

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578

Financial Statements
For the year ended 31 July 2022

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578

Contents

Committee's Report

Trading Account

Income and Expenditure Statement

Balance Sheet

Notes to the Financial Statements

Statement by Members of the Committee

Independent Auditor's Report to the Members

Certificate by Member of the Committee

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Committee's Report
For the year ended 31 July 2022

Your committee members submit the financial accounts of the Albany Racing Club Inc for the financial year ended 31 July 2022.

Committee Members

The names of committee members at the date of this report are:

K Thomas
S O'Loughlin
D Jerrard
L Solly
B Fuller
J Jachmann

Principal Activities

The principal activities of the association during the financial year were: to operate a horse training facility and promote, conduct & hold race meetings.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The profit from ordinary activities after providing for income tax amounted to

Year ended 31 July 2022	Year ended 31 July 2021
\$ 121,154	\$ (55,111)

Signed in accordance with a resolution of the Members of the Committee on:

K Thomas

S O'Loughlin

The accompanying notes form part of these financial statements.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Trading Account
For the year ended 31 July 2022

	2022 \$	2021 \$
Trading Income		
Race Day Income	4,745,411	3,647,069
Total Trading Income	<u>4,745,411</u>	<u>3,647,069</u>
Cost of Sales		
Add:		
Race Day Expenditure	3,888,854	2,987,837
	<u>3,888,854</u>	<u>2,987,837</u>
Cost of Sales	<u>3,888,854</u>	<u>2,987,837</u>
Gross Profit from Trading	<u><u>856,557</u></u>	<u><u>659,232</u></u>

The accompanying notes form part of these financial statements.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Income and Expenditure Statement
For the year ended 31 July 2022

	2022	2021
	\$	\$
Income		
Trading profit	856,557	659,232
Insurance recoveries	36,036	
Interest received	61	165
Other income	142,017	138,955
Profit on sale of property, plant, equip		1,318
Rebates and refunds	7,134	5,959
JobKeeper income		42,000
Cash Flow Boost		17,258
Rent received	13,004	5,526
Total income	1,054,809	870,413
Expenses		
Accountancy	3,540	3,930
Audit fees	4,500	4,500
Bad Debts	3,286	
Bank Fees And Charges	4,572	4,334
Cleaning/rubbish removal	4,968	4,683
Committee expenses	1,365	1,578
Computer expenses	623	1,564
Consultants fees	500	5,909
Delivery	1,574	2,193
Depreciation expense	114,015	116,626
Depreciation - Low Value Equipment	10,461	7,195
Donations	900	1,753
Electricity	28,658	23,202
Entertainment	2,822	4,795
Fees & charges	2,224	1,553
Fuel & oil	31,422	22,018
Hire/rent of Plant & Equipment	11,585	24,090
Hire purchase charges	758	468
Holiday pay	14,127	16,139
Insurance	9,660	17,940
Interest - Australia	11	

The accompanying notes form part of these financial statements.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Income and Expenditure Statement
For the year ended 31 July 2022

	2022 \$	2021 \$
Member expenses	1,323	1,115
M/V car - Other	7,780	7,467
Printing & stationery	3,974	4,955
Rates & land taxes	144	140
Repairs & maintenance	92,957	115,520
Replacements (tools, etc)	92	1,250
Staff amenities	48	5
Staff training	157	155
Subscriptions	4,135	804
Superannuation	38,603	35,875
Telephone	5,886	6,530
Track & grounds maintenance	94,835	81,622
Travel, accom & conference	1,922	6,125
Wages	430,228	399,491
Total expenses	933,655	925,524
Profit from ordinary activities before income tax	121,154	(55,111)
Income tax revenue relating to ordinary activities		
Net profit attributable to the association	121,154	(55,111)
Total changes in equity of the association	121,154	(55,111)
Opening retained profits	2,269,930	2,325,040
Net profit attributable to the association	121,154	(55,111)
Closing retained profits	2,391,084	2,269,930

The accompanying notes form part of these financial statements.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Balance Sheet as at 31 July 2022

	Note	2022 \$	2021 \$
Assets			
Current Assets			
Cash assets		101,178	182,435
Receivables		129,870	14,180
Current tax assets		778	15,569
Other		520	520
Total Current Assets		<u>232,346</u>	<u>212,703</u>
Non-Current Assets			
Property, plant and equipment		2,329,388	2,168,942
Total Non-Current Assets		<u>2,329,388</u>	<u>2,168,942</u>
Total Assets		<u>2,561,734</u>	<u>2,381,645</u>
Liabilities			
Current Liabilities			
Payables		68,555	14,589
Financial liabilities		50,655	67,294
Current tax liabilities		12,881	5,400
Provisions		38,559	24,432
Total Current Liabilities		<u>170,650</u>	<u>111,715</u>
Total Liabilities		<u>170,650</u>	<u>111,715</u>
Net Assets		<u>2,391,084</u>	<u>2,269,930</u>
Members' Funds			
Retained profits		2,391,084	2,269,930
Total Members' Funds		<u>2,391,084</u>	<u>2,269,930</u>

The accompanying notes form part of these financial statements.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Notes to the Financial Statements
For the year ended 31 July 2022

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act of Western Australia. In the opinion of the committee the association is not a reporting entity because it is not reasonable to expect the existence of users who rely on the association's general purpose financial statements for information useful to them for making and evaluating decisions about the allocation of resources.

The financial report has been prepared in accordance with the Associations Incorporations Act of Western Australia, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB 107: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031: Materiality and AASB 1054: Australian Additional Disclosures.

The association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The association has not assessed whether these special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

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

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Accounts Receivables and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(b) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(c) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Notes to the Financial Statements
For the year ended 31 July 2022

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(f) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Capital Grant

When the association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The association recognises income in profit or loss when or as the association satisfies its obligations under the terms of the grant.

Interest Income

Interest revenue is recognised using the effective interest rate method.

All revenue is stated net of the amount of goods and services tax (GST).

(g) Leases

The association as lessee

At inception of a contract, the association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Statement by Members of the Committee
For the year ended 31 July 2022

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Albany Racing Club Inc as at 31 July 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

K Thomas

S O'Loughlin

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Independent Auditor's Report to the Members

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

Signed on :



Paul Gerard Gilbert, ASIC Registered Auditor 165334
186-190 Princess Royal Drive, Albany WA 6330

Albany Racing Club Inc
Albany Racing Club Inc. ABN 66 116 285 578
Independent Auditor's Report to the Members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Albany Racing Club Inc (the association), which comprises the Statement by Members of the Committee, the Income and Expenditure Statement, Balance Sheet as at 31 July 2022, a summary of significant accounting policies and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the association as at 31 July 2022 and [of] its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Act 2015.

Basis for Opinion

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

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of Associations Incorporation Act 2015. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Act 2015 and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.