

Thirty-seventh Annual Report 2017-2018



Annual General Meeting of Members
Sunday 14th October 2018 at 10.30am

Sunshine Coast Turf Club Inc.

ABN: 22 950 178 141

Thirty-seventh Annual Report 2017-2018

Board of Management Office Bearers



Chairman
Peter Boyce OAM



Deputy Chair
Mary Henzell



Treasurer
Bill Wendt



Board Member
Don Jackson



Board Member
Travis Schultz



Board Member
Tony Shadforth



Board Member
Dr Bernie Spilsbury



Chief Executive
John Miller

Notice of 2018 Annual General Meeting

Notice is hereby given that the Thirty-seventh Annual General Meeting of Members of the Sunshine Coast Turf Club Inc. will be held in the Members Lounge, Corbould Park Racecourse, 170 Pierce Avenue, Caloundra, on Sunday 14th October 2018 at 10.30am.

Business Agenda

- To confirm the Minutes of the previous Annual General Meeting held on Sunday 22nd October 2017.
- To receive the Annual Report of the Board of Management, the Profit and Loss Statement for the year ended 30th June 2018, Balance Sheet as at 30th June 2018 and Auditor's Report.
- In accordance with Rule 21.2(d) to (f), discussion will ensue on matters related to the Club's affairs.
- To pass a Special Resolution to amend Rule 5 – Classes of Members, Rule 8 – Membership Benefits, Privileges & Obligations and Rule 16 – Nomination of Office Bearers.
- To move the Club's Auditor be appointed. In the event of an election Auditor to act as Returning Officer.
- To elect three (3) members to the Board of Management.

Dated at Caloundra: 4th September 2018

John Miller – Chief Executive

By Order of the Board of Management

Chairman's Report



Dear Members,

On behalf of the Board of Management, I have pleasure in submitting the Sunshine Coast Turf Club's Annual Report, Profit and Loss Statement, Balance Sheet and Auditor's Report for the year ended 30th June 2018.

Financial Results

Once again, the Club has had a very strong financial year, with an Operating Profit for the 2017/18 year of \$722,280 which incorporates the SCRUT Sinking Fund contribution of \$55,785. Net profit achieved after depreciation, share of SCRUT losses and Plant and Equipment write off is \$265,025.

A number of areas contributing to this profit are as follows:

An analysis of this profit compared to the previous year, race meetings conducted slightly up from 71 to 72 including two (2) Caloundra Cups; and additional Metropolitan Saturday meetings transferred from Eagle Farm.

Bar & Catering Sales – Net profit for the year was \$886,845 up from \$686,581 the previous year, which is a great result. The running of two (2) Caloundra Cup Days along with additional Saturday metropolitan meetings have contributed to this result.

Gate Takings – Public admissions \$467,723 compared to \$405,959 the previous year. Again, the additional Feature Days have helped, along with a good mix of race dates to attract patrons to the course.

Sponsorship and Signage – Up \$50,044 from the previous year. The Club has formed a number of new partnerships. This support is a vital part of the Club's business and we thank all of the Club's Sponsors for their support.

The 2017/18 result is very pleasing considering the significant increase in wage costs due to the expiration of the Club's Industrial Agreement and the high costs associated with Sunday and Public Holiday race meetings.

Sunshine Coast Turf Club Stable Complex

The Stable Complex continues to be a great boost to the Club with 100% occupancy throughout the year.

Trainers certainly have excellent facilities to train horses and we are working with Racing Queensland to make further investment in the stables and training facilities with a major priority being a new synthetic track.

2018/19 Racedate Allocation

The 2018/19 Racing Season (1st July 2018 – 30th June 2019) sees the Sunshine Coast Turf Club race 68 times.

Raceday summary: 42 Sundays, 5 Saturdays, 4 Friday Twilights, 9 Friday Nights, 3 Wednesdays, plus Feature Race Meetings: Melbourne Cup, Boxing Day, Coastline BMW Sunshine Coast Cup Day, Hot 91.1 Ladies Oaks and Caloundra Cup.

Gold Members

As Minuted at the 2013 Annual General Meeting, it was agreed to include a list of Gold Members in the Annual Report. Gold Membership is offered to those members who have been Members of the Club continually from (and prior to) 1985/86 and who are over the age of 75 years.

The Club's current Gold Members are:

Mary Amos, Kevin Asmus, John Bagley, Aldo Bevacqua, Keith Bradfield, Florence Bush (Ronald), Glen Carsburg, John Dolan, Norman Donaldson, Gavin Henderson, Trevor Hirn, Patricia Jensen (C.A. Mabb), Keith Kemp, Jean LeBrocq (Philip), Margaret Levy, Joy McConechy (Alan), Shirley Nunquam (Donald), Dympna Pitt (John), Jean Piva (Bluey), Betty Power (Virgil), Gavin Roberts, Robert Robertson, Graham H Smith, Roy Standfast and Patricia Traill.

In Memory

It is with sadness we record the passing of the following Member:

- Glad Penney.

To their family and friends and to other Members who have suffered bereavement, we extend sincere condolences.

Board of Management 2018-2019

In accordance with the Constitution and Rules of the Club the following three members of the Board of Management retire by rotation and being eligible for re-election have nominated accordingly:

M.J. (Mary) Henzell, T. (Travis) Schultz & Dr B.R. (Bernie) Spilsbury.

As there were no nominations received, these members have been elected unopposed for the ensuing term.

Appreciation

I acknowledge the great work that John Miller is doing for this Club with his loyal team of staff.

We certainly have a great team and John is very much a person who drives this whole business.

I do not think that you will find any Club in Australia conducting 72 meetings a year as we did in the last financial year.

We intend to continue to promote racing in Queensland and to endeavour to showcase our Track and its facilities wherever possible.

I am grateful for the support of fellow Board members and their commitment to the Club throughout the year. The Club is fortunate to have a Board with such a diverse business acumen to assist with the future prosperity of the Club.

I would like to thank the following for their support throughout the year:

- Our Governing Body, Racing Queensland, Queensland Racing Integrity Commission in conjunction with the Premier, the Hon. Anastacia Palaszczuk MP and Racing Minister Hon. Stirling Hinchliffe MP;
- Sunshine Coast Council - Mayor Mark Jamieson and Councillors for their continued support and assistance.

I also acknowledge the tremendous support given to the Club by its sponsors and the Club encourages you to support them where possible.

On behalf of the Board of Management, I would like to thank all Members for your continued and valued support and we look forward to the continued success of the Club.

Peter Boyce OAM
Chairman

Chief Executive's Report



Dear Members,

It is a pleasure to present my first Annual Report for the Sunshine Coast Turf Club for the 2017/18 Racing Season (1st July 2017 – 30th June 2018).

It was another busy year for the Club with 72 meetings including the running of two (2) Caloundra Cups - on the first and last days of the financial year. It is noted that the financial result has been boosted by this fact.

With the ongoing renovation at Eagle Farm, the Club also had the opportunity to host more metropolitan meetings including black type races which was a positive for our Members and produced strong wagering results for the Industry.

Raceday summary: 44 Sundays, 4 Saturdays, 1 Friday, 4 Friday Twilights, 10 Friday Nights, 3 Wednesdays, plus Feature Race Meetings: 2 Caloundra Cups (1 July 2017 & 30 June 2018), Melbourne Cup, Boxing Day, Coastline BMW Sunshine Coast Cup / 2YO Classic and Hot 91.1 Ladies Oaks.

The following are financial statistics for the past three years:

	2015/16	2016/17	2017/18
Operating Profit/Loss	\$646,493	\$658,082	\$722,280
Profit/Loss after Depreciation/SCRUT	\$208,140	\$211,241	\$265,025
Bar Sales	\$1,248,368	\$1,339,839	\$1,687,900
Catering Sales	\$718,859	\$757,993	\$912,915
Membership Numbers	830	849	908
Member Subscriptions	\$112,026	\$111,476	\$119,897
Public Admissions	\$382,859	\$405,959	\$467,723
Attendance Figures	65,897	67,123	72,839
On Course Tote Commissions	\$223,303	\$192,226	\$214,932
Racing Qld Distribution & Incentives	\$1,207,081	\$1,301,851	\$1,394,367
On-Course Tote Turnover (incl. Fixed Odds)	\$6,459,322	\$5,418,134	\$5,889,535
On-Course Tote Turnover Fixed Odds	\$3,212,506	\$2,526,286	\$2,574,084
Off Course Turnover	\$24,529,457	\$21,944,216	\$26,942,841
Bookmakers Turnover Race Meetings	\$1,774,612	\$851,862	\$1,136,584
Number of Races run	491	567	567
Number of Race Meetings	64	71	72

Facility Upgrades

The Club is committed to continually improving the facilities and in 2017/18 completed the following improvements:

- Kids Club – Internal renovations and new equipment purchased.
- Members Balustrade – To bring up to required standard the Club has replaced the balustrade fencing in the Members Terrace area.
- Turnstiles / Ticketing System – New turnstiles and ticketing software installed.
- UBET Self-Serve Terminals – Seven (7) new terminals have been installed on course to date.
- Horse Tunnel – New rubber surface installed for safe horse access to the track.
- Water Bore – Bore and pump station installed to future proof stables and facilities.

The following projects are currently either in progress or being scoped for future:

- Cushion Track – Ongoing negotiations with Racing Queensland regarding funding arrangement for replacement of new synthetic track racing surface.
- Fibre Cable – Fibre Cable is being installed throughout the Course to provide reliable services for existing infrastructure and the possibility of Wi-Fi on course.
- Favourites Function Room – Concepts for renovation and creating additional Members space being developed.
- Members Lounge – Concepts for expansion and renovation being developed.
- Training Tracks – Upgrade of training tracks and facilities being discussed with Racing Queensland.
- On Course Stables – Construction of additional on course stable facilities being discussed with Racing Queensland.

100 Club

Friday 9th March, 2018 saw 100 businesses come together at the annual 100 Club Gala Dinner for the chance to win naming rights to the Sunshine Coast Turf Club's Caloundra Cup held on Saturday 30th June, 2018. All who attended had a wonderful time with this year's 'Havana' theme adding another dimension to an already successful night.

During the evening 96 business names were drawn from the barrel, each receiving a sponsorship package with a minimum value of \$2,500.

The last and remaining four businesses out of the barrel were:

- **97th – Civil Perspective**, winning a Melbourne Cup Day Caloundra RSL Champagne Garden package;
- **98th – EG Design**, winning a Melbourne Cup Day Caloundra RSL Champagne Garden package;
- **99th – Digital Vision Direct**, winning the naming rights to a full race day sponsorship package on Sunday 6th January, 2019; and last out ...
- **Scott McMahon Electrical**, winning the naming rights to the 2018 **\$175,000 Caloundra Cup**.

Congratulations to all the winners on the 100 Club night, and special mention to the following businesses that have now been in the 100 Club for the past ten years:

- Access Insulation Sunshine Coast
- JLP Fabrication
- Pablo's Tex-Mex Caloundra
- Secure Access Pty Ltd.

The Sunshine Coast Turf Club appreciate and thank every member of the 2018 100 Club for their participation and support.

Appreciation

In joining the Sunshine Coast Turf Club, I have been fortunate to walk into a most professional organisation led by dedicated Board and Staff and consisting of passionate Members, Sponsors, Trainers and Supporters.

It has been a fantastic year and I sincerely thank Chairman Peter Boyce and the Board for their support in this first year. I must acknowledge former CEO Mick Sullivan and wife Carmel for their welcoming, to not only the Turf Club, but the local community. Mick loves the Club and is a wealth of knowledge for me in this new role.

The Club's ongoing success is clearly due to the hard working team of staff we have here and I thank all full time and casual staff for their commitment throughout the year.

I would like to acknowledge our senior staff who have done an amazing job leading the organisation in 2017/18 including: Kylie Perry (Finance), Murray Weeding (Racecourse) and Assistant Col Dunn, Graham Watterston (Sales & Marketing), Sonya Pillay Chedumbrum (Hospitality & Events), Gerry Tierney (Bar), Brett Truloff (Head Chef) and Sous Chef Dax Harvey, Rob McGeorge (Facilities Maintenance), Marie Benvenuti (Executive Assistant), Paul Chilton (Racing Services), Shantel Garry (Receptionist/Customer Service), and Sharon Thompson (Tote Operations).

Thank you to all our corporate sponsors who are listed on Page 11. Without this support we wouldn't be in a position to conduct the quantity and quality of racing we do.

Thanks to our major media partners including Sky Racing, Radio 4TAB, Hot 91.1FM, Sunshine Coast Daily and Queensland Advertising who play a big part in promoting the Club and racing in the community.

Thank you to Racing Queensland and QRIC staff and officials for their support throughout the year. We are very lucky to have strong support from trainers, owners and jockeys to continue to grow the racing product in the area. I thank all of our participants for racing at the Sunshine Coast during the Season.

Most importantly thank you to all of our Members for making this Club great and I look forward to working with you to have a successful 2018/19 season.

John Miller
Chief Executive

RACING

2017/18 CALOUNDRA RSL SCTC PREMIERSHIP AWARDS

The Club would like to acknowledge and thank the Caloundra RSL Services Club Inc. for their long-term sponsorship and support of the SCTC Trainers & Jockeys Premiership Awards.

Trainer's Premiership		
1 st	Stuart Kendrick	(55.5)
2 nd	Steven O'Dea	(33)
3 rd	Robert Heathcote	(26.5)

Congratulations to Stuart Kendrick on winning the 2017/18 SCTC Trainer's Premiership. Stuart was a dominant winner in the Trainer's Premiership finishing over 20 wins clear of his nearest rival and taking out the annual SCTC Trainer's Premiership for the 5th consecutive Season.

Jockey's Premiership		
1 st	Damian Browne	(49.5)
2 nd	Jim Byrne	(42)
3 rd	Ronnie Stewart	(34)

Congratulations to local jockey, Damian Browne on winning the 2017/18 SCTC Jockey's Premiership. Damian Browne made it eight (8) SCTC Jockey titles in nine (9) years and also won the feature Scott McMahon Electrical Caloundra Cup on Megablast during the year.

Apprentice Jockey's Premiership		
1 st	Stephanie Lacy	(23)
2 nd	Adam Sewell	(16)
3 rd	Jag Guthmann-Chester	(7)

Congratulations to Stephanie Lacy on taking out the Lianne Crook Memorial Shield as the 2017/18 SCTC Apprentice of the Year. Stephanie is an apprentice to local trainers John Symons and Sheila Laxon and during the season won 23 races at the Sunshine Coast Turf Club.

Congratulations to the top achievers for 2017/18 Season and the Club wishes them all the best in the 2018/19 season.

FEATURE RACE RESULTS

Saturday 1st July 2017 – The Pump House Caloundra Cup Day

Listed \$175,000 The Pump House Caloundra Cup (2400m)

Winner: Supply and Demand; Trainer – Gai Waterhouse & Adrian Bott; Jockey – Joshua Parr.

Listed \$175,000 HMR Projects Glasshouse Handicap (1400m)

Winner: Monsieur Gustave; Trainer – Darryl Hansen; Jockey – Adam Hyeronimus.

\$125,000 XXXX Sunshine Coast Guineas 3YO – Group 3 (1600m)

Winner: Crack Me Up (NZ); Trainer – Liam Birchley; Jockey – Damian Browne.

Saturday 27th January 2018 – Coastline BMW Sunshine Coast Cup Day

Listed \$100,000 Coastline BMW Sunshine Coast Cup (1400m)

Winner: Most Important; Trainer – Tony Gollan; Jockey – Jim Byrne.

\$125,000 Coastline BMW 3 Series 2YO Classic QTIS Added Stakes Plate (1200m)

Winner: Pennino; Trainer – Darryl Hansen; Jockey – Tiffani Brooker.

Saturday 14th April, 2018 – Go Electrical Raceday

Listed \$100,000 Go Electrical Princess Stakes (1600m)

Winner: Improvise; Trainer – Chris Waller; Jockey – Damian Browne.

Saturday 2nd June, 2018 – UBET Moreton Cup Day

\$200,000 Bradford Access Insulation PJ O'Shea Stakes – WFA Group 2 (2200m)

Winner: Egg Tart; Trainer – Chris Waller; Jockey – Leith Innes.

\$175,000 UBET Moreton Cup – Group 2 (1200m)

Winner: The Monstar; Trainer – Brett Cavanough; Jockey – Skye Bogenhuber.

Listed \$100,000 Bracken Ridge Tavern The Phoenix 2YO C&G (1600m)

Winner: Commander; Trainer – John P Thompson; Jockey – Dean Yendall.

Listed \$100,000 Fuji Xerox Sunshine Coast Oxlade Stakes 2YO C&G (1200m)

Winner: Granny Red Shoes; Trainer – Toby Edmonds; Jockey – Jeff Lloyd.

Listed \$100,000 Sunshine Coast Honda Lightning Handicap (1000m)

Winner: Tarzan; Trainer – Stuart Kendrick; Jockey – Luke Tarrant.

Listed \$100,000 Kendrick Racing Helen Coughlan Stakes F&M (1200m)

Winner: Epidemic; Trainer – James Cummings; Jockey – Larry Cassidy.

Listed \$100,000 The Wharf Mooloolaba Spear Chief Handicap (1400m)

Winner: Snippers Land; Trainer – Peter & Paul Snowden; Jockey – Jim Byrne.

Saturday 30th June 2018 – Scott McMahon Electrical Caloundra Cup Day

Listed \$175,000 Scott McMahon Electrical Caloundra Cup (2400m)

Winner: Megablast (NZ); Trainer – Nigel Tiley; Jockey – Damian Browne.

Listed \$175,000 Oaks Hotels & Resorts Glasshouse Handicap (1400m)

Winner: Jamaican Rain; Trainer – Richard Laming; Jockey – Tegan Harrison.

Listed \$125,000 XXXX Sunshine Coast Guineas 3YO – Group 3 (1600m)

Winner: The Bostonian (NZ); Trainer – Tony Pike; Jockey – Michael Cahill.

Sponsors

Thank you to Club sponsors

The success of the Sunshine Coast Turf Club would not be possible without the support of major and race day sponsors. Sincere appreciation is extended to them for their assistance, generosity and support. We urge members to support the Club's sponsors.

Major Sponsors:

Access Insulation Sunshine Coast
BOQ Mooloolaba
Butler McDermott Lawyers
Caloundra RSL
Coastline BMW
Coca Cola Amatil
Diageo
Go Electrical
HMR Projects
Hot 91.1
Lion (XXXX)
Oaks Hotels & Resorts
Parklands Tavern (Sunshine Coast Hotels)
Samuel Smith & Son (Yalumba Wines)
Sky Racing
Wimmers Premium Soft Drinks
UBET

Media Sponsors:

Hot 91.1
RadioTAB
Sky Racing
Sunshine Coast Daily

Raceday Sponsors:

Archers Body Corporate Management
Australis Roofing
Bloomhill Cancer Care
Beautiful You Cancer Program
Bracken Ridge Tavern
Caloundra AFL Panthers
CMBM Facility Services
Compass Institute
Coolum Business & Tourism
CSR Bradford

Raceday Sponsors (cont.):

Dicky Beach SLSC
Fuji Xerox Sunshine Coast
Get Tools Direct
Golden Beach State School
Golden Beach Tavern
Guide Dogs Queensland
James Ackerman Memorial
John Burgess Electrical
Kawana Junior Rugby League
Kendrick Racing
Mater Chicks in Pink
Noosa AFC
Past Roos Geoff Drummond Memorial
PFD Foodservices
Pool Pro
Pro Liquor
Project Irrigation
Regain Hope
Rice Boi
Rotary
Royal Flying Doctor Service
Savills
Secure Access
Scott McMahon Electrical
Special Olympics Sunshine Coast
St John's College
Stanley River Thoroughbreds
STEMM
STEPS Charity
Sunshine Beach SLSC
Sunshine Coast French Festival
Sunshine Coast Honda
Sunshine Coast IGA Charity (supporting Montrose)
The Davey Pump House
The Pump House
The Wharf Mooloolaba
Variety Queensland
Workplace Central

100 Club 2018

The success of the Sunshine Coast Turf Club wouldn't be possible without the support of members of the 100 Club. Sincere appreciation is extended to them for their assistance, generosity and support. We urge members to support our 100 Club members:

Access Insulation Sunshine Coast
All Pest QLD
Allchin Airconditioning & Refrigeration
Aspire Estate Agents
Austack Produce Sunshine Coast
Bassett Barks Pty Ltd
Battery Wise Sunshine Coast
bcu
Blake Machinery Group Pty Ltd
BOSS Building Maintenance
Butler McDermott Lawyers
Caloundra RSL
Caloundra Towing - Tow N Ride
Cellar Maintenance Australia
Chaps Menswear
Civil Perspective
CMA Accounting and Taxation Services
CMBM Facility Services Pty Ltd
CNW Electrical Wholesale & Energy Solutions
Coast 2 Coast Earthmoving
Coastal Flooring Xtra
Coastal Style Constructions
Coastline BMW
Compass Institute
Contract Hydraulics Pty Ltd
Digital Vision Direct
EG Design
Flying Start Syndications
Fox Finance Group
Fuji Xerox Business Centre Sunshine Coast
Garrards Pty Ltd
Gillett Electrical Contractors
Glass FX
Glovers Concreting Pty Ltd
Go Electrical Warana
Go Transit Media Group Pty Ltd
Golden Beach Tavern
Grambower Concrete Pumping
GT Print Australia Pty Ltd
Haymans Electrical and Data Caloundra
Higgins
Hot 91.1
HYGAIN
JLP Fabrication
John Burgess Electrical
K Smith & Son Jewellers
Kaboom Concrete Pumping Pty Ltd

Love & Partners Chartered Accountants
 Maleny Hotel
 Mask Events
 McGrath Buderim & Mooloolaba
 Meredith Kitchens
 Monaco Resort
 Multimeat Australia Pty Ltd
 Nat McCall Racing
 Neil Mansell Concrete
 Nightowl Caloundra
 Number One Quality Homes
 Oaks Hotels and Resorts
 Ocean Views Resort
 Office National Caloundra
 Pablo's Tex-Mex Caloundra
 Paddy Walsh Painting & Solid Plastering
 Parklands Tavern
 Pelican Motors Service Centre
 Pelican Waters Golf Club
 Perry's Sunshine Coast Event Hire
 PFD Foodservices
 Pitchers Hospitality Services
 Placemat (Kitchenware)
 Platinum Electricians
 ProLiquor
 Pryde's EasiFeed
 Q Advertising
 Quality Imports Australia
 Race Zone Racing Supplies
 Ross Maclean Fellowship
 Samuel Smith & Son / Yalumba Wines
 Scott McMahon Electrical
 Sea Vista Developments
 Secure Access Pty Ltd
 Secutor Securities
 Sedgwick's Boutique
 Shingle Inn Caloundra
 Slade Bloodstock Pty Ltd
 Sommer's Fuel Supplies
 South East Civil
 Southeast Stainless
 Southern Cross Sheds
 Stanley River Thoroughbreds
 Stripe Pro Signs
 Suncoast Cabs
 Sunshine Coast Daily
 Sunshine Coast Food Services
 Supaview Security & Sunscreen
 Tensens
 The Branding Office
 The Pump House
 UBET
 Workplace Central

SUNSHINE COAST TURF CLUB INC.

ABN: 22 950 178 141

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2018

Your directors submit the financial report of Sunshine Coast Turf Club Inc for the financial year ended 30 June 2018.

Board of management members

The names of the board of management members throughout the year and at the date of this report are:

<u>Name</u>		<u>Position Held</u>
Boyce, Peter Gerard OAM		Chairman
Henzell, Mary Jane		Deputy Chair
Wendt, William Frederick Charles (Bill)		Treasurer
Jackson, Donald Stanley (Don)		Director
Schultz, Travis		Director
Shadforth, Antony James (Tony)		Director
Spilsbury, Dr Bernard Renton (Bernie)		Director
Miller, John Gerard	<i>Appointed 19 June 2017</i>	Secretary/Chief Executive (Non-Voting)
Sullivan, Michael Francis (Mick)	<i>Resigned 31 August 2017</i>	Secretary/Chief Executive (Non-Voting)

Principal activities

The principal activities of Sunshine Coast Turf Club Inc (the association) during the financial year were to promote, conduct and hold race meetings for the recreation and enjoyment of members, for the association of persons interested in or connected with horse racing, and for the improvement in the breed of thoroughbred horses.

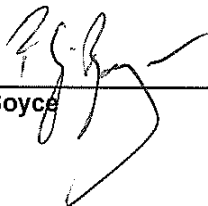
Significant changes


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

Operating result

The surplus/(deficit) after providing for income tax was: \$265,025

Signed in accordance with a resolution of the board of management by:


Signed: Peter Boyce


Date

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	This Year \$	Last Year \$
INCOME			
Bar and catering operations (net)		886,845	686,581
Distribution from Racing Queensland Ltd		1,394,367	1,301,851
Other revenue		411,239	392,648
Public admissions		467,723	405,959
Sponsorship and signage		1,340,708	1,290,664
Totalisator commission (net)		9,695	19,957
Training facility		1,345,695	1,365,081
Total income	1(l)	5,856,272	5,462,741
LESS: EXPENSES			
Auditor's remuneration - audit services		16,000	13,500
Auditor's remuneration - other		10,590	13,990
Essential services		786,475	743,420
Interest and other bank charges		15,250	7,589
Other expenses		2,133,593	2,022,285
Payroll related expenditure		454,490	387,753
Salaries and wages		1,717,595	1,616,122
Total expenses		5,133,992	4,804,659
Net surplus/(deficit) before income tax and non-cash items		722,280	658,082
ADJUST			
Depreciation	1(d), 7(a)	(256,169)	(243,161)
Income tax	1(a)	0	0
Investment in associate - share of losses	1(f), 6	(196,325)	(198,196)
Net profit/(loss) on disposal of property, plant and equipment	1(d)	(4,760)	(5,484)
		(457,254)	(446,841)
Net surplus/(deficit) after income tax and non-cash items		265,025	211,241
OTHER COMPREHENSIVE INCOME			
Investment in associate - share of revaluation and sinking fund	1(f), 6	55,785	56,215
		55,785	56,215
Total comprehensive income for the year after tax		320,810	267,456

The accompanying notes form part of these financial statements

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Note	This Year \$	Last Year \$
CURRENT ASSETS			
Cash	2	4,522,388	4,107,514
Receivables	3	1,289,108	1,007,538
Inventories	4	119,224	103,248
Other	5	34,261	49,799
Total current assets		5,964,981	5,268,099
NON-CURRENT ASSETS			
Investments in associates	6	6,538,747	6,679,288
Property, plant and equipment	7	1,460,697	1,458,781
Total non-current assets		7,999,444	8,138,069
Total assets		13,964,425	13,406,168
CURRENT LIABILITIES			
Payables	8	1,064,709	848,249
Provisions	9	283,369	264,171
Total current liabilities		1,348,078	1,112,419
NON-CURRENT LIABILITIES			
Provisions	9	12,018	10,229
Total non-current liabilities		12,018	10,229
Total liabilities		1,360,096	1,122,649
Net assets surplus/(deficit)		12,604,329	12,283,519
EQUITY			
Reserves		4,767,107	4,711,322
Retained surplus/(accumulated deficit)		7,837,222	7,572,197
Total equity		12,604,329	12,283,519

The accompanying notes form part of these financial statements

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

Summary of Movements:

	Retained profits/ accumulated (losses)	Accumulated other comprehensive income (a)	Asset revaluation reserve	Total reserves	Total members' Funds
THIS YEAR					
Opening balance	7,572,197	4,711,322	0	4,711,322	12,283,519
Current year's surplus/(deficit)	265,025	0	0	0	265,025
Share of revaluation and sinking fund	0	55,785	0	55,785	55,785
Transfers	0	0	0	0	0
Closing Balance	7,837,222	4,767,107	0	4,767,107	12,604,329
LAST YEAR					
Opening balance	7,360,956	4,655,107	0	4,655,107	12,016,063
Current year's surplus/(deficit)	211,241	0	0	0	211,241
Share of revaluation and sinking fund	0	56,215	0	56,215	56,215
Transfers	0	0	0	0	0
Closing Balance	7,572,197	4,711,322	0	4,711,322	12,283,519

(a) Accumulated other comprehensive income

Represents accumulated movements in fair value adjustments to the association's investment in associate.

The accompanying notes form part of these financial statements

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

		This Year \$	Last Year \$
SUMMARY OF CASH FLOWS FROM:			
OPERATING ACTIVITIES			
Receipts from customers		8,142,723	7,754,265
Interest received		102,094	98,685
Payments to suppliers and employees		(7,567,099)	(7,038,495)
Net cash surplus/(deficit)		677,719	814,455
INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		20,075	13,637
Payment for property, plant and equipment	7(a)	(282,920)	(378,627)
Net cash surplus/(deficit)		(262,845)	(364,989)
FINANCING ACTIVITIES			
Repayment of borrowings		0	0
Net cash surplus/(deficit)		0	0
Net increase (decrease) in cash held		414,874	449,466
Cash at beginning of year		4,107,514	3,658,048
Cash at end of year	1(j), 2	4,522,388	4,107,514
RECONCILIATION OF OPERATING CASH FLOW WITH NET SURPLUS/(DEFICIT)			
Net surplus/(deficit) from ordinary activities after income tax		265,025	211,241
<i>Adjust for non-cash items:</i>			
- Depreciation	7(a)	256,169	243,161
- Provision		20,987	24,437
- Share of associate's losses	6	196,325	198,196
- Loss/(profit) on disposal of property, plant and equipment		4,760	5,484
<i>Changes in assets and liabilities:</i>			
- Receivables	(Increase)/decrease	(281,570)	(38,742)
- Prepayments	(Increase)/decrease	15,539	81,016
- Inventories	(Increase)/decrease	(15,977)	(10,954)
- Income in advance	Increase/(decrease)	(115,755)	22,321
- Payables	Increase/(decrease)	332,216	78,295
		677,719	814,455

The accompanying notes form part of these financial statements

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The financial report covers Sunshine Coast Turf Club Inc (*the association*) as an individual entity, incorporated in Queensland on 16 September 1988 and operating pursuant to the *Associations Incorporation Act (Qld) 1981*. The financial statements were authorised for issue on the date of the signed statement by the board of management.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Associations Incorporation Act 1981 (the Act) and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The association is currently exempt from income tax under section 50 of the *Income Tax Assessment Act 1997*, being a not-for-profit club established for the encouragement of horse racing.

b. Inventories on Hand

Inventories held for sale are measured at the lower of cost and net realisable value.

c. Fair Value of Assets and Liabilities

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, information is extracted from the most advantageous market available to the association at the reporting date (i.e. the market that maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the association's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of an identical or similar financial instrument, by reference to observable market information where identical or similar instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

d. Property, Plant and Equipment

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(h) for details of impairment).

The cost of fixed assets constructed by the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
- Plant and equipment	2.5% - 33.3%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

e. Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or ownership over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

f. Investments in Associates

Associates are entities over which the association has significant influence through holding, directly or indirectly, 20% or more of the voting power of the entity. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the association's share of net assets of the associate entity. In addition, the association's share of the profit or loss of the associate entity is included in the association's surplus or deficit.

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

9. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains and losses) recognised included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

g. Financial Instruments ... continued

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the association no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

h. Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. For non-cash generating specialised assets measured using the cost basis, the recoverable amount is determined using current replacement cost in AASB 13 Fair Value Measurement. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

i. Employee Provisions

Short-term employee benefits

Provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages and salaries are recognised as part of current accounts payable and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end-of-reporting-period market yields on government bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

j. Cash on Hand

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

k. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(g) for further discussion on the determination of impairment losses.

l. Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the sale of goods (food and beverage) and the sale of services (entertainment, management and betting) is recognised upon the delivery of goods and services to customers.

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

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

m. 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 statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable, to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

n. Accounts Payable and Other Payables

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

o. Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

p. Critical Accounting Estimates and Judgements

The committee evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key estimates

Impairment – general

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

q. New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the association. The association has decided not to early adopt any of the new and amended pronouncements.

2. Cash

	This Year \$	Last Year \$
Cash on hand	350	22,950
Cash at bank (ANZ)	1,174,711	592,722
Cash at bank (BOQ)	10,720	10,283
Cash at bank (Ord Minnett)	6,607	1,559
Term deposit (AMP)	250,000	250,000
Term deposit (ANZ)	500,000	1,000,000
Term deposit (Bendigo)	250,000	0
Term deposit (BOQ)	500,000	1,000,000
Term deposit (MEB)	350,000	250,000
Term deposit (NAB)	480,000	480,000
Term deposit (St George)	250,000	0
Term deposit (Suncorp)	250,000	250,000
Term deposit (WBC)	500,000	250,000
Total	4,522,388	4,107,514

Note:

The effective interest rate on short-term bank deposits was 2.2% (2017: 2.3%).

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	This Year \$	Last Year \$
3. <u>Receivables</u>		
Trade debtors	561,054	441,804
Other debtors	728,054	565,735
Less: provision for doubtful debts	0	0
Total	1,289,108	1,007,538

Credit Risk

The association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the association is considered to relate to the class of assets described as subscriptions receivable.

The following table details the association's contributions and other debtors receivable exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the association and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the association.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

Ageing analysis:

		Trade & Term Receivables	Other Receivables	Total
<u>This Year</u>				
Gross amount		561,054	728,054	1,289,108
Within initial trade terms		426,958	728,054	1,155,012
Past due but not impaired	31 - 60 days	83,273	0	83,273
	61 - 90 days	26,875	0	26,875
	> 90 days	23,948	0	23,948
Past due and impaired		0	0	0
		561,054	728,054	1,289,108
<u>Last Year</u>				
Gross amount		441,804	565,735	1,007,538
Within initial trade terms		368,442	565,735	934,177
Past due but not impaired	31 - 60 days	52,442	0	52,442
	61 - 90 days	20,920	0	20,920
	> 90 days	0	0	0
Past due and impaired		0	0	0
		441,804	565,735	1,007,538

4. Inventories

Bar	102,239	88,497
Kiosk and food	16,215	13,167
Grounds - material	770	1,584
Total	119,224	103,248

5. Other Assets

Prepayments	34,261	49,799
Total	34,261	49,799

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	This Year \$	Last Year \$
6. <u>Investments in Associates</u>		
20 Shares - 20% ownership of Sunshine Coast Racing Pty Ltd	20	20
15.4% ownership of SCRUT	6,538,727	6,679,268
Total	6,538,747	6,679,288
Principal activity - asset ownership		
Country of incorporation - Australia		
Significant influence:		
- Sunshine Coast Racing Pty Ltd acts as trustee for Sunshine Coast Racing Unit Trust (<i>SCRUT</i>). The Sunshine Coast Turf Club Inc owns a 20% stake in the trustee company and as a consequence is considered to have a significant influence over SCRUT.		
Movements during the year in equity accounted investments in associated companies:		
- Balance at the start	6,679,288	6,821,269
- New investments during the year	0	0
- Share of associated company's profit/(loss) after income tax	(196,325)	(198,196)
- Share of associated company's reserve increments arising during the year	55,785	56,215
- Balance at the end of the year	6,538,747	6,679,288
Summarised presentation of assets, liabilities and performance of associates:	\$'000	\$'000
- Current assets	1,805	1,810
- Non current assets	43,291	44,438
- Total assets	45,096	46,248
- Current liabilities	214	279
- Non current liabilities	2,424	2,597
- Total liabilities	2,638	2,876
- Net assets	42,458	43,372
- Revenues	380	434
- Net profit/(loss) after income tax of associates	(1,276)	(1,287)
7. <u>Property, Plant and Equipment</u>		
Plant and equipment at cost	2,658,324	2,425,974
Less: accumulated depreciation	1,197,627	967,193
Total	1,460,697	1,458,781
(a) Movements in carrying amounts:		
Opening balance - WDV	1,458,781	1,342,436
Additions	282,920	378,627
Disposals	(24,836)	(19,121)
Depreciation	(256,169)	(243,161)
Closing balance - WDV	1,460,697	1,458,781
8. <u>Payables</u>		
Trade creditors	754,706	374,616
Accrued charges	180,836	228,710
Income in advance	129,167	244,922
Total	1,064,709	848,249
9. <u>Provisions</u>		
<i>Current:</i>		
Annual leave	200,243	148,764
Long service leave	83,126	115,406
	283,369	264,171
<i>Non-Current:</i>		
Long service leave	12,018	10,229
	12,018	10,229
Total	295,387	274,400

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	This Year \$	Last Year \$
9. <u>Provisions ... continued</u>		
(a) Analysis of provisions annual and long service leave:		
Opening balance	274,400	249,963
Additional provisions raised during the year	173,133	142,461
Amounts used	(152,146)	(118,024)
Closing balance	295,387	274,400
10. <u>Related Party Transactions</u>		
(a) Key Management Personnel		
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the association, directly or indirectly, including its board of management members, is considered key management personnel.		
Key management personnel compensation:		
- short-term employee benefits	354,450	288,801
- other long-term benefits	0	0
Total	354,450	288,801
(b) Other Related Parties		
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.		
- Dr B Spilsbury (medical services)	25,200	25,575
- Butler McDermott Lawyers - Peter Boyce	9,554	3,396
Total	34,754	28,971
(c) Board of Management		
Members of the board of management in their honorary capacity receive no remuneration for their services however, from time to time, they are provided with refreshments and are reimbursed for association related out-of-pocket expenditure. In addition, the association takes out insurance cover which insures the board against breaches of statutory and other obligations. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.		
11. <u>Rental Commitments</u>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable - minimum lease payments		
- not later than 12 months	1	216
- between 12 months and five years	4	4
- later than five years	63	64
Total	68	284
Leasehold Land:		
The association operates its facilities on leasehold land provided by Sunshine Coast Racing Pty Ltd. The current lease agreement commenced on 1 April 2010 and is due to expire on 31 October 2086. The association does not recognise any value over the leasehold land. No adjustment has been recorded for annual outgoing expenditure.		
12. <u>Financial Risk Management</u>		
The association's financial instruments consist mainly of cash and deposits with banks. The association has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the period, the association's policy that no trading in financial instruments or derivatives shall be undertaken.		
13. <u>Economic Dependence</u>		
While the association's activities are significantly funded by member activities and commercial operations, the association is greatly assisted in its activities by distributions provided by Racing Queensland. At the date of this report, the members of the committee had no reason to believe that Racing Queensland would not continue to provide financial support to the association.		

SUNSHINE COAST TURF CLUB INC

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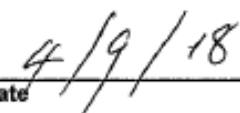
**STATEMENT BY THE BOARD OF MANAGEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

In the opinion of the board of management:

1. The foregoing financial statements present a true and fair view of the financial position of Sunshine Coast Turf Club Inc (the association) as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
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.
3. We are not aware of any matters or circumstances that have arisen during the year, involving the association and our auditors, which may have compromised their audit independence and thus affected their professional judgement during their current year's audit.

Signed in accordance with a resolution of the Board of Management by:


Signed: Peter Boyce


Date



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REGISTERED COMPANY AUDITORS

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2018

TO THE MEMBERS OF SUNSHINE COAST TURF CLUB INC

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Sunshine Coast Turf Club Inc (*the association*), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the board of management 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 is in accordance with the requirements of the *Associations Incorporation Act (Qld) 1981*, including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2018 and of its performance for the year then ended; and
- (ii) that the financial records kept by the association are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

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 other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The board of management of the association is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Management for the Financial Report

The board of management of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Associations Incorporation Act (Qld) 1981* and for such internal control as the board of management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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CONTACT

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CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation

CORPORATE INFORMATION

Love and Partners Auditors Pty Ltd
ABN: 30 125 237 229
Authorised Audit Company Number: 31344
www.loveandpartners.com

**INDEPENDENT AUDITOR'S REPORT...CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018**

TO THE MEMBERS OF SUNSHINE COAST TURF CLUB INC

Responsibilities of the Board of Management for the Financial Report...(continued)

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

The board of management is responsible for overseeing the association's financial reporting process.

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 board of management.
- Conclude on the appropriateness of the board of management'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.
- Obtain sufficient appropriate audit evidence regarding the financial information or business activities within the association to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the board of management 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.



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Brett J Buntain

Director – Audit & Assurance
RCA No. 213172

Date: 4/9/18.

SUNSHINE COAST TURF CLUB INC

ABN: 22 950 178 141

AUDITOR'S DISCLAIMER

The additional financial information presented on the following pages is in accordance with the books and records of Sunshine Coast Turf Club Inc (the association) which have been subjected to the auditing procedures applied in our audit of the association for the year ended 30 June 2018. It will be appreciated that our audit did not cover all details of the additional financial information as provided in the supporting schedules. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any other member or employee of the firm undertakes responsibility arising in any way whatsoever to any person in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.



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REGISTERED COMPANY AUDITORS

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SUPPORTING SCHEDULES FOR THE YEAR ENDED 30 JUNE 2018

	This Year \$	Last Year \$
INCOME:		
BAR AND CATERING TRADING		
Sales	2,657,394	2,142,636
Less: cost of goods sold	873,468	702,327
Gross Profit	1,783,926	1,440,309
GPR %	67.1%	67.2%
Less: direct costs	897,081	753,728
Net Profit	886,845	686,581
NPR %	33.4%	32.0%
OTHER REVENUE		
Bookmaker fielding fees and turnover levies	0	12,113
Interest received	102,094	98,685
Membership subscriptions	119,897	111,476
Race book sales and advertising	48,265	48,149
Sundry revenue	27,732	19,621
Various rentals	113,251	102,605
Total	411,239	392,648
TOTALISATOR TRADING		
Gross commission Unitab	215,029	192,476
Outside tote management fees	12,370	9,890
	227,398	202,365
Less: expenses		
Equipment rental	2,252	2,036
Repairs and maintenance	4,183	3,948
Stationery	955	1,432
Wages	210,314	174,993
	217,703	182,408
Net Profit	9,695	19,957
NPR %	4.3%	9.9%

SUNSHINE COAST TURF CLUB INC

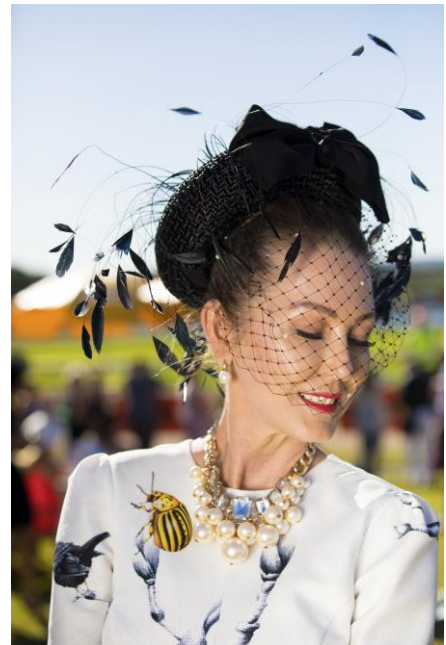
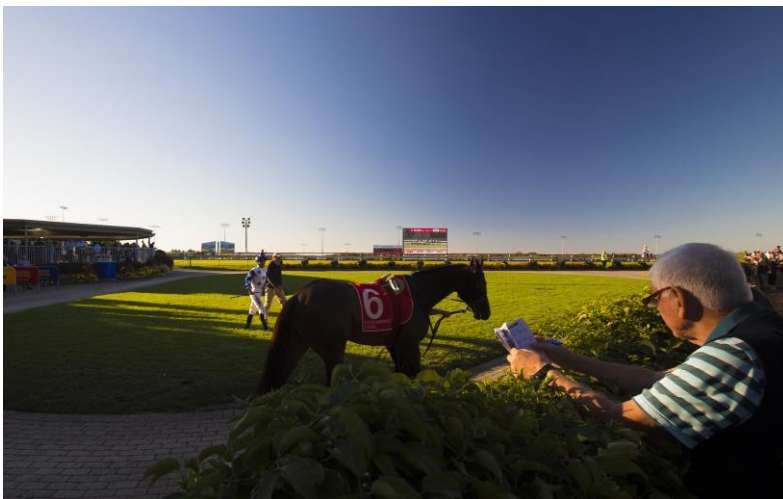
ABN: 22 950 178 141

**SUPPORTING SCHEDULES
FOR THE YEAR ENDED 30 JUNE 2018**

	This Year	Last Year
	\$	\$
EXPENDITURE:		
ESSENTIAL SERVICES		
Electricity	305,859	297,435
Fire services	12,988	7,316
Insurances	154,867	136,993
Legal fees	0	113
Lease outgoings and rates	193,817	191,348
Security services	95,585	90,291
Telephone and internet	23,359	19,924
Total	<u>786,475</u>	<u>743,420</u>
OTHER EXPENSES		
Administration	141,862	136,297
Advertising and promotion	250,008	193,911
Bad and doubtful debts	0	350
Committee expenses	39,268	29,166
Donations	10,631	13,605
Minor asset purchases	58,005	71,894
Race day trophies	25,275	18,620
Race book expenditure	98,284	80,862
Race day expenses	559,437	512,959
Racecourse maintenance	524,834	558,610
Stable complex expenses	425,989	406,011
	<u>2,133,593</u>	<u>2,022,285</u>
PAYROLL RELATED EXPENDITURE		
Annual leave, long service leave and sick leave	89,655	24,437
Fringe benefits tax	10,673	17,554
Payroll tax	54,861	38,932
Salary sacrifice expenditure	0	17,160
Superannuation	234,464	230,996
Workcover insurance	64,836	58,674
Total	<u>454,490</u>	<u>387,753</u>

Sunshine Coast Turf Club Inc.

ABN: 22 950 178 141



**Corbould Park Racecourse, 170 Pierce Avenue, Meridan Plains Q 4551
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