



**ALBURY**  
RACING CLUB



**Albury Racing Club Limited**  
ABN 61 053 857 819  
**Annual Financial Statements**  
30 June 2019

## Contents

President's report	1
Sponsors	4
Directors' report	5
Lead auditor's independence declaration	9
Statement of profit or loss and other comprehensive income	10
Statement of changes in equity	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14
Directors' declaration	30
Independent auditor's report	31

## President's Report 18/19

The 2018/2019 racing season has been both an exciting and a challenging one for the Albury Racing Club. From a racing perspective, field numbers and quality have been strong, and the number of horses, in work, at Albury continues to increase. From a state-wide perspective, prizemoney levels continue to increase which, in turn, is creating an atmosphere which encourages greater participation in our wonderful industry. Importantly, 2019 marked the return to our traditional Cup Carnival conducted on consecutive days. The first day of the carnival was well patronised by owners and trainers and well attended by our members, supporters and the public. The 2019 Albury Cup Day was building towards a very successful event. However, as we all know, the weather gods intervened and the track suffered a torrential downpour on the Friday morning. Every endeavour was made to conduct the race meeting but, eventually, a decision was made by the stewards to declare the track unsafe for racing.

Clearly, on any objective view, that decision was very disappointing for all concerned, not the least being our members, local industry participants and, very importantly, our sponsors. Having said that, the Committee has been greatly encouraged by the enormous support received both on the day and following the cancellation of the Cup Day meeting. Our sponsors have been very supportive, our members have been very supportive, racegoers, in general, have been very supportive, local industry participants and, indeed, industry participants from throughout NSW and Victoria have indicated their support.

I must also thank Racing NSW for its very strong support flowing from the cancellation of the Cup Day meeting. Racing NSW allocated another race day which enabled the Club to recover some losses and, further, allocated significant funds to enable further work to be conducted on the track immediately following our Cox Plate Day meeting. That work is designed to avoid circumstances, such as those which arose on Cup Day this year, causing another cancellation. Albury City Council has also provided very significant support to the Club as well as Susan Ley, our Federal Member and Justin Clancy, our State Member. The Club sincerely appreciates that support and looks forward to it continuing into the 2020 Cup Carnival and beyond.

## Financial

The Financial Report submitted with the annual report accurately details our financial position. The Club remains in secure financial position and has no current financial concerns. Certainly, the cancellation of the Cup Day Meeting had a negative impact on the Club's financial position but that has been, to some extent, ameliorated by the support received from Racing NSW in allocating an alternative race meeting, by funding further renovations to the track, and by re-allocating race dates to compensate for the loss of the Melbourne Cup and Oaks Day meetings in 2019. Having said that, and as always, the Club looks forward to a very strong and successful 2020 Cup Carnival to enable it to maintain its secure financial position. The Club also looks forward to conducting a strong and successful meeting on Boxing Day this year and to hosting the 2020 SDRA heat of the Country Championships.

## Sponsors

I would like to take this opportunity of sincerely thanking the Commercial Club Albury for its ongoing sponsorship and very strong support. The Commercial Club has agreed to again to provide the major sponsorship for our 2020 Cup Carnival and we look forward to our long association continuing well into the future.

To our other Carnival and Cup Day sponsors, I again extend the thanks of myself and my Committee, not only for your support, but for your tolerance and understanding with respect to the cancellation of the 2019 Cup Day meeting. We look forward to your continuing involvement with the Albury Racing Club.

Our platinum and corporate sponsors provide the Albury Racing Club with a very solid and secure base upon which we can plan and implement strategies with a view to continuing to improve racing and our facilities. To those long term and new platinum and corporate sponsors our sincere thanks are extended.

## Staff

It has been a year of change in relation to staffing at the Albury Race Club. The one constant has been our wonderful office administrator Carol Broadfoot.

Anyone who spent any time with Carol on Cup Day, following the cancellation of the races, would be left with no doubt as to her passion and commitment for the Albury Racing Club.

Carol has been joined by Steve Hetherton as our Chief Executive Officer. Steve commenced in January 2019 and, it would be fair to say, enjoyed a "baptism of fire". Steve's poise and calm (under fire) on Cup day, was exceptional. He brings to the Club a very strong background in marketing and management and has settled in very well following his appointment. Steve is liaising strongly with all industry stakeholders and establishing good relationships with those various entities. Of course, he has "big shoes to fill", given the outstanding Chief Executive Officers who have preceded him including Peter Stubbs, Paul Carroll and, of course, John Miller.

The management team has been further strengthened by the recruitment of Jackie Morgan who returns to the Albury Racing Club as our Sponsorship and Events Manager. Anyone who has dealt with Jackie would be aware that she is a very professional and talented Manager who will undoubtedly enhance the brand of the Albury Racing Club moving forward. We very much welcome Jackie back to the Albury race track.

There have not only been very significant changes with respect to the administration of the Albury Racing Club, but also, with respect to our track management and maintenance. In early February this year we welcomed Luke Garland back to the Albury Race Club as our Track Manager. Luke, as our members will recall, was previously employed by the Albury Racing Club for several years. His experience and expertise, gained in other areas, since his departure, has increased, and he brings that expertise back to the Club which has been evident in the manner in which the track has been presented since his return. I have absolutely no doubt that Luke, and his staff, had prepared the racetrack perfectly for the Cup Day meeting. The unexpected, unpredicted and torrential rain that fell on the morning of the Cup, which resulted in the cancellation of the meeting, can, in no way, bring criticism upon Luke and his staff. I invite any of our members, sponsors, supporters, racegoers and industry participants to pay particular attention to the quality in which the racetrack is presented during our Spring Carnival and beyond. Luke was joined by Joe Bolton, who came to us from Wodonga. Joe started in January 2019 and provides significant assistance and support to Luke. He also brings to the Albury Racing Club a strong background in racetrack management and maintenance. The team is completed by our track maintenance apprentice, Callum Barrows who is developing skills, greatly assisted by the expertise and experience of Luke and Joe from which he can draw.

In short, the Committee is firmly of the opinion that the Albury Racing Club has, in both its administration and track management areas, very strong and talented teams, who will ensure the positive development of the Club moving forward.

## Vale

To the families of our members and industry participants who have passed away during the past 12 months, on behalf of the Club, I extend my deepest sympathies. I must mention, with great sadness, long term committee member Richard Hickey and his wife Sue and their families. Our thoughts have been with you. To the family of Brian Cox, who trained many winners at Albury including three Gold Cup winners, we pass on our condolences on his sudden and tragic passing.

## Committee

I extend my sincerest thanks to the very hard working Committee of the Albury Racing Club Limited. The Committee is a diverse group with members who bring to the table talents and expertise in a variety of areas. Every member of the Committee is devoted to developing, improving and securing the future of the Albury Racing Club Limited. The Committee is in the process of developing, what might be called a strategic plan, with a view to establishing a roadmap for positive and productive development of the racing industry locally, our facilities and our brand. I look forward to continuing to work with this very strong Committee throughout 2020.

I note that no Committee elections, or appointments of independent Directors are required this year, due to the fact that, in 2018, elections were held and appointments made, which involved two year periods.

## Members

Might I thank our members for their ongoing support. In particular, I thank the majority of our membership for their positive, sympathetic and understanding response to the events of Cup Day. We continue to look at ways to provide value adding to your membership, and both Steve and Jackie, together with the input of Carol, have made that aim a priority.

Obviously, we are always looking to increase our membership numbers, both full members and Club Festivus members and, therefore, do not hesitate to encourage friends, family, associates, workmates and so forth to consider becoming a member of the Albury Racing Club. We believe that our facilities, for a country Racing Club, would make the exercise well worthwhile.

## Local Racing Industry

At the outset, might I congratulate Pat Freyer, who has now "chalked up" 75 years of continuous service to the Albury Racing Club, in one capacity or another. That achievement was recognised during a small presentation conducted in the mounting yard following a recent race meeting. Well done Pat.

Congratulations to Mitchell Beer on being confirmed as the leading trainer at Albury for season 2018/2019. Mitchell, and his large team of horses, has been a welcome addition to the local racing industry. Similarly, might I congratulate the connections of Pacific Tycoon on that horse being named Horse of the Year for the 2018/2019 racing season. John Spalding, his owner, is, of course well known to our membership. John is a life member of the Club and was a very long standing committee member. Pacific Tycoon's trainer Jodie Bohr is one of the nicest people you would meet on a racetrack and it is great to see John and Jodie have success with what is a very consistent horse. The Committee also congratulates Blaike McDougall on being named leading jockey for 2018/19 season. Of course, Blaike has a strong connection with the Donna Scott's stable and that stable, together with Blaike, has enjoyed very considerable success throughout the last season, not only in Albury, but right throughout the State.

In conclusion, might I take this opportunity to sincerely thank all those who have devoted their time, energy and effort on behalf of the Albury Racing Club.

I look forward to that support continuing well into the future.



**Mark Anthony Cronin**

**President**

**Albury Racing Club Limited**

## Sponsors

The Committee of the Albury Racing Club greatly appreciates the support of our many sponsors who enable the Club to maintain a high standard of racing and who greatly assist those involved in the industry. We thank you.

Our Major Sponsors, Platinum and Corporate Sponsors throughout 2018/19 included:

Ace Radio 2AY	KDEC Data & Electrical
Albury Demolitions Pty Ltd	Kiewa Valley Spring Water
Allure Lashes & Brow Bar	Laser Electrical
Atura Albury	Leigh Martin Marine
AVIS	Lexus of Wodonga
Baileys Removals & Storage	M & S Graham Plumbing
BARLENS	Marshalls Dent Wilmoth Lawyers
Baxters Concrete	Martins Travel Albury
Border Bandag	MLM Electrical Contractors
Boss Better Living Systems	Naughtin Developments
Buller Wine	Pinners Refrigeration
Chapman, Gould & May	Pogson Cronin
Choices Wodonga	Riverina Horizontal Boring P/L
COMMERCIAL CLUB ALBURY	Signarama
Conway Printing	Skin Logics Ella Bache Albury
CUB	Smiths Ice
Dahlsens	Southern Asset Services
Daro Twin City	Springdale Heights Tavern
Destination NSW	Star Hotel Albury
DLG Aluminium & Glazing	Stuart Gordon Landscaping
Gazebo & Shade Centre	Tabcorp
GPE Electrical & Communications Contractor P/L	The Birdcage Fashions Albury
Hi Tech Antennas	The Essential Utensil
HIB Insurance	The Newmarket Hotel
Jayco Albury Wodonga	Twin City Truck Centre
Johnsons MME	Vision Screenprinting
Just Safes Australia	Wilson Transformer Club

## Directors' report

The Directors present their report together with the financial statements of the Albury Racing Club Limited (the Club), for the year ended 30 June 2019 and the auditor's report thereon.

### Directors

The Directors of the Club at any time during or since the end of the financial year are:

MA Cronin  
Age 63  
Member for 28 years  
Committee for 28 years  
Occupation – Solicitor

GJ Miller  
Age 67  
Member for 47 years  
Committee for 34 years  
Occupation – Chartered  
Accountant

GW Judd  
Age 62  
Member for 29 years  
Committee for 17 years  
Occupation – Club Director

A McHardy  
Age 62  
Member for 9 years  
Committee for 5 years  
Occupation – CEO

R Sloane  
Age 63  
Member for 29 years  
Committee for 14 years  
Occupation – Grazier

R Mullavey  
Age 65  
Member for 11 years  
Committee for 5 years  
Occupation – Chartered  
Accountant

M Dyordyevic  
Age 46  
Member for 3 years  
Committee for 3 years  
Occupation – Executive Manager

G Chapman  
Age 57  
Member for 10 years  
Committee for 5 years  
Occupation – Club  
Director/Electrician

S Stewart  
Age 53  
Member for 3 years  
Committee for 3 years  
Occupation – Real Estate Agent

P Spencer  
Age 59  
Member for 17 years  
Committee for 10 years  
Occupation – Finance Broker  
Re-elected January 2019

C Sheather  
Age 41  
Member for 13 years  
Committee for 7 years  
Occupation – Public Servant  
Retired – December 2018

All Directors are considered non-executive Directors of the Club.

### Club secretary

Mr Steve Hetheron, Chief Executive Officer of the Club, was appointed to the position of Club Secretary in January 2019 and acts in this capacity subsequent to year end. Mr Michael Wighton was appointed on 17 July 2017 and resigned in December 2018.

## Directors' report (continued)

### Principal activities

The principal activities of the Club during the course of the financial year were those of conducting and promoting Thoroughbred Horse Racing. There were no significant changes in the nature of the activities of the Club during the year.

### State of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Club that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

### Operating and financial review

The operating profit for the year was \$41,265 (operating profit in 2018: \$60,760).

### Short & long term objectives

- Continue to identify opportunities and enhance the Commercial Club Albury Gold Cup Carnival brand as the premier country NSW racing event.
- Grow revenue across our other annual race days and continue to attract special event race days such as The Country Championships.
- Identify and attract major events to develop new non-wagering revenue streams.
- Invest in the improvement of facilities and hospitality services on course for Albury Racing Club Members.
- Improve and expand the clubs on course training facilities for current and future local trainers and owners.

### Dividends

The Club is a Club limited by guarantee and therefore has not declared or paid any dividend during the financial year, nor is it recommended that any dividend should be declared or paid from the operating result disclosed in the accounts.

### Membership

The Club is a Club limited by guarantee and without a share capital. The number of members as at 30 June 2019 were as follows:

Type of member	Number of members	Guarantee amount
Life members	11	-
Honorary members	12	-
Standard members	374	\$10
Corporate members	22	\$10
Platinum members	27	\$10
Club Festivus members	13	\$10

If the Club is wound up, the Constitution states that each member is required to contribute as indicated above towards meeting any outstanding obligations of the Club.

## Directors' report (continued)

### Environmental regulation

The Club's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Directors believe that the Club has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Club.

### Events subsequent to balance date

One subsequent event arisen in the interval between the end of the financial year and the date of this report is the finalisation and signing of an external catering license agreement in late August 2019.

No other transaction or event has arisen of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Club, the results of those operations, or the state of affairs of the economic entity, in subsequent financial years.

### Likely developments

No material likely developments are foreseen at this time that may affect the Club's operations.

Further information about likely developments in the operations of the Club and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would likely to result in unreasonable prejudice to the Club.

### Indemnification and insurance of directors and officers

The Club has indemnified all Directors and certain Executive Officers in respect of liabilities to other persons (other than the Club or a related body corporate) that may arise from their position as Director or Executive Officer of the Club, except where the liability arises out of conduct involving a lack of good faith. The policy agreement stipulates that the Thoroughbred Racing Board will meet the relevant liability. The Club has not indemnified its auditors, Crowe Albury.

### Auditors' independence declaration

A copy of the auditors' independence declaration as required by section 307C of the *Corporations Act 2001* is set out on page 8.

### Directors' benefits

Since the end of the previous financial year no Director of the Club has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts, or the fixed salary of a full time employee of the Club or related corporation) by reason of a contract made by a Club or a related corporation with the Director or with a firm of which the Director has a substantial financial interest, other than entities associated with G Chapman and G Judd, who supplied goods and services on a commercial basis.

## Directors' report (continued)

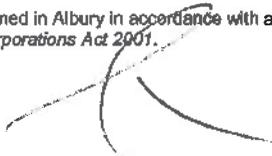
### Directors' meetings

The number of Directors' and race meetings attended by each of the Directors of the Club during the financial year are:

	No. of Directors' Meetings Attended	No. of Directors' Meetings Held*	No. of Race Meetings Attended	No. of Race Meetings Held*
Mr G Judd	12	12	16	18
Mr MA Cronin	10	12	16	18
Mr GJ Miller	11	12	15	18
Mr R Sloane	10	12	14	18
Mr R Mullavey	8	12	11	18
Mr C Sheather	2	6	6	9
Ms A McHardy	7	12	6	18
Mr M Dyordyevic	8	12	13	18
Mr G Chapman	10	12	12	18
Mr S Stewart	9	12	15	18
Mr Paul Spencer	5	6	9	9

\* reflects the number of meetings held during the time the Director held office during the year.

Signed in Albury in accordance with a resolution of the Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.



M Cronin  
Director

Date: 29 October 2019



G Judd  
Director

Date: 29 October 2019



**Crowe Albury**  
ABN 16 673 023 918  
Member Crowe International

Audit and Assurance Services  
491 Smollett Street  
Albury NSW 2640 Australia  
PO Box 500  
Albury NSW 2640 Australia  
Tel 02 6021 1111  
Fax 02 6041 1892

## **AUDITOR INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ALBURY RACING CLUB LIMITED**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2019 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads "Bradley D Bohun".

**CROWE ALBURY**

A handwritten signature in blue ink that reads "Bradley D Bohun".

**BRADLEY D BOHUN**  
Partner

Dated at Albury this 29<sup>th</sup> day of October 2019

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Albury, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.*

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

## Statement of profit or loss and other comprehensive income for the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Revenue</b>	3	4,665,596	4,004,537
<b>Expenses</b>			
Cost of goods sold		261,057	275,003
Prize money and rebates		2,699,953	2,165,427
Raceday expenses		694,896	633,344
Racecourse maintenance		501,532	412,667
Administration expenses		469,548	452,699
<b>Result from operations</b>		38,610	65,397
Financing income		7,060	1,324
Financing expenses		(4,405)	(5,961)
Net financing costs		2,655	(4,637)
<b>Profit/(loss) before tax</b>		41,265	60,760
Income tax expense	1(e)	-	-
<b>Net profit/(loss)</b>		41,265	60,760
<b>Other comprehensive income</b>			
Net gain on revaluation of property plant equipment		-	-
<b>Total comprehensive income for the year</b>		41,265	60,760

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 13 to 27.

## Statement of changes in equity for the year ended 30 June 2019

	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
Balance at 1 July 2017	<u>3,000,668</u>	<u>3,000,668</u>
<b>Total comprehensive income for the period</b>		
Profit or (loss)	60,760	60,760
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u>3,061,428</u>	<u>3,061,428</u>
Transactions with owners recorded directly in equity	-	-
<b>Balance at 30 June 2018</b>	<u>3,061,428</u>	<u>3,061,428</u>

	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
Balance at 1 July 2018	<u>3,061,428</u>	<u>3,061,428</u>
<b>Total comprehensive income for the period</b>		
Profit or (loss)	41,265	41,265
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u>3,102,693</u>	<u>3,102,693</u>
Transactions with owners recorded directly in equity	-	-
<b>Balance at 30 June 2019</b>	<u>3,102,693</u>	<u>3,102,693</u>

The statement of changes in equity is to be read in conjunction  
with the notes to the financial statements set out on pages 13 to 27.

## Statement of financial position As at 30 June 2019

	Note	2019 \$	2018 \$
<b>Current assets</b>			
Cash and cash equivalents	5	365,897	275,036
Trade and other receivables	6	134,404	156,652
Inventories		38,182	42,876
<b>Total current assets</b>		538,483	474,564
<b>Non-current assets</b>			
Property, plant and equipment	7	3,060,715	3,093,698
<b>Total non-current assets</b>		3,060,715	3,093,698
<b>Total assets</b>		3,599,198	3,568,262
<b>Current liabilities</b>			
Trade and other payables	8	207,290	252,843
Income in advance	9	181,584	189,311
Loans and borrowings	10	18,198	17,180
Employee benefits	11	31,392	36,309
<b>Total current liabilities</b>		438,464	495,643
<b>Non-current liabilities</b>			
Loans and borrowings	10	57,832	-
Employee benefits	11	209	11,191
<b>Total non-current liabilities</b>		58,041	11,191
<b>Total liabilities</b>		496,505	506,834
<b>Net assets</b>		3,102,693	3,061,428
<b>Equity</b>			
Retained profits	19	3,102,693	3,061,428
<b>Total equity</b>		3,102,693	3,061,428

The statement of financial position is to be read in conjunction with the notes  
to the financial statements set out on pages 13 to 27.

## Statement of cash flows For the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Cash receipts in the course of operations		5,132,156	4,404,991
Cash payments in the course of operations		(5,023,819)	(4,204,063)
Interest received		108,337	200,928
Borrowing costs paid		7,060	1,324
		(4,405)	(5,961)
<b>Net cash from/ (used in) operating activities</b>	17	<u>110,992</u>	<u>196,291</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of long-term lease		-	177,113
Payments for property, plant and equipment		(6,882)	(132,295)
<b>Net cash from/(used in) investing activities</b>		<u>(6,882)</u>	<u>44,818</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	-
Repayment of borrowings		(13,249)	(16,216)
<b>Net cash from/ (used in) financing activities</b>		<u>(13,249)</u>	<u>(16,216)</u>
<b>Net (decrease) in cash held</b>		90,861	224,893
<b>Cash and cash equivalents at beginning of the financial year</b>		<u>275,036</u>	<u>50,143</u>
<b>Cash and cash equivalents at end of the financial year</b>	5	<u><u>365,897</u></u>	<u><u>275,036</u></u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 13 to 27.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 1 Statement of significant accounting policies

Albury Racing Club Ltd (the "Club") is a public Club limited by guarantee domiciled in Australia.

The financial statements were authorised for issue by the Directors on 29 October 2019.

#### (a) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The Club is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

#### (b) Basis of preparation

The financial statements are presented in Australian dollars.

##### *Not-for-profit status*

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Financial Reporting Standards (IFRS) requirements. The Club has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate the Club has elected to apply options and exemptions within AIFRS that are applicable to not-for-profit entities.

The financial statements are prepared on the basis of historical costs except where stated.

##### *Critical accounting estimates*

The preparation of the financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Club.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 1 Statement of significant accounting policies (continued)

#### (c) Revenue

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

##### *Sales revenue*

Sales revenue comprises revenue earned from the provision of products or services to customers outside the Club. Sales revenue is recognised when the goods are provided, or when the fee in respect of the services provided is receivable. Non-refundable function deposits are recognised as revenue when received.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably, there is a risk of return of goods or there is continuing management involvement with the goods.

##### *Asset sales*

The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed and is accounted for as other income.

##### *Other revenue*

Other revenue comprises nominations and acceptance fees, sponsorships, admissions and other sundry revenue.

##### *Grants & commissions*

Grants are recognised at their fair value when the Club obtains control of the grant, it is possible that the economic benefits comprising the grant will flow to the Club and the amount of the grant can be measured reliably. Control over granted assets is normally obtained upon receipt. A significant portion of revenue is obtained via the track maintenance scheme which is based predominately on the number of local trained starters.

From time to time the Club receives grant funding for various miscellaneous purposes.

#### (d) Expenses

##### *Net financing costs*

Net financing costs comprise interest payable on borrowings calculated using the effective interest method and interest receivable on funds invested.

Interest income is recognised in profit or loss as it accrues, using the effective interest method. The interest expense component of finance lease payments is recognised in profit or loss using the effective interest method.

##### *Operating lease payments*

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense and spread over the lease term.

##### *Finance lease payments*

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### (e) Income tax

The income tax laws exempt the Club from income tax liability.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 1 Statement of significant accounting policies (continued)

#### (f) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, call deposits and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Club's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

#### (g) Trade and other receivables

Trade and other receivables are stated at their cost less any allowance for expected credit losses (refer Note 1(k)). Receivables are due for settlement no more than 30 days from the date of recognition unless specific payment arrangements have been approved.

#### (h) Inventory

Inventories are stated at the lower of cost and net realisable value.

The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

#### (i) Property, plant and equipment

##### *Owned assets*

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation/amortisation and impairment losses. The cost of self-constructed assets includes the cost of materials and direct labour and an appropriate proportion of production overheads.

Certain items of property, plant and equipment that had been revalued to fair value on or prior to 1 July 2004, the date of transition to Australian Accounting Standards – AIFRSs, are measured on the basis of deemed cost, being the revalued amount at the date of the transition.

##### *Depreciation/ amortisation*

Depreciation/Amortisation is charged to profit or loss over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The depreciation rates and methodology applied in the current and comparative periods are as follows:

Leasehold improvements	2.5% - 10%
Plant and equipment	5% - 40%
Furniture and fittings	10%

##### *Low Value Items*

Fixed assets with a cost in excess of \$5,000 are capitalised at historical cost and are depreciated over their estimated useful lives. Assets of less than \$5,000 are expensed as equipment purchases. Fixed assets are first depreciated in the year of acquisition using the prime cost method of depreciation.

##### *Subsequent costs*

The Club recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Club and the cost of the item can be measured reliably. All other costs are recognised in profit or loss as an expense as incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included as other income in profit or loss.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 1 Statement of significant accounting policies (continued)

#### (j) Trade and other payables

Trade and other payables are stated at cost, which approximates amortised cost. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (k) Impairment

The carrying amounts of the Club's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its value in use. Value in use in respect of a not-for-profit entity is the depreciated replacement cost of an asset when the future economic benefits of the asset are not primarily dependent on the assets ability to generate net cash inflows. Impairment losses are recognised in profit or loss, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

#### (l) Employee benefits

##### *Short-term benefits*

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Club expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

##### *Long-term service benefits*

The Club's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using the rates attaching to Commonwealth Government bonds at balance date which have maturity dates approximating the terms of the Club's obligations. Where the Club does not have the unconditional right to defer settlement beyond twelve months, the liability is recognised as a current liability.

##### *Defined contribution plans*

The Club contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are incurred.

#### (m) Provisions

A provision is recognised in the statement of financial position when the Club has a present legal, equitable or constructive obligation as a result of a past event, and it is probable (more likely than not) that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is treated as an expense as part of borrowing expenses related to the particular provision.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 1 Statement of significant accounting policies (continued)

#### (n) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated without the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

#### (o) Interest bearing loans and borrowings

Interest bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of profit or loss and comprehensive income over the period of the borrowings on an effective interest basis.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### (p) Leases

Leases of property, plant and equipment where the Club has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Lease payments are accounted for as described in Note 1(d).

#### (q) Going concern

The Club achieved a surplus in working capital (being the amount the current assets exceed current liabilities) of \$100,019 as at 30 June 2019, compared with a deficiency of \$21,079 in 2018. The Club reported a net profit of \$41,265 for the year ended 30 June 2019 (2018: net profit of \$60,760).

During the year ended 30 June 2017 and 2018, operating results were impacted by the track closure due to its upgrade and the reduction in the number of race days, which all contributed to a decline in income.

During the year ended 30 June 2019, operating results remained stable however were impacted by the poor weather conditions requiring Albury Racing to call off the annual Albury Gold Cup race. This contributed to lower income generation than expected.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 1 Statement of significant accounting policies (continued)

The financial report has been prepared on a going concern basis that contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Club's ability to remain a going concern and to discharge its liabilities in the ordinary course of business is dependent upon it returning to normal operations in the year ending 30 June 2020 and the generation of income from membership and race meetings.

The Directors have reviewed the budgeted trading position, inclusive of long term forecasts and are satisfied that it is appropriate to prepare the financial report on the going concern basis.

#### (r) New accounting standards

*New or amended accounting standards and interpretations adopted:*

The Club has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

*Impact of adoption*

AASB 9 *Financial Instruments* was adopted using the modified retrospective approach as at 1 July 2018 and as such, comparatives have not been restated. 2018 comparatives remain under the former AASB 139 *Financial Instruments*.

There was no impact on opening retained earnings as at 1 July 2018 as a result of adopting this new standard.

*New or amended accounting standards and interpretations issued not yet effective:*

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period ended 30 June 2019.

The Club has not applied any pronouncements before their operative date in the current reporting period beginning 1 July 2018.

The Club's preliminary assessment of the impact of the new standards and interpretations is set out below.

- AASB 15 *Revenue from Contracts with Customers*, AASB 1058 and *Income of Not-for-Profit Entities*.

AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*.

Together they contain a comprehensive framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

Based on preliminary assessments to date, these standards are not expected to have a material impact on Club's overall financial position, financial performance or cash flows.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### (r) New accounting standards (continued)

- AASB 16 *Leases*

The Club is currently not party to any leases that are not recognised in the Statement of Financial Position with the exception of short term and low value leases.

A lease liability will initially be measured at the present value of the lease payments to be made over the lease term. A corresponding right-of-use asset will also be recognised over the lease term. Operating lease expenses will decrease, and interest and depreciation expense will increase.

The standard is not expected to have a material impact on Club's future financial statements.

## 2 Accounting estimates & judgements

Management has been involved in, and discussed with Directors the development, selection and disclosure of the Albury Racing Club Ltd's critical accounting policies and estimates and the application of those policies and estimates. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

### *Estimation of useful lives of assets*

The Club determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

### *Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## Notes to and forming part of the financial statements For the year ended 30 June 2019

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>3 Revenue</b>		
Sale of goods	308,951	369,234
Subscriptions, sponsorship & packages	985,732	745,682
Admissions	99,691	152,586
Grants and commissions	3,050,364	2,518,891
Other	220,858	218,144
<b>Total revenue</b>	<u>4,665,596</u>	<u>4,004,537</u>
<b>4 Expenses</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Depreciation of:		
Plant and equipment	67,400	79,044
Furniture & fittings	3,926	4,364
Amortisation of:		
Leasehold improvements	40,639	42,365
Total depreciation and amortisation	<u>111,965</u>	<u>125,773</u>
Bad and doubtful trade debts	-	-
<b>a) Personnel expenses</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Wages and salaries	563,624	522,382
Other associated personnel expenses	10,203	7,572
Superannuation	45,150	31,863
Increase / (Decrease) in liability for annual leave	(9,680)	7,821
Increase / (Decrease) in liability for long service leave	(6,220)	6,498

## Notes to and forming part of the financial statements For the year ended 30 June 2019

<b>5 Cash and cash equivalents</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	1,623	10,225
Cash at bank	161,015	64,811
Term Deposit	203,259	<u>200,000</u>
Cash and cash equivalents in the statement of cash flows	<u>365,897</u>	<u>275,036</u>
<b>6 Trade and other receivables</b>		
Trade debtors	134,404	<u>156,652</u>
	<u>134,404</u>	<u>156,652</u>
<b>7 Property, plant and equipment</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Land</i>		
At cost	<u>1,200,000</u>	<u>1,200,000</u>
<i>Plant and equipment</i>		
At cost	1,249,488	1,170,507
Less: accumulated depreciation	(778,695)	(711,296)
	<u>470,793</u>	<u>459,211</u>
<i>Leasehold improvements</i>		
At cost	2,309,799	2,309,799
Less: accumulated amortisation	(954,971)	(914,332)
	<u>1,354,828</u>	<u>1,395,467</u>
<i>Furniture and fittings</i>		
At cost	99,768	99,768
Less: accumulated depreciation	(64,674)	(60,748)
	<u>35,094</u>	<u>39,020</u>
<b>Total property, plant and equipment</b>	<u>3,060,715</u>	<u>3,093,698</u>

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 7 Property, plant & equipment (continued)

#### Asset reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	Land \$	Plant and equipment \$	Leasehold improvements \$	Furniture and fittings \$	Total \$
Balance at 1 July 2017	1,200,000	405,960	1,437,832	43,384	3,087,176
Additions	-	132,295	-	-	132,295
Revaluations	-	-	-	-	-
Internal transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation	-	(79,044)	-	(4,364)	(83,408)
Amortisation	-	-	(42,365)	-	(42,365)
<b>Balance at 30 June 2018</b>	<b>1,200,000</b>	<b>459,211</b>	<b>1,395,467</b>	<b>39,020</b>	<b>3,093,698</b>
Balance at 1 July 2018	1,200,000	459,211	1,395,467	39,020	3,093,698
Additions	-	78,981	-	-	78,981
Revaluations	-	-	-	-	-
Internal transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation	-	(67,399)	-	(3,926)	(71,325)
Amortisation	-	-	(40,639)	-	(40,639)
<b>Balance at 30 June 2019</b>	<b>1,200,000</b>	<b>470,793</b>	<b>1,354,828</b>	<b>35,094</b>	<b>3,060,715</b>

### 8 Trade and other payables

	2019 \$	2018 \$
Trade payables	24,403	69,637
Other creditors and accruals	182,887	183,206
	<b>207,290</b>	<b>252,843</b>

### 9 Income in advance

	2019 \$	2018 \$
Income in advance	181,584	189,311
	<b>181,584</b>	<b>189,311</b>

## Notes to and forming part of the financial statements For the year ended 30 June 2019

	2019 \$	2018 \$
<b>10 Loans and borrowings</b>		
<i>Current</i>		
Lease liability	18,198	17,180
<i>Non-current</i>		
Lease liability	57,832	-

### *Facilities available at balance date*

- Vehicle & Equipment Finance
- National Australia Bank – Corporate Visa Credit Card

### *Facilities used at balance date*

#### **Vehicle & Equipment Finance**

The Club has finance lease arrangements for the purchase of furniture and fittings and plant. The lease liabilities are secured by the leased assets.

- Ford Everest – Principal and interest payments are made over 48 equal instalments and one final lump sum payment. Refer to note 18.
- Kubota Mower – Principal and interest payments are made over 36 equal instalments. Refer to note 18.

#### **Corporate Visa Credit Card**

The Club has four cards linked to a corporate credit card facility. The facility limit at 30 June 2019 is \$30,000 and the applicable interest rate is 15.50%. \$3,322 of the facility was used at 30 June 2019 (2018: two cards; \$15,000; \$1,634 used).

## Notes to and forming part of the financial statements For the year ended 30 June 2019

	2019 \$	2018 \$
<b>11 Employee benefits</b>		
<i>Current</i>		
Annual leave	12,954	22,634
Long service leave	18,438	13,675
	31,392	36,309
<i>Non-current</i>		
Long service leave	209	11,191

## 12 Segments

### *Geographical segment*

The Club operates within the Albury-Wodonga region of Australia.

### *Business segment*

The Club operates predominantly in the racing industry of NSW.

## 13 Key management personnel

The following were key management personnel of the Club at any time during the reporting period, and unless otherwise indicated were key management personnel for the entire period:

### *Non-executive directors*

The names of each person holding the position of director of Albury Racing Club Limited during the financial year are MA Cronin, GJ Miller, GW Judd, R Sloane, C Sheather, R Mullavey, G Chapman, A McHardy, S Stewart and M Dyordyevic and P Spencer.

Apart from the details disclosed in this note, no director has entered into a material contract with the Club since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year end.

### *Executive*

M Wighton – Former Chief Executive Officer appointed 17 July 2017, resigned 21 November 2018  
S Hetherton – Chief Executive Officer appointed 14 January 2019  
L Garland – Track Manager appointed 2 January 2019

Key management personnel compensation and expenses inclusive of non executive and executive key management personnel for the 2019 year was \$162,370 (2018: \$96,358).

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 13 Key management personnel (continued)

#### *Other transactions with the Club*

From time to time the directors of the Club may make purchases from the Club. These purchases are on the same terms and conditions as those entered into by other members. During the year, the Club was supplied with goods and services from entities associated with G Chapman and G Judd totalling \$24,859 (2018: \$16,213). The terms and conditions of the transactions with the above mentioned directors and their director related entities were on an arms length basis.

### 14 Statutory status

The Club is incorporated as a Club limited by Guarantee. In accordance with the Constitution of the Club, every member of the Club undertakes to contribute an amount limited to \$10 per member in the event of winding up the Club during the time he or she is a member or within one year thereafter.

### 15 The Trustees of Albury Racecourse

The Trustees of Albury Racecourse hold tenure to certain land on which the Albury Racecourse is situated. This land which was included in the statement of financial position of The Trustees Albury Racecourse on 30 June 1999 was transferred to Albury Racing Club Ltd on 1 July 1999. The Trustees of the Albury Racecourse are the directors of Albury Race Club Ltd from time to time.

### 16 Contingent liabilities

During the year, funding was provided to the Club by way of an interest free, interminable loan from Racing NSW for the purposes of the Racecourse Development project. This loan is only repayable if one of the following conditions is triggered:

- the Club conducts business activities in such a manner that it becomes financially unstable or insolvent;
- the Club ceases to operate as a race club;
- the Club disposes of land or other freehold property without the agreement of Racing NSW;
- the Club merges, amalgamates or otherwise associates with any other race club;
- the Club amends its governance structure; or
- the Club is in material breach of any of its obligations, duties and functions under the funding agreement.

The Directors are of the opinion that the circumstances outlined above are unlikely to occur in the ordinary course of business and accordingly, no liability has been made in the financial report at 30 June 2019. The maximum contingent liability at 30 June 2019 in respect of this loan, excluding GST, amounts to \$1,250,000 (2018: \$1,200,000).

There were no material contingent liabilities not considered remote as at balance date (2018: nil).

**Notes to and forming part of the financial statements  
For the year ended 30 June 2019**

<b>17 Reconciliation of cash flows from operating activities</b>	<b>2019</b> <b>\$</b>	<b>2018</b> <b>\$</b>
Profit for the period	41,265	60,760
Adjustments for:		
Depreciation	71,325	83,408
Amortisation	40,639	42,365
Amounts set aside for provisions:		
Employee benefits	(15,899)	14,319
<b>Net cash provided by operating activities before changes in assets and liabilities</b>	<b>137,330</b>	<b>200,852</b>
Change in operating assets and liabilities:		
(Increase)/decrease in trade & other receivables	22,248	(66,843)
(Increase)/decrease in inventories	4,694	(1,462)
Increase/(decrease) in trade & other payables	(53,280)	63,744
<b>Net cash provided by operating activities</b>	<b>110,992</b>	<b>196,291</b>

## Notes to and forming part of the financial statement For the year ended 30 June 2019

### 18 Commitments

#### a) Finance leases

Vehicle & Equipment Finance lease payments are payable in the normal course of events as follows:

	2019 \$	2018 \$
Within one year	21,680	17,814
One year or later and no later than five years	62,344	-
	<u>84,024</u>	<u>17,814</u>
Less: future lease finance charges	(7,994)	(634)
	<u>76,030</u>	<u>17,180</u>
Amounts provided for in the financial statements:		
Current	18,198	17,180
Non-current	57,832	-
	<u>76,030</u>	<u>17,180</u>

### 19 Retained profits

Retained profits at beginning of year	3,061,428	3,000,668
Net profit/(loss)	41,265	60,760
Retained profits at year end	<u>3,102,693</u>	<u>3,061,428</u>

## Notes to and forming part of the financial statements For the year ended 30 June 2019

### 20 Financial Risk Management

#### Financial Risk Management Policies

The Club's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and lease facilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies of these financial statements are as follows:

	Note	Carrying Amount	
		2019 \$	2018 \$
<b>Financial Assets</b>			
Cash and cash equivalents		365,897	275,036
Trade and other receivables		134,404	156,652
		500,301	431,688
<b>Financial Liabilities</b>			
Finance lease liabilities		76,030	17,180
Trade and other payables		388,874	442,154
		464,904	459,334

### 21 Significant events

Albury Racing Club was required to call off the annual Albury Gold Cup race in March 2019 due to poor weather conditions resulting in damage to the track. Although having a significant impact on their operating result, the Club still achieved an operating profit for the year ended 30 June 2019. Assessment of the track was performed by Racing NSW during the year and the track was subsequently repaired.

### 22 Subsequent events

One subsequent event arising in the interval between the end of the financial year and the date of this report is the finalisation and signing of an external catering license agreement in late August 2019.

No other transaction or event has arisen of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Club, the results of those operations, or the state of affairs of the Club in subsequent financial years.

## **Directors' declaration**

In the opinion of the directors of Albury Racing Club Limited (the "Club"):

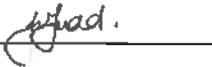
- (a) the financial statements and notes, set out on pages 9 to 27, are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position of the Club as at 30 June 2019 and of its performance, for the year ended on that date; and
  - (ii) complying with Australia Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

Signed in Albury in accordance with a resolution of the directors:



M Cronin  
*Director*

Date: 29 October 2019



G Judd  
*Director*

Date: 29 October 2019



**Crowe Albury**  
ABN 16 673 023 918  
Member Crowe International

Audit and Assurance Services  
491 Smollett Street  
Albury NSW 2640 Australia  
PO Box 500  
Albury NSW 2640 Australia  
Tel 02 6021 1111  
Fax 02 6041 1892

# Albury Racing Club Limited

## Independent Auditor's Report to the Members of Albury Racing Club Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Albury Racing Club Ltd (the Club), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of the Club is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Club's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Club in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Albury, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.*

*The title "Partner" conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Club's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Report**

The directors of the Club are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Club to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



**CROWE ALBURY**



**BRADLEY D BOHUN**

*Partner*

Dated at Albury this 29<sup>th</sup> day of October 2019