employees of the Victorian Public Service are not eligible to receive an annual fee for being a member of the council.
Superannuation
The amount recognised in the comprehensive operating statement in respect of superannuation represents contributions made or due by ARCC to the relevant superannuation plans in respect to the services of ARCC’s council members (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that ARCC is required to comply with.

Depreciation
All plant and equipment and other non-financial physical assets (excluding items under operating leases) that have finite useful lives are depreciated or amortised. Depreciation or amortisation is generally calculated on a straight-line basis, at rates that allocate the asset’s value, less any estimated residual value, over its estimated useful life.

The estimated useful lives, residual values and depreciation/amortisation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

The following are typical estimated useful lives for the different asset classes for current and prior years.

<table>
<thead>
<tr>
<th>Asset</th>
<th>Useful life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and equipment</td>
<td>3 years</td>
</tr>
</tbody>
</table>

Marketing and alpine resorts
Marketing the alpine resorts expenses relate to the cost of the Snow Victoria campaign.

Council member fees
Council member fees relate to council member remuneration and retirement benefits.

Interest expense
Interest expense represents costs incurred in connection with interest component of finance lease repayments.

Other operating expenses
Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

h) Other economic flows included in the net result
Other economic flows are the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on non-financial assets
Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Disposal of non-financial assets
Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is determined after deducting from the asset at the time.

Impairment of non-financial assets
Assets are assessed annually for indications of impairment, except for: non-financial physical assets held for sale.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset’s carrying value exceeds its recoverable amount, the difference is written off as another economic flow, except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in the estimate of an asset’s recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.
Net gain/(loss) on financial instruments
Net gain/(loss) on financial instruments includes:
(i) realised and unrealised gains and losses from revaluations of financial instruments at fair value;
(ii) impairment and reversal of impairment for financial instruments at amortised cost; and
(iii) disposals of financial assets and derecognition of financial liabilities.

Other gains/(losses) from other economic flows
Other gains/(losses) from other economic flows include the gains or losses from:
(i) the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
(ii) reclassified amounts relating to available for sale financial instruments from the reserves to net result due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to ‘other transfers’ of assets.

(i) Financial instruments
Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of ARCC’s activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation. For example, statutory receivables arising from taxes, do not meet the definition of financial instruments as they do not arise under contract. Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Receivables
Receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method, less any impairment.

The receivables category includes cash and term deposits with maturity greater than three months, trade receivables, and other receivables, but not statutory receivables.

Financial liabilities at amortised cost
Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method (refer to Note 15).

Financial instrument liabilities measured at amortised cost include all of the ARCC’s contractual payables, deposits held and advances received, and interest bearing arrangements other than those designated at fair value through profit or loss.
j) Financial assets

**Cash and deposits**
Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and those highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and readily convertible to known amounts of cash with an insignificant risk of changes in value.

**Receivables**
Receivables consist of:
- contractual receivables, such as debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables (refer to Note 1(m) Leases); and
- statutory receivables, such as amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits recoverable.

Receivables mainly represent amounts owing and the carrying amount of receivables approximates net fair value. There is no interest levied on overdue debts. The ARCC’s stated terms in respect of amounts receivable are payment in full within 30 days.

A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

k) Non-financial assets

**Plant and equipment**
All non-financial physical assets, are measured initially at cost and subsequently revalued at fair value less accumulated amortisation and impairment. It is unlikely that the motor vehicle reported will reflect a carrying value that is significantly different from fair value as demonstrated by the market due to the number of second hand markets into which motor vehicles are sold to ensure there is not a significant loss (or gain) on disposal.

**Other non-financial assets**

**Prepayments**
Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

l) Liabilities

**Payables**
Payables consist of:
- contractual payables, such as accounts payable, and unearned income. Accounts payable represent liabilities for goods and services provided to ARCC prior to the end of the financial year that are unpaid, and arise when the ARCC becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.
Borrowings
Borrowings are initially measured at fair value, being the cost of the borrowings, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in net result over the period of the borrowing using the effective interest rate method.

Provisions
Provisions are recognised when ARCC has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using discount rate that reflects the time value of money and risks specific to the provision.

m) Finance Leases
ARCC as Lessee
At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is amortised over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement.

n) Equity
Contributions by owners
Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

o) Commitments
Commitments for future expenditure include operating and capital commitments arising from contacts. These commitments are disclosed by way of a note (refer to Note 9) at their nominal value and inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the liabilities are recognised in the balance sheet.

p) Contingent assets and contingent liabilities
Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer to Note 10) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.
q) Accounting for the goods and services tax (GST)
Income, expenses and assets are recognised net of the amount of goods and services tax (GST), unless the GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

r) Events after reporting date
Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the entity and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Note disclosure is made about events between the balance date and the date the statements are authorised for issue where the events relate to condition which arose after the end of the reporting date and which may have a material impact on the results of subsequent reporting periods.

s) Australian Accounting Standards issued that are not yet effective
The Council has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting from 1 July 2015.

The Department of Treasury and Finance (DTF) issued the latest FRD – “Accounting and Reporting Pronouncement applicable to the current reporting period” to assist with the assessment and the impact of these new standards and interpretations.

Management has given due consideration to new and revised standards and interpretations issued by the AASB that are not effective and not mandatory for the financial year ended 30 June 2016 and the advice and directions provided by DTF. Management are not aware of any material financial impact on the financial statement.
<table>
<thead>
<tr>
<th>Standard / Interpretation</th>
<th>Summary</th>
<th>Applicable for annual reporting periods beginning on</th>
<th>Impact on public sector entity financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 9 Financial Instruments</td>
<td>The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.</td>
<td>1 Jan 2018</td>
<td>The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.</td>
</tr>
</tbody>
</table>
| AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) | The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows:  
- the change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and  
- other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. | 1 Jan 2018                                           | The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI). Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge. For entities with significant lending activities, an overhaul of related systems and processes may be needed. |
| AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]   | Amends various AASs to reflect the AASB’s decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements. | 1 Jan 2018                                           | This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.                                                                                                                                                                                                 |
| AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9            | Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.                                                                                                                                                                  | 1 Jan 2018                                           | The assessment has indicated that there will be no significant impact for the public sector.                                                                                                                                                                                                                                                                |
| AASB 14 Regulatory Deferral Accounts                                                    | AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in accordance with their previous GAAP.                                                                                             | 1 Jan 2016                                           | The assessment has indicated that there is no expected impact, as those that conduct rate-regulated activities have already adopted Australian Accounting Standards.                                                                                                                                                                                                 |
### Standard / Interpretation

<table>
<thead>
<tr>
<th>Standard / Interpretation</th>
<th>Summary</th>
<th>Applicable for annual reporting periods beginning on</th>
<th>Impact on public sector entity financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AASB 15 Revenue from Contracts with Customers</strong></td>
<td>The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.</td>
<td>1 Jan 2018</td>
<td>The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening retained earnings if there are no former performance obligations outstanding.</td>
</tr>
<tr>
<td><strong>AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15</strong></td>
<td>Amends the measurement of trade receivables and the recognition of dividends. Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. Dividends are recognised in the profit and loss only when: • the entity’s right to receive payment of the dividend is established; • it is probable that the economic benefits associated with the dividend will flow to the entity; and • the amount can be measured reliably.</td>
<td>1 Jan 2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018</td>
<td>The assessment has indicated that there will be no significant impact for the public sector.</td>
</tr>
<tr>
<td><strong>AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15</strong></td>
<td>This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.</td>
<td>1 Jan 2018</td>
<td>This amending standard will defer the application period of AASB 15 to the 2018-19 reporting period in accordance with the transition requirements.</td>
</tr>
<tr>
<td><strong>AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15</strong></td>
<td>This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: • a promise to transfer to a customer a good or service that is ‘distinct’ to be recognised as a separate performance obligation; • for items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and • for licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access).</td>
<td>1 Jan 2018</td>
<td>The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified in AASB 15.</td>
</tr>
</tbody>
</table>
## AASB 16 Leases

The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.  

Impact on public sector entity financial statements:  
- **Applicable for annual reporting periods beginning on:** 1 Jan 2019  
- The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase.  
- Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.  
- The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement.  
- No change for lessors.

## AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & AASB 138]

Amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to:  
- establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset;  
- prohibit the use of revenue based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset.  

Impact on public sector entity financial statements:  
- **Applicable for annual reporting periods beginning on:** 1 Jan 2016  
- The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.

## AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 128]

AASB 2014-10 amends AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that:  
- a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and  
- a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.  

Impact on public sector entity financial statements:  
- **Applicable for annual reporting periods beginning on:** 1 Jan 2016  
- The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.
<table>
<thead>
<tr>
<th>Standard / Interpretation</th>
<th>Summary</th>
<th>Applicable for annual reporting periods beginning on</th>
<th>Impact on public sector entity financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 &amp; 128]</td>
<td>Amends AASB 127 Separate Financial Statements to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.</td>
<td>1 Jan 2016</td>
<td>The assessment indicates that there is no expected impact as the entity will continue to account for the investments in subsidiaries, joint ventures and associates using the cost method as mandated if separate financial statements are presented in accordance with FRD 113A.</td>
</tr>
<tr>
<td>AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 &amp; AASB 140]</td>
<td>Amends the methods of disposal in AASB 5 Non-current assets held for sale and discontinued operations. Amends AASB 7 Financial Instruments by including further guidance on servicing contracts.</td>
<td>1 Jan 2016</td>
<td>The assessment has indicated that when an asset (or disposal group) is reclassified from ‘held to sale’ to ‘held for distribution’, or vice versa, the asset does not have to be reinstated in the financial statements. Entities will be required to disclose all types of continuing involvement the entity still has when transferring a financial asset to a third party under conditions which allow it to derecognise the asset.</td>
</tr>
<tr>
<td>AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 &amp; AASB 1049]</td>
<td>The Amendments extend the scope of AASB 124 Related Party Disclosures to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.</td>
<td>1 Jan 2016</td>
<td>The amending standard will result in extended disclosures on the entity’s key management personnel (KMP), and the related party transactions.</td>
</tr>
<tr>
<td>AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</td>
<td>The standard amends AASB 136 Impairment of Assets to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.</td>
<td>1 Jan 2017</td>
<td>The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 Fair Value Measurement is the same as the depreciated replacement cost concept under AASB 136.</td>
</tr>
</tbody>
</table>
In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2015-16 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- AASB 1056 Superannuation Entities
- AASB 1057 Application of Australian Accounting Standards
- AASB 2014-1 Amendments to Australian Accounting Standards [PART D – Consequential Amendments arising from AASB 14 Regulatory Deferral Accounts only] 2
- AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]
- AASB 2014-6 Amendments to Australian Accounting Standards – Agriculture: Bearer Plants [AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141]
- AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception [AASB 10, AASB 12, AASB 128] 2
- AASB 2015-9 Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]
- AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128
- AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]

1) Going concern basis

ARCC is dependent on the support of the Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller & Mount Stirling and Mount Hotham ARMBs boards under the provisions of section 38 (af) of the Alpine Resorts (Management) Act 1997 to ensure that ARCC is able to meet its obligations as and when they are due. In 2015-16 this obligation was given force by Ministerial Direction under Section 36 of the Act and a similar Direction will be made for 2016-17.

Two organisations, Mt Baw Baw ARMB and Lake Mountain ARMB obtain a letter of comfort from the Department of Environment, Land, Water and Planning that provides for a payment contribution to the ARCC of $33,881 from each resort. These subsequent payments to the ARCC from each resort represents only 6% of the total required contribution funding from all resorts.

In addition ARCC pays $14,482 in costs related to a council committee member of Baw Baw ARMB and Lake Mountain ARMB which could be offset against these contributions resulting in a net reduction of $53,280 or 5% of the total required contribution funding from all resorts.

Accordingly, the accounts have been prepared on a going concern basis.
Note 2: Income from transactions

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution payments</td>
<td>$1,071,120</td>
<td>$926,044</td>
</tr>
<tr>
<td>Marketing the alpine resorts (ARMB contribution)</td>
<td>$460,404</td>
<td>$811,499</td>
</tr>
<tr>
<td>DELWP funding for accounting services</td>
<td>$30,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Visitor satisfaction survey</td>
<td>$4,350</td>
<td>$5,100</td>
</tr>
<tr>
<td>Other income</td>
<td>$0</td>
<td>$11,541</td>
</tr>
<tr>
<td>Bank interest</td>
<td>$14,873</td>
<td>$20,844</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,580,747</td>
<td>$1,805,028</td>
</tr>
</tbody>
</table>

Note 3: Expenses from transactions

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration services (1)</td>
<td>$686,764</td>
<td>$656,830</td>
</tr>
<tr>
<td>Annual report</td>
<td>$7,511</td>
<td>$6,700</td>
</tr>
<tr>
<td>Audit fees</td>
<td>$6,900</td>
<td>$6,700</td>
</tr>
<tr>
<td>Insurance</td>
<td>$4,130</td>
<td>$2,627</td>
</tr>
<tr>
<td>Council members fees and superannuation</td>
<td>$71,571</td>
<td>$65,185</td>
</tr>
<tr>
<td>Council members and meeting expenses</td>
<td>$12,058</td>
<td>$20,135</td>
</tr>
<tr>
<td>ARCC communications</td>
<td>$3,865</td>
<td>$35,416</td>
</tr>
<tr>
<td>Marketing the alpine resorts</td>
<td>$665,401</td>
<td>$624,616</td>
</tr>
<tr>
<td>Modelling impact of climate change</td>
<td>$36,899</td>
<td>$0</td>
</tr>
<tr>
<td>Research projects (visitor satisfaction survey, all resorts pass etc)</td>
<td>$23,848</td>
<td>$18,243</td>
</tr>
<tr>
<td>Review of ARMB medical services</td>
<td>$49,182</td>
<td>$0</td>
</tr>
<tr>
<td>Strategic plan review &amp; implementation</td>
<td>$7,611</td>
<td>$25,859</td>
</tr>
<tr>
<td>Tourism &amp; transport forum membership subs</td>
<td>$26,200</td>
<td>$25,725</td>
</tr>
<tr>
<td>Victorian alpine industry advisory group</td>
<td>$2,683</td>
<td>$3,223</td>
</tr>
<tr>
<td>Victorian alpine resorts development program</td>
<td>$9,403</td>
<td>$34,993</td>
</tr>
<tr>
<td>Depreciation - finance leased motor vehicle</td>
<td>$6,406</td>
<td>$5,765</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,620,432</td>
<td>$1,532,017</td>
</tr>
</tbody>
</table>

(1) Administration services paid to the Department of Environment, Land, Water and Planning (DELWP) relate to the provision of Secretarial support to the ARCC.
**Note 4: Cash and cash equivalents – current**

Cash at end of the year, as shown in the Cash Flow Statement, is reconciled to the related items in the Balance Sheet as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>$5,283</td>
<td>$2,668</td>
</tr>
<tr>
<td>Cash investments</td>
<td>$210,385</td>
<td>$157,240</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$215,668</strong></td>
<td><strong>$159,908</strong></td>
</tr>
</tbody>
</table>

**Note 5: Receivables – current**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contractual</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>$109,979</td>
<td>$297,718</td>
</tr>
<tr>
<td>Accrued revenue</td>
<td>$1,560</td>
<td>$1,703</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$111,539</strong></td>
<td><strong>$299,421</strong></td>
</tr>
<tr>
<td><strong>Statutory</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST input tax credit recoverable</td>
<td>$158,760</td>
<td>$152,012</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$270,299</strong></td>
<td><strong>$451,433</strong></td>
</tr>
</tbody>
</table>

**Note 6: Plant and equipment – non current**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance leased motor vehicle</strong></td>
<td>$46,705</td>
<td>$46,705</td>
</tr>
<tr>
<td><strong>Accumulated depreciation</strong></td>
<td>(8,542)</td>
<td>(2,136)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$38,163</strong></td>
<td><strong>$44,569</strong></td>
</tr>
</tbody>
</table>
Table 6.1 Movements in carrying amounts
Finance leased motor vehicle at fair value

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>44,569</td>
<td>14,147</td>
</tr>
<tr>
<td>Additions</td>
<td>0</td>
<td>46,705</td>
</tr>
<tr>
<td>Disposals</td>
<td>(0)</td>
<td>(10,518)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(6,406)</td>
<td>(5,765)</td>
</tr>
<tr>
<td>Closing balance</td>
<td>38,163</td>
<td>44,569</td>
</tr>
</tbody>
</table>

Table 6.2 Fair value measurement hierarchy for assets as at 30 June 2016

Motor vehicles under finance lease
Vehicles are valued using the depreciated replacement cost method. ARCC acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers VicFleet who set relevant depreciation rates during use to reflect the utilisation of the vehicles. To the extent that motor vehicles under finance lease have an exit price prescribed by the lessor at the start of the lease term, these assets are classified as Level 2 under the market approach.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30-Jun-16</td>
<td>Level 1(1)</td>
</tr>
<tr>
<td>Finance leased motor vehicle at fair value</td>
<td>38,163</td>
<td>38,163</td>
</tr>
<tr>
<td>Total Vehicles at fair value</td>
<td>38,163</td>
<td>38,163</td>
</tr>
</tbody>
</table>

(1) Classified in accordance with the fair value hierarchy, see Note 1(b).

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30-Jun-15</td>
<td>Level 1(1)</td>
</tr>
<tr>
<td>Finance leased motor vehicle at fair value</td>
<td>44,569</td>
<td>44,569</td>
</tr>
<tr>
<td>Total Vehicles at fair value</td>
<td>44,569</td>
<td>44,569</td>
</tr>
</tbody>
</table>

(1) Classified in accordance with the fair value hierarchy, see Note 1(b).
Note 7: Payables - current

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Contractual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors and accruals</td>
<td>28,545</td>
<td>99,416</td>
</tr>
<tr>
<td>Statutory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST payable</td>
<td>696</td>
<td>16,670</td>
</tr>
<tr>
<td>Total</td>
<td>29,241</td>
<td>116,086</td>
</tr>
</tbody>
</table>

Note 8: Borrowings

Borrowings relate to finance leases for the motor vehicle leased through the VicFleet lease facility. The lease term is the period over which the vehicle is to be leased. Generally, vehicles must be retained for three years or 60,000 kms, whichever occurs first. On disposal of the vehicle any profit or loss on sale is borne by organisation.

<table>
<thead>
<tr>
<th>Minimum future lease payments</th>
<th>Present value of future minimum lease payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 $</td>
<td>2015 $</td>
</tr>
<tr>
<td>2016 $</td>
<td>2015 $</td>
</tr>
<tr>
<td>Finance lease liabilities payable</td>
<td>4.62% pa (2015: 4.62% pa)</td>
</tr>
<tr>
<td>Not longer than one year</td>
<td>8,143 $</td>
</tr>
<tr>
<td>Longer than one year but not longer than five years</td>
<td>32,914 $</td>
</tr>
<tr>
<td>Minimum future lease payments</td>
<td>41,057 $</td>
</tr>
<tr>
<td>Less Future finance charges</td>
<td>(2,567) $</td>
</tr>
<tr>
<td>Present value of minimum lease payments</td>
<td>38,490 $</td>
</tr>
</tbody>
</table>

Included in the financial statements as:

<table>
<thead>
<tr>
<th>Borrowings</th>
<th>Current</th>
<th>Non-current</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,501</td>
<td>31,989</td>
</tr>
<tr>
<td>Total</td>
<td>38,490</td>
<td>44,698</td>
</tr>
</tbody>
</table>
**Note 9: Commitment for expenditure**

As at 30 June 2016 ARCC has entered into a contract to market the resorts with a future expenditure commitments of:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitments payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>174,680</td>
<td>221,497</td>
</tr>
<tr>
<td>Longer than 1 year but not longer than 5 years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5 years or more</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total commitments</strong></td>
<td>174,680</td>
<td>221,497</td>
</tr>
</tbody>
</table>

**Note 10: Contingent assets and contingent liabilities**

As at 30 June 2016 there were no contingent assets or liabilities (2015: $ Nil).

**Note 11: Subsequent events**

The Council is not aware of any subsequent events that have occurred after the reporting period and before authorisation of the financial statements.

**Note 12: Reconciliation of net result for the period**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net result</td>
<td>(39,685)</td>
<td>279,402</td>
</tr>
<tr>
<td><strong>Non-cash movements</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sale or disposal of non-current assets</td>
<td>(0)</td>
<td>(6,391)</td>
</tr>
<tr>
<td>Depreciation of non-current assets</td>
<td>6,406</td>
<td>5,765</td>
</tr>
<tr>
<td><strong>Movement in assets and liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) / decrease in receivables</td>
<td>181,134</td>
<td>(83,856)</td>
</tr>
<tr>
<td>Increase / (decrease) in payables</td>
<td>(86,845)</td>
<td>(94,313)</td>
</tr>
<tr>
<td>(Increase) / decrease in other non-financial assets</td>
<td>958</td>
<td>(3,824)</td>
</tr>
<tr>
<td><strong>Net cash flows from / (used in) operating activities</strong></td>
<td>61,968</td>
<td>96,783</td>
</tr>
</tbody>
</table>
**Note 13: Superannuation**

ARCC contributes in respect of the council members superannuation at a contribution rate of 9.5% (2015: 9.5%) of council members fees as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Paid Contribution for the Year</th>
<th>Contribution Outstanding at Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2015</td>
</tr>
<tr>
<td>VicSuper</td>
<td>$792</td>
<td>$665</td>
</tr>
<tr>
<td>Other</td>
<td>$5,928</td>
<td>$4,687</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,720</strong></td>
<td><strong>$5,352</strong></td>
</tr>
</tbody>
</table>

There are no unfunded liabilities associated with the above schemes as they are accumulation schemes other than Vision Super.

There are no loans from any of the above funds to the ARCC as at 30 June 2016 (2015: $Nil).

ARCC makes a contribution of its council member superannuation contributions in respect of one of its council members to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive operating statement when they are made or due.

**Accumulation**

The Fund’s accumulation categories, Vision MySuper/Vision Super Saver, receives employer contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of council members fees (for the year ended 30 June 2016, this was 9.5% required under Superannuation Guarantee legislation).

**Defined Benefit**

ARCC does not use defined benefit accounting for its defined benefit obligations under the Fund’s Defined Benefit category. This is because the Fund’s Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of ARCC in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 *Employee benefits measurement and recognition*.

**Funding arrangements**

ARCC makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. The Fund's latest actuarial investigation was held as at 30 June 2015 and it was determined that the vested benefit index (VBI) of the defined benefit category of which ARCC is a contributing employer was 103.4%. To determine the VBI, the fund Actuary used the following long-term assumptions:

- Net investment returns 7.0% pa
- Salary information 4.25% pa
- Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2016 was 102.0%.
The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the actuarial investigation determined the defined benefit category was in a satisfactory financial position and that no change was necessary to the defined benefit category’s funding arrangements from prior years.

**Employer contributions**

**Regular contributions**

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund’s Actuary, ARCC makes employer contributions to the Fund’s Defined Benefit category at rates determined by the Fund’s Trustee. For the year ended 30 June 2016, this rate was 9.5% of members’ salaries (9.5% in 2014/2015). This rate will increase in line with any increase to the Superannuation Guarantee (SG).

In addition, ARCC reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

**Funding calls**

If the defined benefit category is in an unsatisfactory financial position at actuarial investigation or the defined benefit category’s VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the defined benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund’s participating employers (including ARCC) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund’s defined benefit category, together with the employer’s payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer’s successor.

**Latest actuarial investigation surplus amounts**

The Fund’s latest actuarial investigation as at 30 June 2016 identified the following in the defined benefit category of which ARCC is a contributing employer:

- A VBI surplus of $130.8 million; and
- A total service liability surplus of $239 million.

The VBI surplus means that the market value of the fund’s assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015.

The total service liability surplus means that the current value of the assets in the Fund’s defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

ARCC was notified of the results of the 30 June 2015 VBI August 2015.

**Superannuation contributions**

Contributions by ARCC (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2016 are detailed below:

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Type of scheme</th>
<th>Rate</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision Super</td>
<td>Defined Benefits</td>
<td>9.5%</td>
<td>2,428</td>
<td>665</td>
</tr>
</tbody>
</table>

In addition to the above contributions, ARCC has paid unfunded liability payments to Vision Super totalling $nil (2014/15 $nil).

There were no contributions outstanding and no loans issued from or to the above scheme as at 30 June 2016.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2017 is $4,855.
Note 14: Responsible persons

i) Responsible persons

The names of the persons who were responsible persons at any time during the financial year were:

**Minister**

The Hon Lisa Neville MP  
(1 July 2015 to 22 May 2016)  
Minister for Environment, Climate Change and Water

The Hon Lily D’Ambrosio MP  
(23 May 2016 to 30 June 2016)  
Minister for Energy, Environment and Climate Change

**Council Members**

Mr W Jaboor, Chairperson  
from 1 January 2016  
(1 July 2015 to 30 June 2016)

Mr M Anderson  
(1 July 2015 to 30 June 2016)

Ms J Hutchison  
(1 July 2015 to 30 June 2016)

Mr A Bawden  
(1 January 2016 to 30 June 2016)

Ms S Daniel  
(1 January 2016 to 30 June 2016)

Ms N Feeney  
(1 January 2016 to 30 June 2016)

Ms R Leeson  
(1 January 2016 to 30 June 2016)

Mr T Piper  
(1 January 2016 to 30 June 2016)

Ms A Rose  
(1 January 2016 to 30 June 2016)

Mr M Marasco, Chairperson  
until 31 December 2015  
(1 July 2015 to 31 December 2015)

Ms V Papachristos  
(1 July 2015 to 31 December 2015)

Mr L Phillips  
(1 July 2015 to 31 December 2015)

Mr R Spargo  
(1 July 2015 to 31 December 2015)

Ms D Spring  
(1 July 2015 to 31 December 2015)

Mr A Thompson  
(1 July 2015 to 31 December 2015)

Mr M Marasco, Chairperson  
until 31 December 2015  
(1 July 2015 to 31 December 2015)

Ms V Papachristos  
(1 July 2015 to 31 December 2015)

Mr L Phillips  
(1 July 2015 to 31 December 2015)

Mr R Spargo  
(1 July 2015 to 31 December 2015)

Ms D Spring  
(1 July 2015 to 31 December 2015)

Mr A Thompson  
(1 July 2015 to 31 December 2015)

Mr I Swan  
(1 July 2015 to 30 June 2016)

**Accountable Officer**

Mr I Swan  
(1 July 2015 to 30 June 2016)

**Remuneration**

The relevant amounts relating to the Minister are reported separately in the Financial Statements of the Department of Premier and Cabinet.

The remuneration received or due and receivable by the Responsible Persons in connection with the management of the ARCC during the reporting period was:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council Members</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$71,571</td>
<td>$65,185</td>
</tr>
</tbody>
</table>

The number of Responsible Persons whose remuneration from the ARCC was within the specified bands are as follows: (1)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 – $9,999</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>$10,000 – $19,999</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15</td>
<td>10</td>
</tr>
</tbody>
</table>

(1) Note Board membership changed on 31 December 2015

The remuneration of the Accountable Officer is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$140,000 – $149,000</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>$150,000 – $159,999</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Annualised employee equivalents</strong></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Amount</strong></td>
<td>$157,384</td>
<td>$147,205</td>
</tr>
</tbody>
</table>
ii) Other related party transactions
The contribution payments and the marketing of the alpine resorts (contributions and payments) in notes 1(f) and 2 and 3 are related party transactions as some Council members are representatives of each ARMB. Other than those transactions, there are no other related party transactions to disclose.

Note 15: Financial instruments

a) Financial risk management objectives and policies
ARCC’s principal financial instruments comprise:
• cash and deposits;
• term deposits;
• receivables (excluding statutory receivables);
• payables (excluding statutory payables); and
• finance lease liabilities payable.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage ARCC’s financial risks within the government policy parameters.

ARCC’s main financial risks include interest rate risk, credit risk and liquidity risk. ARCC manages these financial risks in accordance with its financial risk management policy.

ARCC has the overall responsibility for the establishment and oversight of the ARCC’s risk management framework. Risk management is carried out under policies and a framework adopted by the ARCC. The ARCC’s Audit and Risk Management Committee monitors implementation.

ARCC’s activities expose it to some financial risk. This note presents information about the ARCC’s exposure to financial risk and the objectives, policies and processes for managing this risk.
b) Credit risk exposure
Credit risk represents the loss that would be recognised if counter parties fail to perform as contracted. The risk on financial assets of the ARCC, which have been recognised on the Balance Sheet, is the carrying amount.

Table 15.1 Credit quality of contractual financial assets that are neither past due nor impaired

<table>
<thead>
<tr>
<th></th>
<th>Financial institutions</th>
<th>Government agencies</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and deposits</td>
<td>215,668</td>
<td>0</td>
<td>0</td>
<td>215,668</td>
</tr>
<tr>
<td>Receivables (i)</td>
<td>1,559</td>
<td>109,979</td>
<td>0</td>
<td>111,538</td>
</tr>
<tr>
<td>Total contractual financial assets</td>
<td>217,227</td>
<td>109,979</td>
<td>0</td>
<td>327,206</td>
</tr>
</tbody>
</table>

2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and deposits</td>
<td>159,908</td>
<td>159,908</td>
</tr>
<tr>
<td>Receivables (i)</td>
<td>1,703</td>
<td>197,757</td>
</tr>
<tr>
<td>Total contractual financial assets</td>
<td>161,611</td>
<td>197,757</td>
</tr>
</tbody>
</table>

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

Table 15.2 Ageing analysis of contractual financial assets

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount</th>
<th>Nominal amount</th>
<th>Less than 1 month</th>
<th>1-3 months</th>
<th>3 months – 1 year</th>
<th>1 – 5 years</th>
<th>5+ years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables: (i)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>109,979</td>
<td>109,979</td>
<td>0</td>
<td>109,979</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Accrued revenue</td>
<td>1,560</td>
<td>1,560</td>
<td>1,560</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>111,539</td>
<td>111,539</td>
<td>1,560</td>
<td>109,979</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

2015

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount</th>
<th>Nominal amount</th>
<th>Less than 1 month</th>
<th>1-3 months</th>
<th>3 months – 1 year</th>
<th>1 – 5 years</th>
<th>5+ years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables: (i)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>297,718</td>
<td>297,718</td>
<td>0</td>
<td>297,718</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Accrued revenue</td>
<td>1,703</td>
<td>1,703</td>
<td>1,703</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>299,421</td>
<td>299,421</td>
<td>1,703</td>
<td>297,718</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).
c) Liquidity risk

Liquidity risk is the risk that the ARCC will not be able to meet its financial obligations as they fall due. ARCC’s policy is to meet its financial obligations within 30 days of a valid tax invoice being provided.

The liquidity risk exposure is due to income from contributory bodies not being received by ARCC in a timely manner to meet ARCC’s financial obligations. This is managed through the maintenance of a level of working capital, tight cash flow management and obtaining a Ministerial Direction under the Alpine Resorts (Management Act) 1997 specifying contributions to be made during the financial year, refer to Note 1(t).

Table 15.3 Maturity analysis of contractual financial liabilities

<table>
<thead>
<tr>
<th>Maturity dates</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carrying amount</td>
<td>Nominal amount</td>
</tr>
<tr>
<td>Payables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors and accruals</td>
<td>28,545</td>
<td>28,545</td>
</tr>
<tr>
<td>Borrowings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>41,057</td>
<td>41,057</td>
</tr>
<tr>
<td>Total</td>
<td>69,602</td>
<td>69,602</td>
</tr>
<tr>
<td>Payables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors and accruals</td>
<td>99,416</td>
<td>99,416</td>
</tr>
<tr>
<td>Borrowings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>49,199</td>
<td>49,199</td>
</tr>
<tr>
<td>Total</td>
<td>148,615</td>
<td>148,615</td>
</tr>
</tbody>
</table>

(i) The carrying amounts disclosed exclude statutory amounts (e.g. GST payables).

d) Interest rate risk

ARCC has exposure to interest rate risk on its short-term deposits in a Cash Management Account held with the ARCC’s bank. ARCC considers that this risk is low as it does not impact significantly on its operations. A sensitivity analysis of a 0.5% (0.5% 2014-2015) increase or decrease movement in interest rates would result in a movement of $5,500 ($5,290 2014-2015) which is considered a negligible impact on the annual financial position.

e) Interest rate exposure

The ARCC’s exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and liabilities is set out in the table. ARCC considers that the impact of changes in interest rates is not material.
### Table 15.4 Interest rate exposure of financial instruments

<table>
<thead>
<tr>
<th></th>
<th>Floating Interest Rate</th>
<th>Fixed Interest Maturing In</th>
<th>1 year or less</th>
<th>Over 1 to 5 years</th>
<th>More than 5 years</th>
<th>Non-Interest Bearing</th>
<th>Total</th>
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<tr>
<td><strong>30-Jun-16</strong></td>
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<tr>
<td><strong>Contractual Financial Assets</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>215,668</td>
<td></td>
</tr>
<tr>
<td>Receivables (i)</td>
<td>0</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>109,979</td>
<td>109,979</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>215,668</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>109,979</td>
<td>325,647</td>
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<tr>
<td><strong>Weighted Average Interest Rate</strong></td>
<td>1.35%</td>
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<td></td>
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<tr>
<td><strong>Contractual Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>0</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>28,545</td>
<td>28,545</td>
</tr>
<tr>
<td>Borrowings</td>
<td>0</td>
<td></td>
<td>7,634</td>
<td>30,856</td>
<td>0</td>
<td>38,490</td>
<td></td>
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<tr>
<td><strong>Total</strong></td>
<td>0</td>
<td></td>
<td>7,634</td>
<td>30,856</td>
<td>0</td>
<td>28,545</td>
<td>67,035</td>
</tr>
<tr>
<td><strong>Weighted Average Interest Rate</strong></td>
<td>4.62%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>30-Jun-15</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Contractual Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Cash and cash equivalents</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>159,908</td>
<td></td>
</tr>
<tr>
<td>Receivables (i)</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>299,421</td>
<td>299,421</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>159,908</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>299,421</td>
<td>459,329</td>
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<tr>
<td><strong>Weighted Average Interest Rate</strong></td>
<td>2.01%</td>
<td></td>
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<tr>
<td><strong>Contractual Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>99,416</td>
<td>99,416</td>
</tr>
<tr>
<td>Borrowings</td>
<td>0</td>
<td></td>
<td>7,398</td>
<td>37,300</td>
<td>0</td>
<td>44,698</td>
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<tr>
<td><strong>Total</strong></td>
<td>0</td>
<td></td>
<td>7,398</td>
<td>37,300</td>
<td>0</td>
<td>99,416</td>
<td>144,114</td>
</tr>
<tr>
<td><strong>Weighted Average Interest Rate</strong></td>
<td>4.62%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(i) The carrying amounts disclosed exclude statutory amounts (e.g. GST payables).
Note 16: Remuneration of auditors

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victorian Auditor-General’s Office</td>
<td>6,900</td>
<td>6,700</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>6,900</strong></td>
<td><strong>6,700</strong></td>
</tr>
</tbody>
</table>

Note 17: Ex gratia payments

ARCC did not make any ex gratia payments in 2015-16 (2014-15 $Nil).
**Note 18: Glossary of terms and style conventions**

**Amortisation**
Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset.

**Borrowings**
Borrowings refer to interest-bearing liabilities raised from finance leases.

**Comprehensive result**
The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

**Commitments**
Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

**Depreciation**
Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a “transaction” and so reduces the “net result from transaction”.

**Employee benefits expenses**
Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

**Financial asset**
Financial asset is any asset that is:

a) cash;

b) an equity instrument of another entity;

c) a contractual or statutory right:
   i) to receive cash or another financial asset from another entity; or
   ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
   d) a contract that will or may be settled in the entity’s own equity instruments and is:
      i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity’s own equity instruments; or
      ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments.

**Financial instruments**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

**Financial liability**
A financial liability is any liability that is:

a) A contractual obligation:
   i) to deliver cash or another financial asset to another entity; or
   ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

b) A contract that will or may be settled in the entity’s own equity instruments and is:
   i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity’s own equity instruments; or
   ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments. For this purpose the entity’s own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity’s own equity instruments.
Financial statements
A complete set of financial statements comprises:

a) a comprehensive operating statement for the period;
b) a balance sheet as at the end of the period;
c) a statement of changes in equity for the period;
d) a cash flows statement for the period;
e) notes, comprising a summary of significant accounting policies and other explanatory information;
f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 Presentation of Financial Statements; and
g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Interest income
Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Net result
Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as ‘other economic flows – other comprehensive income’.

Net result from transactions
Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net worth
Assets less liabilities, which is an economic measure of wealth.

Non-financial assets
Non-financial assets are all assets that are not “financial assets”. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

Other economic flows included in net result
Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

a) gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets;
b) fair value changes of financial instruments and agricultural assets; and
c) depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income
Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows other comprehensive income include:

a) changes in physical asset revaluation surplus;
b) share of net movement in revaluation surplus of associates and joint ventures; and
c) gains and losses on remeasuring available for sale financial assets.

Payables
Includes short and long term trade debt and accounts payable, grants, taxes and interest payable.
Receivables
Includes short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services
Refers to income from the direct provision of goods and services and includes fees and charges for services rendered.

Supplies and services
Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the ARCC.

Transactions
Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Style conventions
Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.
The notation used in the tables is as follows:
.. zero, or rounded to zero
(xxx.x) negative numbers
20xx year
20xx-xx year period
The financial statements and notes are presented based on the illustration for a government department in the 2015-16 Model Report for Victorian Government Departments. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the ARCC’s annual reports.
Disclosure Index

The annual report of the Council is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of the Council’s compliance with statutory disclosure requirements.

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<thead>
<tr>
<th>Legislation</th>
<th>Requirement</th>
<th>Page Ref.</th>
</tr>
</thead>
</table>

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<tr>
<td><strong>Ministerial Directions (continued)</strong></td>
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<td>SD 4.2(j)</td>
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<td>Statement of changes in equity</td>
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<td>Accountable officer’s declaration</td>
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<td>FRD 11A</td>
<td>Disclosure of Ex gratia Expenses</td>
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<td>FRD 13</td>
<td>Disclosure of Parliamentary Appropriations</td>
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<td>FRD 21B</td>
<td>Disclosures of Responsible Persons, Executive Officers and other Personnel</td>
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<td>Non Financial Physical Assets (Pending revision)</td>
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<td>Alpine Resorts (Management) Act 1997</td>
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**Acronyms:**

FRD – Financial Reporting Direction
SD – Standing Direction
PC – Premier’s Circular
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