

ANNUAL REPORT 2021



Notice of Annual General Meeting

The 147th Annual General Meeting of the Tasmanian Racing Club will be held in the Ophir Doll Room at Ladbrokes Park Elwick on Monday 29th November 2021 at 6.00pm.

AGENDA

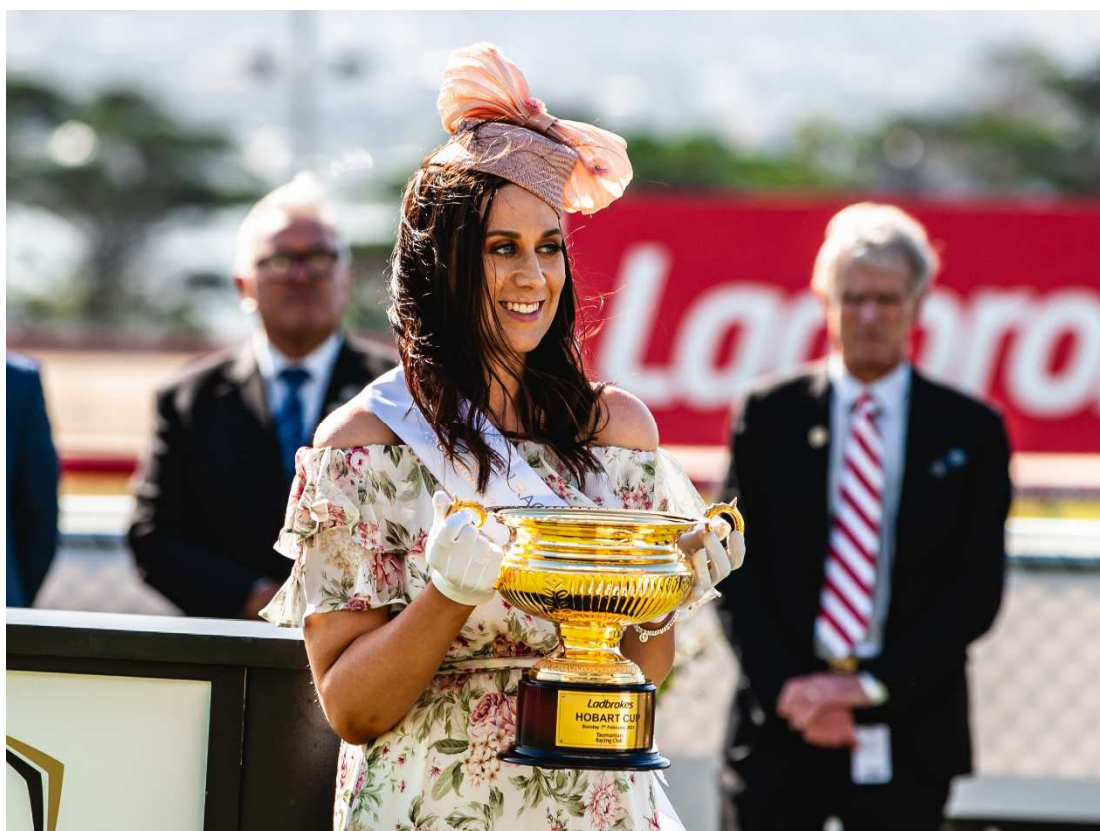
1. Welcome by the Chairman
2. Apologies
3. Confirmation of the Minutes of the 146th Annual General Meeting
4. Presentation of the Annual Report and Audited Accounts for the year ended 31 July 2021
5. Election of three (3) Members to the Committee:
The periods of appointment of Committee Members Ross Burridge AM, Tony Field and Ross Thomas expire at the AGM in accordance with the rules of the TRC. All three are eligible to stand for re-election and have indicated that they intend to offer themselves for re-election.
6. Appointment of Auditor
7. Other matters
8. Conclusion

By order of the TRC Committee.

Brendan Blomeley
Chief Executive Officer

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*TRC Ambassador Stephanie Stacey with the 2021 Ladbrokes Hobart Cup.
Photography: Solstice Digital*

Chairman's Report

The Tasmanian Racing Club has built on the success of the previous two years and, despite continuing difficulties, has recorded a profit of \$129,866. Whilst this is a positive number, it is clear that our Club needs to do more to ensure its long-term sustainability. With that issue in mind the Committee conducted a Strategic Workshop in June. The aim was to identify opportunities to grow our existing business as well as finding new sources of income. The Workshop was very productive and the Committee will be following up on the outcomes in the months ahead.

Problems with maintenance at the Elwick track came to a head in late 2020. While it is clear the track is well-built, it is also clear that its early maintenance had not been up to standard. A major weed infestation exacerbated the problems, and a number of race meetings were lost. After several reviews, including one commissioned by the Minister for Racing, it looks like Tasracing are now progressing towards a situation where an increase in racing at Elwick will be possible.

Our major race days in early 2021 – Derby Day and the Hobart Cup – were highly successful and I want to thank all our staff for their hard work in developing Covid safe plans and ensuring that our events were safely run and complied with all relevant requirements.

Thank you to our CEO Brendan Blomeley, Bianca Stiglic, Rodney Boucher, Olivia Appleby, Nadine Patmore, Lucy Appleby, all our part-time and contract staff as well as volunteer, Tony Scott.

Thank you also to our Club Ambassadors Alycia Hall, Stephanie Stacy and Ash Sutton, and our Committee, Kim Boyer, Tony Field, Ross Burridge AM, Suzie Jacobson, Cam Jones, Cam Sorell, Ross Thomas and Stephanie Stacey. I would also like to thank the partners of our Committee Members for all their contributions.

I want to thank all our partners and sponsors. We really appreciate their loyalty and continuing support.

The TRC continues to be a leading advocate for the restoration of appropriate stakes levels, particularly through its leadership role with Racing Clubs Tasmania, and has supported the process of strategy development being run by Tasracing.

Some progress has been made on the excision of land at the eastern edge of our property, but the matter is still under discussion with Tasracing. We are yet to finalise a new Memorandum of Understanding with that organisation.

Thank you to Ken and Jenny Briggs for continuing their work on the identification and restoration of our memorabilia. The Club has initiated discussions with Arts Tasmania to assist with the curation of our memorabilia and is optimistic of being able to deliver a quality interactive display to coincide with the Club's sesquicentenary.

Lastly, but most importantly, I want to thank all our Members. The Club continues to work on providing improved Members facilities and experiences.

Andrew Scanlon

Chairman



*2021 Ladbrokes Hobart Cup Winner: Double You Tee | Jockey: Jye McNeil
Photography: Solstice Digital*

Tasmanian Racing Club Committee



Andrew Scanlon
Chairman



Kim Boyer
Vice Chair



Tony Field
Treasurer



Ross Burrige AM
Committee Member



Cam Sorell
Committee Member



Suzie Jacobson
Committee Member



Cam Jones
Committee Member



Ross Thomas
Committee Member



Stephanie Stacey
Committee Member



Brendan Blomeley
Chief Executive Officer

Committee Meetings

During the year the Committee met on 12 occasions. Committee Members also met regularly at Sub-Committee meetings, conducted in accordance with the Rules of the Tasmanian Racing Club, to formalise recommendations prior to submission to the Committee.

Attendance by Committee at Committee Meetings was as follows:

Committee Member	No. Meetings	
Andrew Scanlon (Chairman)	12	
Kim Boyer (Vice Chair)	11	
Tony Field (Treasurer)	12	
Ross Burridge	11	
Cam Sorell	11	
Suzie Jacobson	11	
Cam Jones	12	
Ross Thomas *	8	Appointed as a Committee Member on 1 st December 2020
Stephanie Stacey *	4	Appointed as a Committee Member on 16 th March 2021
Martin Wallace *	3	Resigned as a Committee Member on 5 th November 2020
Peter Maczi *	3	Resigned as a Committee Member on 16 th February 2021

** Committee Members have been in office at the start of the financial year to the date of this report unless otherwise stated.*



Patron

Her Excellency the Honourable Barbara Baker AC, Governor of Tasmania.

Obituary

The TRC were saddened by the loss of Dr Alexander Buchan and Mr Val Smith who were both Members for Life of the TRC, and Mr Kevin Pearce who was an Elite Member of the TRC. As a prominent contributor to the Cadbury Tasmanian Derby and the Derby Ball, Mr Kevin Hayes will also be sadly missed by all who knew him.

Membership

Life Members

Ms K Boyer
Mr R Burridge AM
Mr G Harper
Mr R Howlett
Dr M Loughhead
Dr G McLeod
Mr C Sorell
Dr B Taranto
Mr A Trethewey
Mr M Wisby

Members For Life

Mr I Anderson
Mr W Anning
Mr R Banks AM
Mr P Burbury
Mr D Boxall
Mr G Cobern
Mr P Dolan
Mr M Downey

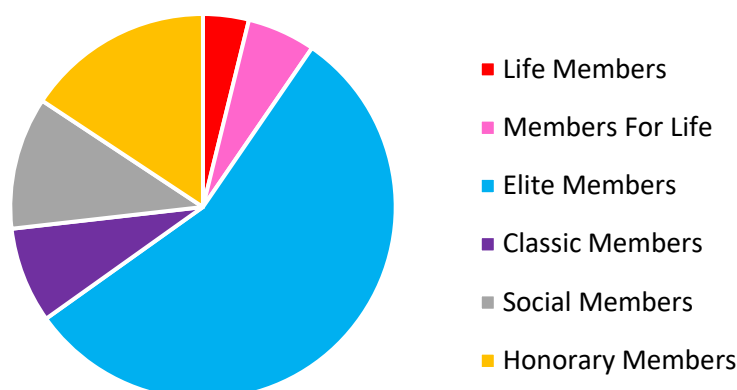
Mr R Garity
Mr K Graver OAM
Mr N Gray
Mr I Kean
Mr G McShane
Mr M Pettit
Mr C Sorell

Chaplain

Rev Ross Ellwood

Official Photographer

Mr Milton Pettit
Mr Bill Hayes



Members For Life have been continuous Members for over 40 years

Members

Mr B Ackerley	Mr S Davies	Mr J Horne	Mr J Mauger	Mr R Schwanke
Mr D L Adams	Mrs B Dayton	Mr A Howlett	Mr D Mcleod	Mr T Scott
Mr K Anderson	Mr W Devine	Mr C R Hues	Ms P McQuade	Ms L Seeley
Mr R W Archer	Ms S Dixon	Mr M G Hughes	Mr E Mickan	Mr A Smith
Ms D Ashwell	Mr S Dixon	Ms D Huxley	Mrs M Mickan	Mr M Smith
Ms C Attwell	Ms B Doherty	Ms L Ingram	Mr J Moorcroft	Mr P W Smith
Ms S Attwell	Ms C Downie	Ms S Jacobson	Mr A Moore	Ms M Sommerville
Mr P Ayers	Mr R Downie	Mr D Jarvis	Mr F Morgan	Mr B Sorell
Ms K Baird	Mr A Downton	Mr R Jarvis	Mr T Mullen	Ms S Stacey
Mr G Baird	Mrs N Downton	Mr J Johns	Ms V Nash	Ms D Stewart
Ms E Ball	Mr A Eaton	Mrs A Johns	Mr J Neeson	Mrs S Stone
Ms S Ball	Mr D Eaves	Mr A Johnson	Mr L Neeson	Mr P Street
Mr B Barry	Ms V K Edwards	Mr H Johnson	Mr D Newland	Mr M Stubbings
Ms S Bartlett	Mr C Elliss	Mr I Johnston	Mr F Newton	Mr A Sutton
Ms R Bentley	Ms J Elliss	Mr C Jones	Mr M Norman	Ms I Tanner
Mr J Berry	Mr J Elliss	Ms S K Jones	Ms S Novak	Ms T Tennick
Mr H Bevis	Ms J Eltringham	Mr S Joyce	Mr S O'Brien	Ald B Thomas
Mr J Bevis	Mr J Erends	Ms L Joyce	Ms S Oldham	Mr R Thomas
Mr J Bevis	Mr N Evans	Mr A Kain	Ms K Oxenham	Ms B Thomson
Ms L Bloomfield	Mr R Falconer	Ms A Kaitinis	Mr G R Pears	Mr P Turnock
Ms S Bond	Mr R Field	Ms M Kaitinis	Ms S Pike	Mrs F Twining
Mr R Boxall	Mr T Field	Mr C Kent	Mr R J Polley	Mr A E Upton
Mr K Brazendale	Ms Y Finch-Hollick	Ms L Kump	Mr R Poulson	Mr W E Upton
Mr R Cameron- Tucker	Mr P Geard	Mr R Latham	Mr D Pybus	Mr D Velleley
Mr P Casey	Mr P Gourlay	Ms C Lee	Ms J Randich	Mr P A Virth
Ms E Clarke	Mr A Granger	Mrs K Lee	Ms J Raymond	Mr M Wallace
Dr T Clarke	Mr B Greed	Mr R Lee	Mr M Reid	Mr N Walsh
Mr M Clarkson	Mr G Griggs	Mr T Leo	Mr D Richards	Mr A Westbrook
Mr J Conway	Mr R Gudden	Mr W Lewin	Mr B Riley	Mr R Westerhof
Mr N Cook	Mr S Gunn	Mr M Lillico	Mr M Robinson	Mr F D Westwood
Mr B Cooper	Ms R Hall	Ms P Lincolne	Mr R Robinson	Mr P M Wherrett
Mr G Costelloe	Ms T Hall	Mr J Long	Mr C Rogerson	Mr D Whybrow
Mr I Creese	Mr I Halliday	Ms E Long	Mr P Ross	Mr G Willis
Mr P Crowe	Ms J Hart	Mr G Lowe	Mr R Sadek	Clr D Winter
Mr D Cubit	Ms S G Hayles	Ms V Macikova	Mr A Scanlon	Mrs N Yaxley
Mr L Cubit	Ms K Henry	Mr J MacMurray	Mrs C Scanlon	Mr R Yaxley
Mr S Cusack	Mr D W Higgins	Mr L V Marsh	Mr M Schofield	Mr G Zooeff
Mr C Daly	Mr J Hill	Mr C Martin	Mr M Schultz	
Mr S Dannel	Mr G Hizartzidis	Ms P Martin	Mr B Schwaiger	
	Mr B Hope	Ms D Matino	Mr J Schwaiger	

Sponsors

4one4 Real Estate
Airhorse Transport Tasmania
Alva Stud
Andrew Walters Construction
Armidale Stud
Aviso Tas Insurance Brokers
Backhouse Corporate Consulting
Brooklyn Park Stud
Carbine Club of Tasmania
Carlton United Breweries
Cessiah Alice Millinery
Clennett's Mitre 10
Crowne Plaza Hotel Hobart
Deb Lawler Fall Real Estate
Derwent Park Plumbing
Dimension IV Risk & Life
Ella Baché Hobart
Elwick Functions & Events
Federal Group
FORMPLUS Pro
Gee Gee Horse Stud
Gerrard McShane
Graham Family Funerals
Grenville Stud
Hadley's Orient Hotel
Hobart Events
Hostplus
Hygain
HYPE TV
Ice House Beverages
Kelly Civil Contracting
Kevin Sharkie
Ladbrokes
Little Bee Early Years
Macleay Thoroughbred Stud
Mayor Bec Thomas
McKay Timber
Neveeza Hair Studio
Olive Tree Catering
Parmic Fire Protection Statewide
Petite Rhapsody Thoroughbreds
PFD Food Services
Power Solutions Tasmania
Pub Banc Group
Raine & Horne Eastern Shore
Raine & Horne Kingston
Raine & Horne Sorell
Ranvet
Rapid Supply
Richmond Arms Hotel
Rick's Plaster
Rogerson and Birch Surveyors
Salters Hire
Schweppes
SILK Laser Clinics
Skillinvest
TasBreeders
Tasmanian Bloodstock
Tasmanian Hospitality Association
Tasmanian Wine Centre
Tasracing
The Mills New Norfolk
The Old Woolstore
Unique Doors and Windows
Valley View Roofing
W L Shields
Wakeful Club
Winning Edge Presentations
Winzenberg Family

Group, Listed and Feature Races

Prize Money	Race Name	Winner (Trainer)	Owner	DST	WGT	Jockey	Time	Date
GROUP 3								
\$250,000	Ladbroke's Hobart Cup	DOUBLE YOU TEE (Patrick Payne)	Mr I M Halliday, Nova Clause, Mr J R Morton, Mr M W Smith	2400m	54.5kg	Jye McNeil	02:31.79	07/02/2021
\$150,000	Kevin Sharkie Bow Mistress	ETHICAL SOLUTION (Lloyd Kennewell)	Ultra Racing	1200m	56.5kg	Joe Bowditch	01:12.08	07/02/2021
LISTED								
\$150,000	Schweppes Tasmanian Derby	EXPLOSIVE JACK (Ciaran Maher & David Eustace)	Mr M Johnston, Mrs A J Johnston, Mr T A Ginnane, Madica, Mrs B E Porter, Miss J L Porter, Miss M Porter, Mr D J O'Connor, Mr N Matthews, Mr D J Canny, Mr A E Ronalds, Mr J H McInnes, The Kov, Mr A S Ingersole	2200m	57kg	John Allen	02:19.30	05/02/2021
\$100,000	The Mills New Norfolk Thomas Lyons	NEWHART (Leanne Gaffney)	Ms D J Martin, Titan, Mr R J Foster, Mrs M S Foster, Mr R D Schwanke, Mr D G Eaves, Mr B L Howard, Mr T G Howard, Mr P D Murray, Mr R J Johnson	1400m	59kg	Craig Newitt	01:25.64	07/02/2021
\$100,000	Crowne Plaza Hobart Strutt Stakes	HELA (Scott Brunton)	Ms J R Bazan, Mr M P Lillico, Mrs J Lillico, Mr M G Cocker, Miss K Beveridge, Hardway Equine, Mr M J Lym, Mr R L Biehl, Mr P W Collidge, Mr N J Collis, S C Howlett, Mr B M Woolaston, Mr W A Lewin, Mr A McIntyre, Miss L Chaikusin, Mr S J Fisher, Mr L A Winwood, Mr A H Aherne, JDG Racing, Mr R S Robinson	2100m	56kg	David Pires	02:12.37	07/02/2021
FEATURE								
\$50,000	Tasmanian Bloodstock Summer Cup	WHITE HAWK (Angela Brakey)	Mrs A M Brakey, Mrs M L Gunn	2200m	59kg	Stan Tsaikos	02:25.92	24/01/2021
\$30,000	Carbine Club 3YO Handicap	WAR CORRESPONDENT (Glenn Stevenson)	Mr M R Wadley, Mr G J Wynne, Mrs L M Wadley	1100m	57kg	Ismail Toker	01:06.36	05/02/2021



Hobart Cup Carnival

The 2021 Schweppes Tasmanian Derby and the Ladbrokes Hobart Cup Race Days enjoyed success on every measure- with the exception of attendance numbers that were limited due to Covid-19 restrictions.

Notwithstanding the challenges of operating in a Covid-19 environment, the Schweppes Tasmanian Derby, held on Friday 5 February, started with the traditional Carbine Club of Tasmania's Derby Luncheon and throughout the twilight race meeting, Members and guests enjoyed the first-class racing and entertainment on offer at Ladbrokes Park Elwick.

The Victorian three-year-old, Explosive Jack, ridden by John Allen and trained by Ciaron Maher and David Eustace won the \$150,000 Listed Schweppes Tasmanian Derby. War Correspondent, ridden by Ismail Toker and trained by Glenn Stevenson won the 1100m Carbine Club Plate.



The 2021 Ladbrokes Hobart Cup was held on Sunday 7 February and even with attendance numbers capped at 5,000, TRC Members and guests were treated to a day of high fashion, quality cuisine, on-course entertainment by popular Victorian band The Baker Boys, and outstanding racing. The Patrick Payne-trained Double You Tee, bred by Armidale Stud of Carrick, and ridden by Jye McNeil, won the iconic Group 3 \$250,000 Ladbrokes Hobart Cup.



Independent Auditors Report

Independent Auditor's Report

To the Directors of the Tasmanian Racing Club Inc

Qualified Opinion

We have audited the **Financial Statements** of the Tasmanian Racing Club (the Association).

In our opinion, except for the effects of the matters described in the *Basis for qualified opinion* section for our report, the accompanying Financial Statements of the Association is in accordance with the accounting policies described in Note 2 of the Financial Statements and in accordance with *Associations Incorporation Act 1964*.

The **Financial Statements** comprise:

- The Statement of financial position for the year ended 31 July 2021
- Statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies

Basis for qualified opinion

Completeness of gate takings revenue

Gate takings revenue is a significant source of revenue for the Association. The Association has determined that it is not practicable to maintain controls over the collection of gate takings revenue prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to gate takings revenue had to be restricted to the amount recorded in the financial records. We were unable to satisfy ourselves by alternative procedures given the absence of controls or recording mechanisms, nor quantify the possible gate takings revenue omission misstatement in the Financial Statements of the Association.

Valuation of other receivables

The Association has recognised other receivables in the statement of financial position since 31 July 2019 totalling \$297,500. This receivable represents a claim against the Tasmanian government for compensation arising from a compulsory land acquisition that occurred in 2016.

The matter is ongoing and being negotiated and therefore, the final compensation to be received is uncertain. This amount has not been recorded in accordance with Australian Accounting Standard, AASB 9 *Financial Instruments* which would require the claim to be recorded only when the Association becomes a party to the contractual agreement.

Accordingly, the Financial Statements of the Association should be adjusted for the misstatement by decreasing the carrying value of other receivables by \$297,500 as at 31 July 2020 and 31 July 2021 and decreasing the accumulated funds for the years ended 31 July 2020 and 31 July 2021 by \$297,500.

We conducted our audit in accordance with Australian Accounting Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Statement* section of our report.

We are independent of the Association in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the *Financial Statement* in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to Note 2 to the Financial Statements, which describes the basis of preparation.

The Financial Statements has been prepared to assist the Association's committee members in complying with the financial reporting requirements of s24 of the *Associations Incorporations Act 1964*.

As a result, the Financial Statements and this Auditor's Report may not be suitable for another purpose. Reporting this matter does not alter our qualified opinion as described in the Basis for the Qualified Opinion.

Our report is intended solely for the members of the Association and should not be used by parties other than the members of the Association. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Statements to which it relates, to any person other than the members of the Association or for any other purpose than that for which it was prepared.

Emphasis of matter – restatement of comparative balances

We draw attention to Note 14 to the financial statements, which describes a correction to the 2019-20 property, plant and equipment balances and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.

Responsibilities of the Association's committee members for the Financial Statement

The Association's committee members are responsible for:

- the preparation and fair presentation of the Financial Statements and have determined that the basis of preparation described in Note 2 to the Financial Statements is appropriate to meet the needs of the Association's committee members for the purpose of meeting the requirements of the *Associations Incorporation Act 1964*
- implementing necessary internal control to enable the preparation of the Financial Statements that is free from material misstatement, whether due to fraud or error
- assessing the Association's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statement

Our objective is:

- to obtain reasonable assurance about whether the Financial Statements 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Statements.



KPMG
Hobart

10 November 2021

Financial Statements

Tasmanian Racing Club Inc Statement of Comprehensive Income

for the year ended 31 July 2021

	Note	2021 \$	Restated 2020 \$
Revenue from operations			
Restated revenue	4	1,595,161	1,219,704
Interest income		359	91
Restated total revenue		1,595,520	1,219,795
Operational Expenditure			
Wages and salaries		625,376	525,228
Food, beverage and catering expenses		393,641	245,284
Equipment and services expenses		208,709	135,314
Sponsorship and member costs		31,596	39,641
Race book expenses		28,523	9,351
Accounting, legal and consultancy		27,675	30,028
Advertising and promotion		18,319	34,788
Insurance expenses		13,416	-
Bank charges and interest		10,921	8,944
Communication and utilities		9,751	10,829
Cleaning and laundry expenses		5,039	3,298
Other expenses		92,688	48,719
Total operational expenditure		1,465,654	1,091,424
Earnings before depreciation		129,866	128,371
Restated depreciation	9	230,907	226,404
Restated surplus for the period		(101,041)	(98,033)
Other comprehensive income			
Restated revaluation of Property, Plant & Equipment	9	15,657,778	1,604,020
Restated total other comprehensive income		15,657,778	1,604,020
Restated total comprehensive income for the period		15,556,737	1,505,987

The notes on pages 5 to 15 are an integral part of these financial statements.

TRC have recognised Land and Buildings that were owned in 2019-20 but not included in the corresponding statements. These balances have been restated in the 2020-21 financial statements. For details regarding the restated numbers, see Note 14.

Tasmanian Racing Club Inc
Statement of Financial Position

as at 31 July 2021

	Notes	2021 \$	2020 Restated \$	1 August 2019 Restated \$
Assets				
<i>Current</i>				
Cash and cash equivalents	6	511,108	428,498	272,258
Trade and other receivables	7	343,152	341,823	353,064
Inventories	8	48,573	43,412	41,839
Total current assets		902,833	813,733	667,161
<i>Non-current</i>				
Restated property, plant and equipment	9	34,283,862	18,852,322	17,439,046
Restated total non-current assets		34,283,862	18,852,322	17,439,046
Restated total assets		35,186,695	19,666,055	18,106,207
Liabilities				
<i>Current</i>				
Trade and other payables	10	87,764	96,451	72,061
Employee benefits	11	31,702	64,495	45,462
Restated total current liabilities		119,466	160,946	117,534
<i>Non-current</i>				
Employee benefits	11	18,648	13,265	2,827
Restated total non-current liabilities		18,648	13,265	2,827
Restated total liabilities		138,114	174,211	120,350
Restated net assets		35,048,581	19,491,844	17,985,857
Equity				
Restated accumulated funds		13,214,518	13,315,559	13,413,592
Restated reserves		21,834,063	6,176,285	4,572,265
Restated total equity		35,048,581	19,491,844	17,985,857

The notes on pages 5 to 15 are an integral part of these financial statements.

TRC have recognised Land and Buildings that were owned in 2019-20 but not included in the corresponding statements. These balances have been restated in the 2020-21 financial statements. For details regarding the restated numbers, see Note 14.

Tasmanian Racing Club Inc
Statement of Changes in Equity
for the year ended 31 July 2021

	Restated Accumulated Funds \$	Restated Asset Revaluation Reserve \$	Restated Equity \$
Balance at 1 August 2019	1,027,441	307,631	1,335,072
<i>Adjustment due to prior period error</i>	12,386,151	4,264,634	16,650,785
Restated opening balance	13,413,592	4,572,265	17,985,857
<i>Changes in equity for the year ended 31 July 2020</i>			
Total comprehensive income for the period			
Restated surplus (deficit) for the year	(98,033)	-	(98,033)
Restated other comprehensive income	-	1,604,020	1,604,020
Total comprehensive income for the period	(98,033)	1,604,020	1,505,987
Restated balance at 31 July 2020	13,315,559	6,176,285	19,491,844
Restated balance at 1 August 2020	13,315,559	6,176,285	19,491,844
<i>Changes in equity for the year ended 31 July 2021</i>			
Total comprehensive income for the period			
Surplus (deficit) for the year	(101,041)	-	(101,041)
Other comprehensive income	-	15,657,778	15,657,778
Total comprehensive income for the period	(101,041)	15,657,778	15,556,737
Balance at 31 July 2021	13,214,518	21,834,063	35,048,581

Revaluation Reserve

The revaluation reserve relates to Museum Exhibits and Memorabilia, Land and Buildings measured at fair value in accordance with applicable Australian Accounting Standards.

The notes on pages 5 to 15 are an integral part of these financial statements.

TRC have recognised Land and Buildings that were owned in 2019-20 but not included in the corresponding statements. These balances have been restated in the 2020-21 financial statements. For details regarding the restated numbers, see Note 14.

Tasmanian Racing Club Inc
Statement of Cash Flows
for the year ended 31 July 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers and government support		1,691,594	1,384,915
Cash paid to suppliers and employees		(1,606,692)	(1,191,160)
Interest received		<u>359</u>	<u>91</u>
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	13	<u>85,261</u>	<u>193,846</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant & equipment		<u>(4,669)</u>	<u>(35,660)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(4,669)</u>	<u>(35,660)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Museum Trust Fund		<u>2,018</u>	<u>(1,946)</u>
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES		<u>2,018</u>	<u>(1,946)</u>
Net increase (decrease) in cash and cash equivalents		82,610	156,240
Cash and cash equivalents at the beginning of financial year		<u>428,498</u>	<u>272,258</u>
CASH AND CASH EQUIVALENTS END OF THE FINANCIAL YEAR	6	<u>511,108</u>	<u>428,498</u>

The notes on pages 5 to 15 are an integral part of these financial statements.

1 REPORTING ENTITY

The Tasmanian Racing Club Inc. ("the TRC" or "the Club") is a not-for-profit entity domiciled in Australia. The operations of the Club are conducted from Ladbrokes Park Elwick, Glenorchy, Tasmania 7010. The Club provides thoroughbred racing services and catering services at Ladbrokes Park Elwick.

2 BASIS OF PREPARATION

(A) BASIS OF ACCOUNTING

In the opinion of the Committee, the TRC is not publicly accountable nor a reporting entity, as it is unlikely there are users of the financial statements that exist who are not in a position to require the preparation of reports tailored to their information needs. The financial report of the TRC has been drawn up as a special purpose financial report to meet the needs of and for distribution to the members and to meet the requirements of the Associations Incorporation Act 1964.

The special purpose financial report has been prepared in accordance with the requirements of the recognition and measurement aspects of all applicable Australian Accounting Standards ("AASBs"), and Interpretations adopted by the Australian Accounting Standards Board ("AASB").

The financial report does not include the disclosure requirements of all AASBs except for the following minimum requirements:

- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Cash Flow Statements*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 1048 *Interpretation and Application of Standards*
- AASB 1054 *Australian Additional Standards*

(B) BASIS OF PREPARATION

The financial report has been prepared on the historical cost basis except for certain classes of property, plant and equipment carried at fair value.

(C) FUNCTIONAL AND PRESENTATION CURRENCY

This financial report is in Australian Dollars which is the presentation and functional currency of the TRC.

(D) USE OF ESTIMATES AND JUDGEMENTS

The preparation of a financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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 and in any future periods affected. The significant judgements and estimates relating to TRC relates to the valuation of land and buildings. Refer to note 9 for further information on the determination of fair value.

(E) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the same accounting policies adopted in the Club's last annual financial statements for the year ended 31 July 2020 as set out above.

3 SIGNIFICANT ACCOUNTING POLICIES

(A) PROPERTY, PLANT AND EQUIPMENT

(i) *Owned Assets*

Items of property, plant and equipment are stated at cost (except for museum exhibits and memorabilia, land and buildings which are stated at fair value) less accumulated depreciation (see below) and impairment losses (see accounting policy E).

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) *Subsequent Costs*

The TRC 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 TRC and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense as incurred.

(iii) *Revaluations of Non-current Assets*

Classes of non-current assets measured at fair value (museum exhibits and memorabilia, land and buildings) are revalued with sufficient regularity to ensure the carrying amount of each asset does not materially differ from fair value at reporting date. Revaluation increments, on an individual asset basis, are recognised in the asset revaluation reserve except that amounts reversing a decrement previously recognised as an expense for the individual asset are recognised as revenues in the statement of comprehensive income. Revaluation decrements are only offset against revaluation increments relating to the same individual asset and any excess is recognised as expense.

(iv) *Depreciation*

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land and Museum Exhibits & Memorabilia are not depreciated. The estimated useful lives in the current and comparative periods are as follows:

Plant and Equipment	5 years
Buildings	50 – 170 years

The residual value, if not insignificant, is reassessed annually.

(B) TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at the transaction price less allowances for expected credit losses (ECLs). Trade receivables are generally settled within 30 days.

Loss allowances for receivables are measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. When estimating ECLs, TRC considers supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions and are measured in a way that reflects an unbiased and probability-weighted amount and the time value of money.

(C) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of selling.

(D) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances and at call deposits. Bank overdrafts that are repayable on demand and form an integral part of the TRC's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(E) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the TRC's assets, other than inventories (see accounting policy E), are reviewed at each balance sheet 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 recoverable amount. Impairment losses are recognised in the statement of comprehensive income, 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.

(i) *Calculation of Recoverable Amount*

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) *Reversals of Impairment*

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss is reversed 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.

(F) EMPLOYEE BENEFITS

(i) *Defined Contribution Plans*

Obligations for contributions to defined contribution superannuation plans are recognised as an expense in the statement of comprehensive income as incurred.

(ii) *Wages, Salaries, Annual Leave, Sick Leave and Non-monetary Benefits*

Liabilities for employee benefits for wages, salaries, annual leave and sick 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 TRC expects to pay as at reporting date, including related on-costs such as workers compensation and superannuation.

(G) TRADE AND OTHER PAYABLES

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 60-day terms.

(H) REVENUE

The Club has initially applied AASB 15 and AASB 1058 from 1 August 2019. Revenue is measured based on the consideration specified in a contract with a customer. The Club recognises revenue when it transfers control over a good or service to a customer. The below provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

(i) Catering revenue

Revenue from the sale of goods through the catering function is recognised when the goods have been provided and the performance obligation has been satisfied.

(ii) Membership revenue

Membership revenue is allocated across each of the three distinct services based on the relative standalone selling prices of each good or service and revenue is recognised as each service is delivered. The value of unutilised services is treated as deferred income.

(iii) Sponsorship income

Sponsorship revenue is recognised in the statement of comprehensive income as the performance obligation has been satisfied which generally results in income being recognised at the completion of each particular race day the sponsorship relates to. Any sponsorship income received prior to 31 July that relates to a future race day event is treated as deferred income.

(I) INCOME TAX

The TRC is exempt from taxation pursuant to section 50-45 of the *Income Tax Assessment Act 1997*.

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. 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 with 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.

(J) LEASES

At inception of a contract, the Club assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Club uses the definition of a lease in AASB 16.

(i) As a lessee

As a lessee, the Club leases property plant and equipment. The Club previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Club. Under AASB 16, the Club recognises right-of-use assets and lease liabilities for most of these leases- i.e. these leases are on-balance sheet.

At commencement or on modification of a contract that contains a lease component, the Club allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

Property leases

For leases of property the Club has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

In accordance with AASB 16, the TRC has chosen to measure the right of use assets in relation to leases with significantly below-market terms at cost. This lease is a sub-lease of the building leased out by the TRC from Tasracing. The lease term is for 50 years at an annual rent of \$1 and therefore due to its immateriality has not been recognised on the balance sheet as a right-of-use asset and lease liability.

Leases of equipment

The TRC leases office equipment. These leases have been assessed and deemed be operating leases. The TRC has elected not to recognise right-of use assets and lease liabilities to these leases as all leases qualify for the exemptions under AASB 16 Leases as they are low-value assets. The TRC recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

The Club leases out its land and property. The lease was classified as an operating lease. The TRC recognises lease payment received under operating leases as income on a straight line basis over the term of the lease.

4 REVENUE AND OTHER INCOME

	2021	2020
	\$	\$
Food and beverage revenue	803,577	525,756
Sponsorship income	191,364	172,007
Recovered costs	87,824	80,013
Membership revenue	66,429	14,675
Gate takings	49,025	36,928
Cleaning reimbursement income	47,302	39,709
Feature meeting car spaces and van site hire	42,859	43,268
Video and race book sales	15,237	5,427
Equipment & room hire revenue	13,386	6,445
Bookmaker income	955	1,273
Tasracing Compensation	-	74,476
Other income	277,203	219,727
Total revenue and other income	1,595,161	1,219,704

5 AUDITORS REMUNERATION

	2021	2020
	\$	\$
Audit of financial report	10,000	14,350
Other services	1,000	1,230
Total auditor's remuneration	11,000	15,580

6 CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash in bank	482,083	399,479
Cash in bank- Museum Trust Fund Account	21,715	21,709
Cash on hand	7,310	7,310
Total cash and cash equivalents	511,108	428,498

Interest on Museum Trust Fund as at 31 July 2021 was 0.01% (2020: 0.05%).

7 TRADE AND OTHER RECEIVABLES

	2021	2020
	\$	\$
Trade receivables	45,652	13,990
Accrued income	-	30,333
Other receivables	(i) 297,500	297,500
Total trade and other receivables	<u>343,152</u>	<u>341,823</u>

(i) In 2016 approximately 2 hectares of land was compulsorily acquired by the State Government. As at the date of signing these financial statements the compensation to be received by the Club has yet to be agreed. As title of this land has passed to the State Government, the Directors have estimated the compensation to be received based on the per hectare rate implicit in the Valuer General's valuation of the remaining land holdings. This estimated compensation was used in calculating the gain on disposal recognised in the year of disposal.

8 INVENTORIES

	2021	2020
	\$	\$
Stock on hand	48,573	43,412
Total inventories	<u>48,573</u>	<u>43,412</u>

9 PROPERTY, PLANT & EQUIPMENT

	Restated Freehold Land (fair value)	Restated Buildings (fair value)	Museum Exhibits & Memorabilia (fair value)	Plant & Equipment	Restated Total
	\$	\$	\$	\$	\$
Restated balances					
Opening balance at 1 August 2019	6,000,000	11,126,694	284,430	27,922	17,439,046
Restated revaluation	1,500,000	-	104,020	-	1,604,020
Other acquisitions	-	-	-	35,660	35,660
Restated depreciation	-	(215,791)	-	(10,613)	(226,404)
Closing balance at 31 July 2020	<u>7,500,000</u>	<u>10,910,903</u>	<u>388,450</u>	<u>52,969</u>	<u>18,852,322</u>
Opening balance at 1 August 2020	7,500,000	10,910,903	388,450	52,969	18,852,322
Revaluation	12,947,000	2,673,778	37,000	-	15,657,778
Other acquisitions	-	-	-	4,669	4,669
Depreciation	-	(215,791)	-	(15,116)	(230,907)
Closing balance at 31 July 2021	<u>20,447,000</u>	<u>13,368,890</u>	<u>425,450</u>	<u>42,522</u>	<u>34,283,862</u>

9 PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Museum Exhibits and Memorabilia

An independent valuation was last obtained as at 30 September 2020 for the museum exhibits and memorabilia by Wrightvaluers (Andrew Wright- AVAA Certified Practicing Valuer). The valuation was based on market value for existing use, being the estimated amount at which property might be expected to change hands between a willing buyer and a willing seller, neither being under the compulsion and each having reasonable knowledge of the relevant facts with equity to both. This assumes that the buyer and the seller contemplate retention facilities at their present location for continuation of current operations. The Directors have adopted this valuation as the fair value at the end of the 2021 financial year.

Land & Buildings

An independent valuation of the land was performed on 8 April 2016 by the Tasmanian Government Valuer General (TW Grant). The land was indexed in subsequent years in between full revaluations if there had been material movements in the relevant market. The Directors used Glenorchy municipal rates as issued by the Valuer General.

A full revaluation occurred in 2020-21 for land and building assets as at 31 July 2021. This valuation was performed by Knight Frank Tasmania and adopted by the Directors at the end of 2021.

10 TRADE AND OTHER PAYABLES

	2021	2020
	\$	\$
Trade payables and accrued expenses	53,957	26,844
Revenue received in advance- sponsorship/membership/functions	10,080	47,898
Museum trust fund	23,727	21,709
Total trade and other payables	87,764	96,451
<i>Reconciliation of movement in Museum Trust Fund</i>		
Opening balance at 1 August	21,709	23,655
New donations received	2,012	1,121
Interest accrued	6	24
Memorabilia purchase	-	(3,091)
Closing balance 31 July	23,727	21,709

11 EMPLOYEE BENEFITS

	2021	2020
	\$	\$
Current		
Liability for annual leave	31,702	43,677
Liability for long service leave	-	20,818
Total current employee benefits	<u>31,702</u>	<u>64,495</u>
Non-current		
Liability for long service leave (non-current)	18,648	13,265
Total non-current employee benefits	<u>18,648</u>	<u>13,265</u>

12 OTHER COMMITMENTS

Key management personnel

There are no commitments under non-cancellable employment contracts not provided for in the financial statements.

13 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2021	2020
	\$	\$
<i>Cash Flows from Operating Activities</i>		
Surplus for the period	114,750	117,758
<i>Adjustments for:</i>		
Depreciation	15,116	10,613
Operating surplus before changes in operating assets	<u>129,866</u>	<u>128,371</u>
(Increase)/decrease in trade and other receivables	(1,329)	11,241
Increase in inventories	(5,161)	(1,573)
Decrease in trade and other payables	(10,705)	26,336
Increase/(decrease) in employee benefits	(27,410)	29,471
Net cash provided by/(used in) operating activities	<u>85,261</u>	<u>193,846</u>

14 CORRECTION OF PRIOR PERIOD ERROR

Comparatives have been restated in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity. These changes are in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. As these adjustments reflected characteristics of assets that existed in the prior period, an adjustment to the prior period balances has been made:

Land

The Association owns land which was recognised at fair value in the statement of financial position at carrying value of \$475,909 at 31 July 2019 and \$514,997 at 31 July 2020. The Association obtained an independent external valuation in the 2021 financial year to support the fair (market) values and the previous fair valuations have been corrected to a carrying value of \$6,000,000 at 31 July 2019 and to \$7,500,000 31 July 2020.

Buildings

A building was constructed in 2004 on land owned by the Association. The construction of the building was funded via government funding, which had not previously been recognised, and transferred to the Association on completion. The Association obtained an independent external valuation in the 2021 financial year to support the fair (market) value and the previous valuation of the building asset class has been corrected to a carrying value of \$11,126,694 at 31 July 2019 and \$10,910,903 at 31 July 2020.

Summary of adjustments made to balances as at 31 July 2020 or the year then ended:

	Previously reported 31 July 2020	Required Adjustment	Restated 31 July 2020
<i>Statement of Comprehensive Income</i>			
Depreciation expense	10,613	215,791	226,404
Total expenditure	1,102,037	215,791	1,317,828
Surplus for the period	117,758	(215,791)	(98,033)
Other comprehensive income	143,108	1,460,912	1,604,020
Total other comprehensive income	143,108	1,460,912	1,604,020
Total comprehensive income for the period	260,866	1,245,121	1,505,987
<i>Balance Sheet</i>			
Property, plant and equipment	956,416	17,895,906	18,852,322
Total non-current assets	956,416	17,895,906	18,852,322
Total assets	1,770,149	17,895,906	19,666,055
Total net assets	1,595,938	17,895,906	19,491,844
Accumulated funds	1,145,199	12,170,360	13,315,559
Reserves	450,739	5,725,546	6,176,285
Total equity	1,595,938	17,895,906	19,491,844
<i>Statement of Changes in Equity</i>			
Opening Balance	1,335,072	16,650,785	17,985,857
Surplus / (deficit) for the year	117,758	(215,791)	(98,033)
Other comprehensive income	143,108	1,460,912	1,604,020
Total comprehensive income for the period	260,866	1,245,121	1,505,987
Closing Balance	1,595,938	17,895,906	19,491,844

Summary of adjustments made to balances as at 1 August 2019:

<i>Balance Sheet</i>	Previously reported 1 August 2019	Required Adjustment	Restated 1 August 2019
Property, plant and equipment	788,261	16,650,785	17,439,046
Total non-current assets	788,261	16,650,785	17,439,046
Total assets	1,455,422	16,650,785	18,106,207
Total net assets	1,335,072	16,650,785	17,985,857
Accumulated funds	1,027,441	12,386,151	13,413,592
Reserves	307,631	4,264,634	4,572,265
Total equity	1,335,072	16,650,785	17,985,857

Committee Declaration

In the opinion of the Committee of the Tasmanian Racing Club Inc. ("the TRC"):

- (a) the TRC is not a reporting entity;
- (b) the financial statements and notes, set out on pages 1 to 15, are drawn up in accordance with the basis of preparation described in note 1 so as to present fairly the financial position of the TRC as at 31 July 2021 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ending on that date; and
- (c) there are reasonable grounds to believe that the TRC will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Committee:



Andrew Scanlon

Chairman

Dated 9th November 2021

At, Hobart

Notes

Notes



Tasmanian Racing Club
6 Goodwood Road, Glenorchy TAS 7010
03 6272 9492
info@trchobart.com.au
trchobart.com.au