

ANNUAL REPORT 2022



Notice of Annual General Meeting

The 148th Annual General Meeting of the Tasmanian Racing Club will be held in the Ophir Doll Room at Ladbrokes Park Elwick on Monday 21st November 2022 at 6.00pm.

AGENDA

1. Welcome by the Chairman
2. Apologies
3. Confirmation of the Minutes of the 147th Annual General Meeting
4. Presentation of the Annual Report and Audited Accounts for the year ended 31 July 2022
5. Election of three (3) Members to the Committee
6. Appointment of Auditor
7. Other matters
8. Conclusion

By order of the TRC Committee.

Brendan Blomeley

Chief Executive Officer

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*The 2022 Ladbrokes Hobart Cup winning Trainer Mitchell Freedman with Jockey Tahlia Hope
Photography: Solstice Digital*

Chairman's Report

The Tasmanian Racing Club has had a difficult year with the loss of some meetings due to track maintenance and a snap COVID lockdown. As a result, we have recorded a loss of \$16,680. The Club is continuing to look at ways to ensure its long-term sustainability. We are aiming to develop a Master Plan for the Elwick property and see what options we have for increased activation of the site.

The Elwick track is now in good order, and we will be arguing strongly for more racing in 2023/24. The Club was disappointed with the decision to increase racing by one meeting only (from 20 to 21) in the 2022/23 season. We believe this was an overly conservative decision.

Our major race days in early 2022 – Derby Day and the Hobart Cup – were again highly successful. Thank you to our CEO Brendan Blomeley, Bianca Stiglic, Rodney Boucher, Olivia Appleby, Lucy Appleby, all our part-time and contract staff as well as volunteer, Tony Scott and Chaplain, Rev Ross Elwood. Thank you also to 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 especially recognise retiring Deputy Chairperson and Life Member, Kim Boyer. Kim has had a long involvement with the TRC and has been an outstanding contributor to our Club. I want to wish her and her partner Fred Westwood all the very best for the future.

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 and is encouraged by progress in this area. More needs to be done given rising costs and the more rapid increases in stakes levels on the mainland. Income streams such as Race Field Fees and Point of Consumption Tax continue to grow, and it is important that a fair share of these increases is returned to racing participants. The Club will be arguing strongly for increases in stakes levels for our major races (including all our Listed and Group 3 races). Dramatic increases

on the mainland could create a threat to their present status. We would like to see the Hobart Cup returned to Group 2 status and certainly do not want to see any of our black-type races downgraded in status.

Significant progress has been made on the excision of land at the eastern edge of our property and I particularly want to thank Cam Jones for his work on this. Although a new Memorandum of Understanding with Tasracing is yet to be finalised we are working more closely with them and holding regular meetings on matters such as maintenance and asset upgrades.

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



*2022 Ladbrokes Hobart Cup Winner: Ho Ho Khan | Jockey: Tahlia Hope
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)	12
Tony Field (Treasurer)	11
Ross Burridge	10
Cam Sorell	12
Suzie Jacobson	10
Cam Jones	10
Ross Thomas	11
Stephanie Stacey	9

** 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 Member for Life Mr Irvin Kean, along with Elite Members Ms Cynthia Bidence and Mr Doug MacPherson. These long-time supporters of the TRC will be sadly missed by all who knew them.

Membership

Life Members

Ms K Boyer
Mr R Burrige AM
Mrs E Geard
Mr P Geard
Mr G Harper
Mr R Howlett
Dr M Loughhead
Dr G McLeod
Mr C Sorell
Dr B Taranto
Mr A Trethewey

Members For Life

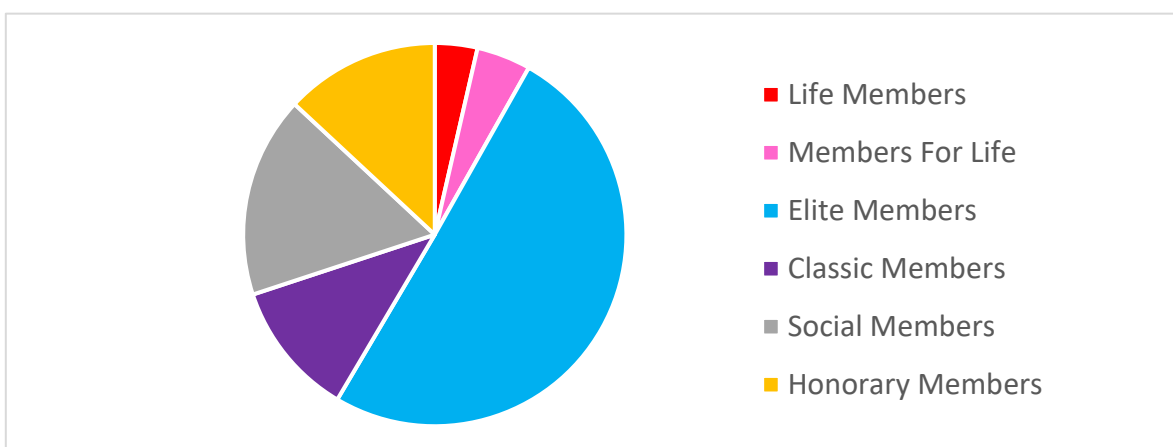
Mr I Anderson
Mr W Anning
Mr R Banks AM
Mr P Burbury
Mr D Boxall
Mr G Cobern
Mr P Dolan
Mr M Downey
Mr R Garity
Mr K Graver OAM
Mr N Gray
Mr G McShane
Mr M Pettit
Mr C Sorell

Chaplain

Rev Ross Ellwood

Official Photographer

Mr Bill Hayes



Members For Life have been continuous Members for over 40 years

Members

Mr B Ackerley	Ms K Carty	Mr G Griggs	Mr J MacMurray	Mr M Schofield
Mr D L Adams	Mr P Casey	Mr R Gudden	Mr L V Marsh	Mr M Schultz
Mr K Anderson	Ms E Clarke	Mr S Gunn	Mr C Martin	Mr J Schwaiger
Mr A Apted	Dr T Clarke	Mr B Hadfield	Ms M Mayall	Mr R Schwanke
Mr R W Archer	Mr M Clarkson	Ms T Hall	Mr D Mcleod	Mr T Scott
Mr D Archer	Mr P Collidge	Mr I Halliday	Ms P McQuade	Ms L Seeley
Ms D Armstrong	Mr J Conway	Ms J Hart	Mr S Merritt	Mr K Sharkie
Ms C Attwell	Mr N Cook	Ms S G Hayles	Mr J Moorcroft	Mr A Smith
Ms S Attwell	Mr G Costelloe	Ms M Heffernan	Mr A Moore	Mr C Smith
Mr P Ayers	Ms T Cowle	Ms T Heffernan	Mr D Moore	Mr M Smith
Ms K Baird	Mr I Creese	Ms K Henry	Mr F Morgan	Mr P W Smith
Mr G Baird	Mr P Crowe	Mr D W Higgins	Mr T Mullen	Ms M Sommerville
Ms E Ball	Mr D Cubit	Mr J Hill	Mr S Murphy	Mr B Sorell
Ms S Ball	Mr L Cubit	Mr J Horne	Ms V Nash	Ms S Stacey
Mr K Barrett	Mr S Cusack	Mr A Howlett	Mr J Neeson	Ms D Stewart
Mr B Barry	Mr C Daly	Mr C R Hues	Mr L Neeson	Mrs S Stone
Ms A Barwick	Mr S Davies	Mr M G Hughes	Mr N Neeson	Mr P Street
Mrs K Barwick	Mrs B Dayton	Ms D Huxley	Mr D Newland	Mr J Sward
Mr P Barwick	Mr W Devine	Ms L Ingram	Mr F Newton	Ms T Taylor
Mr R Barwick	Ms S Dixon	Ms S Jacobson	Mr S O'Brien	Mr R Thomas
Ms A Beadman	Mr S Dixon	Mr D Jarvis	Ms S Oldham	Mrs B Thomson
Mr C Beadman	Dr B Doherty	Mr R Jarvis	Ms K Oxenham	Mr P Turnock
Ms P Bell	Ms C Downie	Mr A Johnson	Mr P Padd	Mrs F Twining
Mr J Bennett	Mr R Downie	Mr H Johnson	Mrs T M Pearce	Mr A E Upton
Mr J Berry	Mr A Downton	Mr I Johnston	Mr G R Pears	Mr W E Upton
Mr P Bester	Mrs N Downton	Mr C Jones	Ms S Pike	Mr D Velleley
Mr H Bevis	Mr P Dwyer	Mr S Joyce	Mr R J Polley	Mr P A Virth
Mr J Bevis	Mr A Eaton	Ms L Joyce	Ms S Polley	Mr M Wallace
Mr J Bevis	Mr C Elliss	Mr A Kain	Mr R Poulson	Mr A Westbrook
Ms L Bloomfield	Mr J Elliss	Ms A Kaitinis	Ms J Priest	Mr F D Westwood
Ms E Bocchino	Ms J Eltringham	Ms M Kaitinis	Mr D Pybus	Mr P M Wherrett
Ms S Bond	Mr J Erends	Mr C Kent	Ms J Raymond	Mr N White
Mr R Boxall	Mr N Evans	Ms R Ketchell	Mr A Rhodes	Mr D Whybrow
Ms J Brady	Mr R Field	Mr J Landwehr	Mr D Richards	Ms J Wiggins
Mr K Brazendale	Mr T Field	Ms D Lawler	Mr M Robinson	Mrs M Wiggins
Mr R Brooks	Mr G Fielding	Ms C Lee	Mr R Robinson	Mr T Wiggins
Ms J Brumby	Ms P Gaunson	Mr T Leo	Mr C Rogerson	Ms T Wiggins
Mr G Byrd	Mr G Glover	Mr W Lewin	Mr W Roser	Mr G Willis
Mr R Cameron-Tucker	Mr P Gourlay	Mr D Ling	Mr P Ross	Mr D Winter
Mr C Carpenter	Mr A Granger	Mr J Lloyd	Mr R Sadek	Mr D Wise
Mr B Carter	Mr B Greed	Ms E Long	Mr A Scanlon	Mr R Yaxley
	Mr P Green	Ms V Macikova	Mrs C Scanlon	Mr G Zooeff

Sponsors

A-Maze-In Richmond
Aviso Tas Insurance Brokers
AYC Netball Club
Beach Hotel Burnie
Brooks Lark & Carrick Surveyors
Brunton Racing
Bulk Nutrients
Carbine Club of Tasmania
Carlton United Breweries
Cessiah Alice Millinery
Clennett's Mitre 10
Crowne Plaza Hotel Hobart
CRT Racing
Deb Lawler Fall Real Estate
Derwent Park Plumbing
Downton Property
Elite Racing Solutions
Elwick Functions & Events
Federal Group
Gallagher
Gerrard McShane
Glenn Stevenson Racing
Graham Family Funerals
Hobart Events
Hobart United FC
Hostplus
Hygain
HYPE TV
Ice House Beverages
It's Why We Race
JKB Racing
Kelly Civil Contracting
Kevin Sharkie
Ladbrokes
Levendi
Lindisfarne AFL Masters
Little Bee Education Care
Madeleine Ogilvie MP
Mayor Bec Thomas
McDonalds North Hobart
McKay Timber
Monotone
Off The Track
Olive Tree Catering
PST Power Solutions
Pub Banc Group
Raine & Horne Commercial Hobart
Raine & Horne Eastern Shore
Raine & Horne Kingston
Raine & Horne Sorell
Ranvet
Rick's Plaster
Rogerson and Birch Surveyors
Rotary club of Glenorchy
Salters Hire
Schweppes
SILK Laser Clinics Hobart
Siggy Carr Racing
Skillinvest
Solahart Hobart
TasBreeders
Tasmanian Bloodstock
Tasmanian Hospitality Association
Tasmanian Wine Centre
The Mercury
The Mills New Norfolk
The Stagg
Toms Countdown
Tony Carrick Vase
Up Cups – Rick & Tina Polley
Variety
W L Shields
Wakeful Club
Wellington Cricket 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	HO HO KHAN (Mitchell Freedman)	Mr A Y L Ho, S H Cheung, Mr C H Ho, Ms J M Y Lee	2400m	59kg	Tahlia Hope	02:32.50	13/02/2022
\$150,000	Kevin Sharkie Bow Mistress	ZOUSHINE (Tony & Calvin McEvoy)	Gold Front Thoroughbred Breeding & Racing	1200m	56.5kg	Barend Vorster	01:11.83	11/02/2022
LISTED								
\$150,000	Schweppes Tasmanian Derby	THE NEPHEW (Patrick Payne)	Mr J V O'Neill, Mrs C Atkins, Mr D E Hawkins, Mr A J Scott, Mrs L C Wright, Mr MJ Curtain, Mr L R Buller, Power Thoroughbreds, Mr N D Rance, Splash the Cash, Yeah The Bois No. 2	2200m	57kg	Brendon McCoull	02:19.94	11/02/2022
\$125,000	The Mills New Norfolk Thomas Lyons	MORE THAN EXCEED (Phillip Stokes)	Mr A G Sheppard, Mr M R Basheer, Mrs H Sheppard, Mr J P Sheppard, Mr C S Sanchez	1400m	59kg	Ismail Toker	01:24.79	13/02/2022
\$125,000	Kevin Sharkie Tasmanian Stakes	LIM'S CRUISER (Scott Brunton)	Mrs Y P Maskiell, Mr S Maskiell, Mr S M Lim, Mr R W Taylor	1600m	59kg	Brendon McCoull	01:38:03	07/01/2022
\$125,000	The Mills New Norfolk Tasmanian Guineas	ALPINE WOLF (Barry Campbell)	Mr B Calabro, Mrs J K Calabro, Mr J G R McCrimmon, Mrs K McCrimmon, Mr A L Calabro, Mr A N Calabro, Mr A J Calabro, Mr A M E Rigby, Mr J S Quach, Mr K Quach	1600m	57kg	Daniel Ganderton	01:38:61	07/01/2022
\$100,000	Graham Family Funerals Stutt Stakes	MISS CHARLIE BROWN (Adam Trinder)	Mr T J Edwards, Mr R M Webb	2100m	56kg	Troy Baker	02:15.46	11/02/2022
\$100,000	The Mills New Norfolk Elwick Stakes	BELLO BEAU (Adam Trinder)	Mr W G Roser	1100m	57kg	Jason Maskiell	1:06:28	23/01/2022
FEATURE								
\$75,000	Tasmanian Bloodstock Summer Cup	WHITE HAWK (Angela Brakey)	Mrs A M Brakey, Mrs M L Gunn	2200m	59kg	Erica Byrne Burke	02:16.50	23/01/2022
\$50,000	Ladbroke It! Tasmanian Sire Produce	HAPPY CLAN (Tegan Keys)	Mr J L Keys, Ms H M Colgrave	1400m	56kg	David Pires	01:28.61	08/05/2022
\$50,000	Kevin Sharkie 3YO Autumn Classic	POPEYE THE SAILOR (Julie Richards)	Mrs J A Richards, Mr R M Richards, Mr D M Richards, Mr G J Richards	1400m	57kg	Anthony Darmanin	01:26:79	08/05/2022
\$50,000	Unique Doors & Windows Lady Lynette	MISS TUPPENCE (Adam Trinder)	Mr W G Roser	1100m	55kg	Troy Baker	01:05:58	23/01/2022
\$50,000	Kevin Sharkie Thousand Guineas	GEE GEE ENUF SPEED (Leon, Dean & Trent Wells)	Mr P A Geard, Mrs E J Geard	1600m	56kg	Sigrid Carr	01:37:89	23/01/2022
\$30,000	Tasmanian Bloodstock Brighton Cup	FULL KNOTS AHEAD (Sigrid Carr)	Mr T G Debnam, Mr A G Jago, Mrs C D Pedley, Mr N J Pedley, Mr M W Eather, Mr A Pedley, Ms L Erskine, Ms C J Lee, Mr I B Edmonds, Ms K Oliver	2100m	54kg	Sigrid Carr	02:14:30	07/01/2022
\$30,000	2YO Alexandra Plate	BELLO BEAU (Adam Trinder)	Mr W G Roser	1100m	57kg	Brendon McCoull	01:06:21	29/12/2021
\$30,000	Winzenburg Qlty	ALGERNON (Imogen Miller)	Dr L M Miller, Mr A E Upton, Mr M Stubbings, Mr A Crespan, Mr W E Upton, Mr M J Schofield, Mr J F Lapham, Mr R H Poulson, Mr L M Jordan, Mr R Collins, Mrs G Collins, Einwod Racing, Mr J A Smith, Mr J Backhouse	1100m	54kg	Brandon Louis	01:06:14	29/12/2021

Hobart Cup Carnival

The Schweppes Tasmanian Derby, held on Friday 11th 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 day saw some great races with Zoushine, ridden by Barend Vorster and trained by Tony and Calvin McEvoy, taking out the \$150,000 Group 3 Kevin Sharkie Bow Mistress. The \$150,000 Listed Schweppes Tasmanian Derby was won by Patrick Payne trained The Nephew, ridden by Brendon McCoull over 2200m.

The Little Bee Family Day saw many families in the Little Bee Marquee and on the Lawn at Elwick, with various activities keeping the children entertained all afternoon.



The 2022 Ladbrokes Hobart Cup was held on Sunday 13th 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 local band Everburn, and outstanding racing. The Mitchell Freedman trained, Ho Ho Khan, ridden by Tahlia Hope, 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 1984*.

The *Financial Statements* comprise:

- The Statement of financial position for the year ended 31 July 2022
- 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 1 August 2020, 31 July 2021 and 31 July 2022 and decreasing the accumulated funds at 1 August 2020, 31 July 2021 and 31 July 2022 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.

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

7 October 2022

Financial Statements

Tasmanian Racing Club Inc Statement of Comprehensive Income for the year ended 31 July 2022

	Note	2022 \$	2021 \$
Revenue from operations			
Revenue	4	1,548,705	1,595,161
Interest income		360	359
Total revenue		1,549,065	1,595,520
Operational Expenditure			
Wages and salaries		679,302	625,376
Food, beverage and catering expenses		418,468	393,641
Equipment and services expenses		199,015	208,709
Sponsorship and member costs		34,241	31,596
Race book expenses		38,900	28,523
Accounting, legal and consultancy		11,608	27,675
Advertising and promotion		24,481	18,319
Insurance expenses		19,359	13,416
Bank charges and merchant fees		11,686	10,921
Communication and utilities		7,903	9,751
Cleaning and laundry expenses		8,618	5,039
Other expenses		112,164	92,688
Total operational expenditure		1,565,745	1,465,654
Earnings before depreciation		(16,680)	129,866
Depreciation	9	229,658	230,907
Surplus for the period		(246,338)	(101,041)
Other comprehensive income			
Revaluation of Property, Plant & Equipment	9	-	15,657,778
Total other comprehensive income		-	15,657,778
Total comprehensive income for the period		(246,338)	15,556,737

The notes on pages 5 to 13 are an integral part of these financial statements.

Tasmanian Racing Club Inc
Statement of Financial Position
as at 31 July 2022

	Notes	2022 \$	2021 \$
Assets			
<i>Current</i>			
Cash and cash equivalents	6	510,104	511,108
Trade and other receivables	7	351,187	343,152
Inventories	8	49,882	48,573
Total current assets		911,173	902,833
<i>Non-current</i>			
Property, plant and equipment	9	34,058,518	34,283,862
Total non-current assets		34,058,518	34,283,862
Total assets		34,969,691	35,186,695
Liabilities			
<i>Current</i>			
Trade and other payables	10	112,750	87,764
Employee benefits	11	30,581	31,702
Total current liabilities		143,331	119,466
<i>Non-current</i>			
Employee benefits	11	24,117	18,648
Total non-current liabilities		24,117	18,648
Total liabilities		167,448	138,114
Net assets		34,802,243	35,048,581
Equity			
Accumulated funds		12,968,180	13,214,518
Reserves		21,834,063	21,834,063
Total equity		34,802,243	35,048,581

The notes on pages 5 to 13 are an integral part of these financial statements.

Tasmanian Racing Club Inc
Statement of Changes in Equity
for the year ended 31 July 2022

	Accumulated Funds \$	Asset Revaluation Reserve \$	Equity \$
Balance at 1 August 2020	<u>13,315,559</u>	<u>6,176,285</u>	<u>19,491,844</u>
<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	<u>(101,041)</u>	<u>15,657,778</u>	<u>15,556,737</u>
Balance at 31 July 2021	<u>13,214,518</u>	<u>21,834,063</u>	<u>35,048,581</u>
<i>Changes in equity for the year ended 31 July 2022</i>			
Total comprehensive income for the period			
Surplus (deficit) for the year	(246,338)	-	(246,338)
Other comprehensive income	-	-	-
Total comprehensive income for the period	<u>(246,338)</u>	<u>-</u>	<u>(246,338)</u>
Balance at 31 July 2022	<u>12,968,180</u>	<u>21,834,063</u>	<u>34,802,243</u>

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 13 are an integral part of these financial statements.

Tasmanian Racing Club Inc
Statement of Cash Flows
for the year ended 31 July 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		1,708,160	1,691,594
Cash paid to suppliers and employees		(1,707,109)	(1,606,692)
Interest received		<u>360</u>	<u>359</u>
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	13	<u>1,411</u>	<u>85,261</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant & equipment		<u>(4,314)</u>	<u>(4,669)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(4,314)</u>	<u>(4,669)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Museum Trust Fund		<u>1,899</u>	<u>2,018</u>
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES		<u>1,899</u>	<u>2,018</u>
Net increase (decrease) in cash and cash equivalents		(1,004)	82,610
Cash and cash equivalents at the beginning of financial year		<u>511,108</u>	<u>428,498</u>
CASH AND CASH EQUIVALENTS END OF THE FINANCIAL YEAR	6	<u>510,104</u>	<u>511,108</u>

The notes on pages 5 to 13 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 2021 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

	2022	2021
	\$	\$
Food and beverage revenue	898,123	803,577
Sponsorship income	204,493	191,364
Recovered costs	161,426	87,824
Membership revenue	38,587	66,429
Gate takings	48,183	49,025
Cleaning reimbursement income	50,494	47,302
Feature meeting car spaces and van site hire	48,191	42,859
Video and race book sales	14,853	15,237
Equipment & room hire revenue	10,409	13,386
Bookmaker income	955	955
Other income	72,991	277,203
Total revenue and other income	1,548,795	1,595,161

5 AUDITORS REMUNERATION

	2022	2021
	\$	\$
Audit of financial report	12,000	10,000
Other services	1,000	1,000
Total auditor's remuneration	13,000	11,000

6 CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
Cash in bank	475,488	482,083
Cash in bank- Museum Trust Fund Account	25,626	21,715
Cash on hand	8,990	7,310
Total cash and cash equivalents	510,104	511,108

Interest on Museum Trust Fund as at 31 July 2022 was 0.01% (2021: 0.01%).

7 TRADE AND OTHER RECEIVABLES

	2022	2021
	\$	\$
<i>Current</i>		
Trade receivables	53,687	45,652
Other receivables	(i) 297,500	297,500
Total trade and other receivables	351,187	343,152

(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 Committee 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

	2022	2021
	\$	\$
Stock on hand	49,882	48,573
Total inventories	49,882	48,573

9 PROPERTY, PLANT & EQUIPMENT

	Freehold Land (fair value)	Buildings (fair value)	Museum Exhibits & Memorabilia (fair value)	Plant & Equipment	Total
Cost or Fair Value	\$	\$	\$	\$	\$
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	20,447,000	13,368,890	425,450	42,522	34,283,862
Opening balance at 1 August 2021	20,447,000	13,368,890	425,450	42,522	34,283,862
Revaluation	-	-	-	-	-
Other acquisitions	-	-	-	4,314	4,314
Depreciation	-	(215,791)	-	(13,867)	(229,658)
Closing balance at 31 July 2022	20,447,000	13,153,099	425,450	32,969	34,058,518

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 Practising 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 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.

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 Committee 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 Committee at the end of 2021.

10 TRADE AND OTHER PAYABLES

	2022	2021
	\$	\$
Trade payables and accrued expenses	45,134	53,957
Revenue received in advance- sponsorship/membership/functions	41,990	10,080
Museum trust fund	25,626	23,727
Total trade and other payables	112,750	87,764
<i>Reconciliation of movement in Museum Trust Fund</i>		
Opening balance at 1 August	23,727	21,709
New donations received	1,893	2,012
Interest accrued	6	6
Memorabilia purchase	-	-
Closing balance 31 July	25,626	23,727

11 EMPLOYEE BENEFITS

	2022	2021
	\$	\$
Current		
Liability for annual leave	30,581	31,702
Liability for long service leave	-	-
Total current employee benefits	<u>30,581</u>	<u>31,702</u>
Non-current		
Liability for long service leave	24,117	18,648
Total non-current employee benefits	<u>24,117</u>	<u>18,648</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

	2022	2021
	\$	\$
<i>Cash Flows from Operating Activities</i>		
Surplus / (Deficit) for the period	(246,338)	(101,041)
<i>Adjustments for:</i>		
Depreciation	229,658	230,907
Operating surplus before changes in operating assets	<u>(16,680)</u>	<u>129,866</u>
(Increase) / Decrease in trade and other receivables	(8,035)	(1,329)
(Increase) / Decrease in inventories	(1,309)	(5,161)
Increase / (Decrease) in trade and other payables	23,087	(10,705)
Increase / (Decrease) in employee benefits	4,348	(27,410)
Net cash provided by / (used in) operating activities	<u>1,411</u>	<u>85,261</u>

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 13, are drawn up in accordance with the basis of preparation described in notes 1 to 3 so as to present fairly the financial position of the TRC as at 31 July 2022 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 5th October 2022

At, Hobart



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