



**SUNSHINE COAST
TURF CLUB**



FORTIETH

ANNUAL REPORT

2020-2021

Annual General Meeting of Members
Sunday 10 October 2021 at 10:30am

BOARD OF MANAGEMENT OFFICE BEARERS



CHAIRMAN
Peter Boyce OAM



DEPUTY CHAIR
Mary Henzell



TREASURER
Bill Wendt



BOARD MEMBER
Scott Armstrong





BOARD MEMBER
Travis Schultz



BOARD MEMBER
Tony Shadforth



BOARD MEMBER
Dr Bernie Spilsbury



CHIEF EXECUTIVE
John Miller

NOTICE OF 2021 ANNUAL GENERAL MEETING

Notice is hereby given that the Fortieth 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, Corbould Park, on Sunday 10 October 2021 at 10.30am.

BUSINESS AGENDA

- To confirm the Minutes of the previous Annual General Meeting held on Sunday 11 October 2020.
- To receive the Annual Report of the Board of Management, the Profit and Loss Statement for the year ended 30 June 2021, Balance Sheet as at 30 June 2021 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 move the Club's Auditor be appointed. In the event of an election, Auditor to act as Returning Officer.
- To elect (4) Four Members to the Board of Management.

Dated at Caloundra: 3 September 2021
John Miller – Chief Executive
by Order of the Board of Management.

FORTIETH ANNUAL REPORT

2020-2021

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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 30 June 2021.

FINANCIAL RESULTS

The Club is again fortunate to be recording a very strong result despite the obvious impact of Covid-19 disrupting our "normal" business on and off during the year.

The Operating Result for the 2020/21 year of \$1,160,924.00 incorporates the SCRUT Sinking Fund contribution of \$67,668.00, depreciation of \$291,067.00 and share of SCRUT losses of \$575,293.00.

It is difficult to line up comparisons of trading results to prior years due to the Covid-19 continued trading restrictions and the receipt of some abnormal revenue items during the past two years including Covid-19 financial assistance.

A significant contributor to the strong result has been the new Media Rights partnership with Sky Racing that now takes into account digital wagering turnover.

PROJECTS

I am extremely pleased to announce that the long-awaited Track Upgrade Project including installation of a new Polytrack is nearing completion. Work commenced in February 2021. The Club contributed \$2 million to this \$9 million Project and as such, resulted in a change in investment in SCRUT which has been reflected in a change of equity shareholding from 15.4% to 17.8%.

We appreciate the support and understanding of all our Trainers who have patiently waited for this Project to come to fruition.

The Polytrack is designed for both training and racing; and safeguarding the Club against future wash outs. We will work with Racing Queensland to introduce some programmed racing on the All Weather Track in the coming months.

The next stage of racing improvements will be the construction of additional stabling On Course. There is a huge demand from local and interstate trainers for Stables On Course at Caloundra. We hope to commence construction of an additional 120 boxes later this year.

The Club has also engaged BSPN Architects to look at some refurbishments to the Members Bar and Terrace and also creating a new hospitality space in the general public area overlooking the Parade Ring.

We are continually looking at re-investing in the facilities to provide the best quality race day experience for our Members and guests.

2021-2022 RACE DATE ALLOCATION

The Club has the following race meetings scheduled for the 2021-2022 Season: 42 Sundays, 3 Saturday Metros, 18 Friday Nights (3 Twilights), 1 Monday (Boxing Day Holiday), 2 Wednesday Metros, along with Melbourne Cup and Ladies Oaks Day. Total of 68 race meetings.

Unfortunately, this year has not started off well with Covid-19 restrictions coming into play once again with no Patrons allowed and the unforeseen transfer of Caloundra Cup Day from a Saturday Metro to a Sunday due to Covid-19 lockdown restrictions and the weather.

GOLD MEMBERS

Gold Membership is offered to those Members who have been Members of the Club continuously from (and prior to) 1985/86 and who are over the age of 75 years.

The Club's current Gold Members are:

Margaret Adena
Kevin Asmus
John Bagley
Selwyn Boyd
Keith Bradfield
Florence Bush (Ronald)
Glen Carsburg
Norman Donaldson
John Dolan
Daniel Doyle
Patrick Evans
Diedre Ferguson
William Hankinson
Gavin Henderson
Trevor Hirn
Robert Hughes

Patricia Jensen (C.A. Mabb)
Keith Kemp
Margaret Levy
Peter Lynam
Joy McConechy (Alan)
Shirley Nunquam (Donald)
Dympna Pitt (John)
Jean Piva (Bluey)
Betty Power (Virgil)
Gavin Roberts
Robert Robertson
Kevin Row
Gavin D Smith
Graham H Smith
Pat Tyrrell

IN MEMORY

It is with sadness we record the passing of the following Members, whom we have been made aware of during the year:

- Terry Curran
- Glen Schulz
- Ian McCauley
- Rosalind Smith
- Jean LeBrocq (Gold Member)

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

BOARD OF MANAGEMENT 2021-2022

In accordance with the Constitution and Rules of the Sunshine Coast Turf Club, the following four Members of the Board of Management retire by rotation and being eligible for re-election, have nominated accordingly:

Peter G. Boyce OAM (Chairman), William FC Wendt (Treasurer), Scott Armstrong & Antony Shadforth.

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

I would also like to acknowledge long-standing Board Members, Dr Bernie Spilsbury and Bill Wendt who were awarded Life Membership of the Club for their many years service and commitment to the Club.

Dr Bernie Spilsbury has been the only Medical Officer engaged by the Club since its inception. What an outstanding feat. Dr Bernie Spilsbury has been responsible for the treatment of many jockeys and trainers and I note in some instances his diagnosis for very serious conditions has been instrumental in people addressing and obtaining treatment for those serious medical conditions at an early stage.

We are truly indebted to Dr Bernie Spilsbury for his dedication to this Club and for the wonderful work that he does.

Bill Wendt, likewise, has made an invaluable contribution to the Club and he is our current Treasurer.

Bill has served on the Board since 5 June, 2001.

He is always willing to discuss all of the issues relevant to the Club and to assist the Club where necessary and appropriate. His work is also invaluable. It is a different role I appreciate, however, his role is also very important.

APPRECIATION

I am extremely grateful to my fellow Board Members for their commitment and support 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.

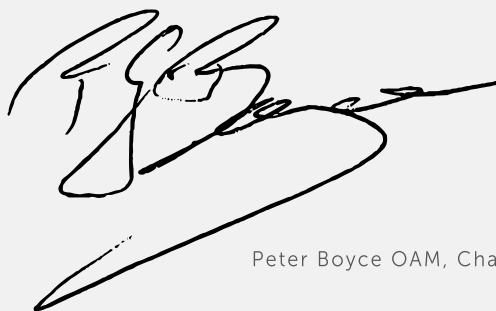
I would like to express my thanks to John Miller, our CEO, and to all of the staff who help us week in and week out to prepare and present a racing facility that I believe is second to none.

We have been very fortunate in having a great facility which we are forever looking to improve, but there is no doubt that our grass track is seen by many in the Industry as the best track in Queensland. This is no small feat and Murray Weeding and his team need to be congratulated on their work and dedication to presenting our track week in and week out as one of the best in the State.

We realise that we have to take one step at a time, however, the long-term success of the Club is hopefully being guaranteed by the continued upgrading/expansion and provision of new facilities.

We are also in the process of master planning the whole of the complex. That is in consultation with Racing Queensland and when the Master Plan gets to a certain point it will certainly be provided to Members for your review and discussion.

Thank you for your support of this great Club. It is a privilege to be Chairman of the Club and it is a privilege to work with the Board and John Miller, who has been exceptional and the results we have achieved are through the hard work and dedication of John and the staff.



Peter Boyce OAM, Chairman



Dear Members,

I am pleased to present the 2020/21 Annual Report in what has been a successful year for the Club despite some of the interruptions caused by Covid-19.

The new Media Rights deal that was confirmed last year has produced a significant increase in revenue for the Club in 2020/21 and it is expected this will continue to improve each year.

The Club has been buoyed by the fact that our Members and supporters have returned to the Track in big numbers over the past year and we are excited by some of the future developments that will see further improvements to Members facilities on course.

There are plans in place for a refurbishment of the Members Bar and Terrace and a new hospitality space overlooking the Parade Ring.

The Club will undergo a brand refresh in Spring to reflect the premium Metropolitan quality race club we are while maintaining the connection to our laid-back coastal lifestyle.

A new website will be launched in November that will bring to life the unique hospitality spaces and experiences we have been introducing over the past couple of Seasons, highlighted by the popular Atrium Bar that was introduced in 2019.

MEMBERSHIP

As we have emerged from the various lockdowns in recent times it has been very encouraging to see our Members back on Track and enjoying the racing on the Sunshine Coast.

Membership at the SCTC continues to grow and we are committed to improving facilities and services for Members to enjoy a day at the races.

The Club reached a record 2,312 Full Voting Members for the Season and together with other categories of Membership including Sunny Coast passes and Day Pass Membership we had a total of 3,989 ticket holders.

RACING

The Club raced 63 times during the year with 493 races and 4,530 starters. We lost three meetings due to inclement weather (26 July 2020, 21 March 2021 and 2 May 2021) and we look forward to racing on the new Polytrack which will provide security against these type of events in the future.

We were fortunate to host the Tattersalls Racing Club for their meeting on 27 February 2021. This was the first time they had hosted a meeting on the Sunshine Coast and it was an additional Saturday Metropolitan meeting our Members could enjoy.

Feature races run during the year included the TAB Glasshouse won by Krone who went on to win at Group 1 level and the Group 3 Winx Guineas won by local galloper Wapiti. The Mooloolaba Cup was won by Ballistic Boy and the Sunshine Coast Cup was taken out by Emerald Kingdom.

SPONSORS

Considering the impact of Covid-19 we have been very fortunate to maintain strong support from our local corporate partners. This includes the ever popular 100 Club Sponsors with our annual Gala Dinner recently held on Friday 27 August. Congratulations to the Landsborough Hotel winning naming rights to the 2022 Caloundra Cup.

The Club reached a new agreement with major beer supplier Lion that will extend the partnership to 2027. We thank the team at Lion who recognise the significant hospitality opportunities now available On Course and share the same vision for improvements to facilities and services at the Track.

To all our Sponsors, I thank you for your involvement and support and I look forward to working with you in the new Season to develop events that achieve your sponsorship objectives.

THANK YOU

While it has been another year with plenty of disruptions and challenges due to Covid-19, it is again most pleasing to produce a positive result for the Club.

I would like to thank Chairman Peter Boyce and the Board for their continued support. They continue to look at ways to improve the racing quality and facilities On Course and have a great passion for the Club and racing on the Sunshine Coast.

I am fortunate to have an amazing group of staff at the Club led by our Senior Managers, Kylie Perry (Finance & Administration), Murray Weeding (Racecourse & Facilities), Taryn Delaney (Events & Marketing), Graham Watterston (Sales & Business Development), Katherine Sandford (Bar & Operations) and Brett Truloff (Catering).

I am most proud of all our full time and casual staff and thank everyone for all their hard work and dedication over the past year.

Thanks to our major media partners including Sky Racing, Radio 4TAB, Hot 91.1, Mix and Sea FM, 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, 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 deliver first class racing 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 supporting the Club and I look forward to your attendance in 2021/22.



John Miller, Chief Executive



2020-2021 SCTC Premiership Awards (Season 1 August 2020 - 31 July 2021)

The Club would like to acknowledge the following recipients of the SCTC Trainers & Jockeys Premiership Awards.

Trainer's Premiership	1st	Stuart Kendrick	(46.5)
	2nd	Tony Gollan	(30)
	3rd	David Vandyke	(23)

Congratulations to local trainer, Stuart Kendrick on winning the 2020/21 SCTC Trainer's Premiership. This is Stuart's eighth in a row Premiership win.

Jockey's Premiership	1st	James Orman	(42)
	2nd	Ben Thompson	(34)
	3rd	Ryan Maloney	(34)

Congratulations to jockey, James Orman on winning the 2020/21 SCTC Jockey's Premiership. This is a well-deserved win for his first Senior Jockey's Premiership win at Caloundra after finishing second and third in the previous two years.

Apprentice Jockey's Premiership	1st	Kyle Wilson-Taylor	(15)+(15) 2nds
	2nd	Jaden Lloyd	(15)+(4) 2nds
	3rd	Sheriden Tomlinson	(10)

Congratulations to Apprentice, Kyle Wilson-Taylor on taking out the Lianne Crook Memorial Shield as the 2020/21 SCTC Apprentice of the Year. Kyle is apprentice to Lindsay Hatch (Toowoomba).

Congratulations to the top achievers for 2020/21 Season. The Club wishes them all the best in the 2021/22 Season.

A new initiative was introduced for the 2020/21 Season which included four new Awards. These Awards were nominated and voted by SCTC Trainers.

The Winners were:

Rising Star Paige Johnston	Outstanding Training Performance Jack Duncan	Stablehand of the Year Taylah Mackinnon	Dedication to Racing Trevor Miller
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SPONSORS

Major Sponsors

Access Insulation
Sunshine Coast
Butler McDermott
Lawyers
Coastline BMW
LION (XXXX)
Martin Collins
Australia
Parklands Tavern
(Sunshine Coast
Hotels)
Samuel Smith & Son /
Yalumba Wines
Sky Racing
TAB
Wimmers Premium
Soft Drinks

Media Sponsors

Hot 91.1
Radio 4TAB
Q Advertising
Sky Racing
Sunshine Coast Daily

Raceday / General Sponsors

Access Insulation
Sunshine Coast
Archer Park Racing
Archers Body
Corporate
Butler McDermott
Lawyers
CLO Studios
CMBM Facility
Services
Coastline BMW
Coca Cola Amatil

Connect Community
Plus Kids
Darren Rolls
Domic
Dr Patterson
Dermatology Noosa
DYFA Plumbing
endED
Fincierge
Fuji Xerox Business
Centre
Get Tools Direct
Harcourts Noosa
Haymans Electrical
& Data Suppliers
Haymes Paints
Higgins
Hot 91.1
Innovative Planning
Solutions

Kaboom Concrete
Pumping
Kendrick Racing
Krew Racing
Landmark Resort &
Spa
Medimobile
Noosa Waterfront
Restaurant & Bar
Past Roos Geoff
Drummond
Memorial
ProLiquor
Ray White
Commercial
Noosa
Reed Racing
RiceBoi Mooloolaba
Sky Racing
St Clair Sheetmetal

Stanley River
Thoroughbreds
Sunshine Coast
Hotels
TAB
Tattersall's
Sunshine Coast
The Cove by
Henzell Property
Group
The Surf Club
Mooloolaba
The Wharf
Mooloolaba
Travis Schultz &
Partners
Uniforms 4 Kids
XXXX

The success of the Sunshine Coast Turf Club would not be possible without the support of Sponsors of the 100 Club. Sincere appreciation is extended to all 100 Club Sponsors for their assistance, generosity and support especially as we navigate again through Covid-19 restrictions.

We urge Members to support our 100 Club Sponsors wherever possible.

7 Day Skips	H & H Air Conditioning	Pickering Bookkeeping & Accounting Services
Access Insulation Sunshine Coast	Hampers To Go	Pierce Avenue Lodge Pty Ltd
ADAMS+SPARKES Town Planning	Haymans Electrical & Data Caloundra	Pitchers Hospitality Supplies
Alfies Event Hire	Headland Glass	ProLiquor
All Fencing Sunshine Coast	Henzells Agency	Q Advertising
Allchin Airconditioning & Refrigeration	Higgins Coatings Pty Ltd	Race Zone Racing Supplies
Austack Sunshine Coast	Hot 91	Reed Racing
Bathersby Legal	JLP Fabrication	Resi Homes Pty Ltd
Battery Wise Sunshine Coast	K Smith & Son Jewellers	Ross Maclean Fellowship
Blake Machinery Group Pty Ltd	Kaboom Concrete Pumping P/L	Rumba Beach Resort
BOSS Building Maintenance	Kendrick Racing	Samuel Smith & Son / Yalumba Wines
Butler McDermott Lawyers	Landsborough Hotel	Scott McMahon Electrical
Cellar Maintenance Australia	Love & Partners Chartered Accountants	Secure Access Pty Ltd
Chaps Menswear	Maleny Tricorp Hotel	Sommer Petroleum
CMBM Facility Services Pty Ltd	Martin Collins Australia	Southeast Stainless
Coast 2 Coast Earthmoving	Mask Events	Stanley River Thoroughbreds
Coastal Style Constructions	McGrath Buderim & Mooloolaba	Stripe Pro Signs
Coastal Vehicle Solutions	MOBECA Internal Linings & Partitions	Suncoast Cabs
Coastline BMW	Montanas on Buderim	Suncoast Marine Electrical
Coastline Mini Garage	Moreton All Body Care	Sunny Coast Jobs
Coco Coast Coconut Water	Neil Mansell Concrete	Sunshine Coast Business Solutions
Contract Hydraulics Pty Ltd	North Coast Equine Veterinary Clinic	Sunshine Coast Daily
Creative Stone	North Coast Slashing	Sunshine Coast Flooring Xtra
Customised Car Finance	Number One Quality Homes	Supaview Security & Sunscreen
Dicky Beach Surf Club	Office National Caloundra	TAB
Digital Vision Direct	Pablo's Tex-Mex Caloundra	Tensens
Double R Thoroughbreds	Paddy Walsh Painting & Solid Plastering	The Branding Office
Esprit Racing	Parklands Tavern	The Compass Institute
Fincierge	Pelican Motors Service Centre	The Pump House
Flying Start Syndications	Pelican Waters Golf Club	TMG Construction
Garrards Horse and Hound	Perry's Sunshine Coast Event Hire	Travis Schultz & Partners
Glovers Concreting Pty Ltd	PFD Foodservices	Vili's Family Bakery
Go Transit Media Group		Wild Horse Turf
Grambower Concrete Constructions		
GT Print		

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

SUNSHINE COAST TURF CLUB INC.





FINANCIAL STATEMENTS

For The Year Ended 30 June 2021

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BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

Your board of management members submit the financial report of Sunshine Coast Turf Club Inc for the financial year ended 30 June 2021.

BOARD OF MANAGEMENT MEMBERS

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

NAME	POSITION HELD
Boyce, Peter Gerard OAM	Chairman
Henzell, Mary Jane	Deputy Chair
Wendt, William Frederick Charles (Bill)	Treasurer
Armstrong, Scott Donald	Director
Schultz, Travis	Director
Shadforth, Antony James (Tony)	Director
Spilsbury, Dr Bernard Renton (Bernie)	Director
Miller, John Gerard	Secretary/Chief Executive (Non-Voting)

Board of management members have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of Sunshine Coast Turf Club Inc (the club) during the financial year were:

- To promote, conduct and hold race meetings for the recreation and enjoyment of members, for the club of persons interested in or connected with horse racing, and for the improvement in the breed of thoroughbred horses.
- For the furtherance of the last mentioned object, to encourage horse racing by the promotion of race meetings and the giving of prizes, stakes, and rewards for horse races.
- To all such things that are incidental or conducive to the attainment of such objects.
- The club shall be non-proprietary and the payment of any dividends to the members of the club prohibited; all takings, receipts, profits or gains shall be used for the above object except with the approval of the Minister responsible for the Racing and Betting Act 1980.

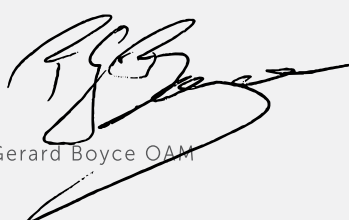
SIGNIFICANT CHANGES

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

OPERATING RESULT

The surplus/(deficit) after providing for income tax for the 2021 financial year amounted to: \$1,160,924

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



Peter Gerard Boyce OAM

15/9/2021

Date

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

	Note	This Year \$	Last Year \$
INCOME			
Bar and catering operations (net)		916,356	487,613
Distribution from Racing Queensland Ltd		1,884,226	2,095,665
Other revenue		846,701	1,311,549
Public admissions		408,084	215,089
Sponsorship and signage		2,205,350	1,472,749
Totalisator commission (net)		1,114	(42,657)
Training facility		1,461,403	1,401,471
Total income	1(l)	7,723,234	6,941,479
LESS: EXPENSES			
Auditor's remuneration - audit services		14,200	13,900
Auditor's remuneration - other		10,600	9,430
Essential services		754,218	723,019
Interest and other bank charges		28,124	19,203
Other expenses		2,361,895	2,189,126
Payroll related expenditure		503,139	382,842
Salaries and wages		2,032,589	1,970,311
Total expenses		5,704,766	5,307,832
Net surplus/(deficit) before income tax and non-cash items		2,018,469	1,633,648
INCOME TAX AND NON-CASH ITEMS			
Income tax	1(a)	0	0
Depreciation	1(d), 7(a)	(291,067)	(269,750)
Investment in associate - share of current and prior year deficits	1(f), 6	(575,293)	(576,029)
Net profit/(loss) on disposal of property, plant and equipment	1(d)	8,815	1,273
		(857,544)	(844,507)
Net surplus/(deficit) after income tax and non-cash items		1,160,924	789,141
OTHER COMPREHENSIVE INCOME			
Investment in associate - share of net assets	1(f), 6	2,201,890	969,707
		2,201,890	969,707
Total comprehensive income attributable to members of the club		3,362,814	1,758,848

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

	Note	This Year \$	Last Year \$
CURRENT ASSETS			
Cash	2	5,345,362	5,731,331
Receivables	3	1,150,852	1,019,527
Inventories	4	218,901	102,228
Other	5	65,487	57,699
Total current assets		6,780,603	6,910,785
NON-CURRENT ASSETS			
Investments in associates	6	10,660,481	7,033,884
Property, plant and equipment	7	2,275,525	2,181,276
Total non-current assets		12,936,007	9,215,160
Total assets		19,716,610	16,125,945
CURRENT LIABILITIES			
Payables	8	1,138,149	985,350
Provisions	9	333,604	284,093
Total current liabilities		1,471,753	1,269,444
NON-CURRENT LIABILITIES			
Provisions	9	69,473	43,932
Total non-current liabilities		69,473	43,932
Total liabilities		1,541,226	1,313,375
Net assets surplus/(deficit)		18,175,383	14,812,569
EQUITY			
Retained surplus		9,778,329	8,617,405
Reserves		8,397,054	6,195,164
Total equity		18,175,383	14,812,569

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

<i>Summary of Movements:</i>	Retained Surplus	Reserves (i)	Total Members' Funds
THIS YEAR			
Opening balance	8,617,405	6,195,164	14,812,569
Current year's surplus/(deficit)	1,160,924	0	1,160,924
<i>Other comprehensive income</i>			
Share of revaluation	0	880,109	880,109
Share of associate's other comprehensive income	0	1,172,098	1,172,098
<i>Members' transactions</i>			
Contribution to sinking fund	0	149,684	149,684
Transfers	0	0	0
Current year movement in total comprehensive income	1,160,924	2,201,890	3,362,814
Closing balance	9,778,329	8,397,054	18,175,383
LAST YEAR			
Opening balance	7,933,892	5,119,828	13,053,721
Current year's surplus/(deficit)	789,141	0	789,141
<i>Other comprehensive income</i>			
Share of revaluation	0	868,129	868,129
Transfer share of unutilised asset revaluation surplus for disposed assets	(105,629)	105,629	0
<i>Members' transactions</i>			
Contribution to sinking fund	0	101,578	101,578
Transfers	0	0	0
Current year movement in total comprehensive income	683,512	1,075,336	1,758,848
Closing balance	8,617,405	6,195,164	14,812,569

(i) Accumulated reserves

Represents accumulated movements in fair value adjustments and member transactions relating to the club's investment in associate.

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

	Note	This Year \$	Last Year \$
SUMMARY OF CASH FLOWS FROM: OPERATING ACTIVITIES			
Receipts from customers		10,517,998	9,050,011
Interest received		48,633	78,370
Payments to suppliers and employees		(8,576,098)	(7,407,503)
Net cash surplus/(deficit)		1,990,533	1,720,878
INVESTING ACTIVITIES			
Investment in associate	6	(2,000,000)	0
Proceeds from sale of property, plant and equipment		41,818	1,273
Payment for property, plant and equipment	7(a)	(418,319)	(385,525)
Net cash surplus/(deficit)		(2,376,501)	(384,252)
FINANCING ACTIVITIES			
Repayment of borrowings		0	0
Net cash surplus/(deficit)		0	0
Net increase (decrease) in cash held		(385,968)	1,336,626
Cash at beginning of year		5,731,331	4,394,704
Cash at end of year	1(j), 2	5,345,362	5,731,331
RECONCILIATION OF OPERATING CASH FLOW WITH NET SURPLUS/(DEFICIT)			
Net surplus/(deficit) from ordinary activities after income tax		1,160,924	789,141
<i>Adjust for non-cash items:</i>			
Depreciation	7(a)	291,067	269,750
Provision		75,051	14,079
Share of associate's losses	6	575,293	576,029
Loss/(profit) on disposal of property, plant and equipment		(8,815)	(1,273)
<i>Changes in assets and liabilities:</i>			
Receivables		(131,326)	(2,925)
Prepayments		(7,788)	2,370
Inventories		(116,673)	43,085
Income in advance		209,899	(3,113)
Payables		(57,100)	33,734
		1,990,533	1,720,878

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

The financial statements cover Sunshine Coast Turf Club Inc (*the club*) 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 (Qld) 1981 (the Act)* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The club 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

Income Tax

The club 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.

Inventories on Hand

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

Fair Value of Assets and Liabilities

The club 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 club 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 club 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 club'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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

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 the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. 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 club 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 club 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.

Leases

THE CLUB AS LESSEE

At inception of a contract, the club 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 club where the club 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.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the club uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the club anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

CONCESSIONARY LEASES

For leases that have significantly below-market terms and conditions principally to enable the club to further its objectives (commonly known as peppercorn/concessionary leases), the club has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

Investments in Associates

Associates are entities over which the club 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 club's share of net assets of the associate entity. In addition, the club's share of the profit or loss of the associate entity is included in the club's surplus or deficit.

Financial Instruments

INITIAL RECOGNITION AND MEASUREMENT

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

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in paragraph 63 of AASB 15: *Revenue from Contracts with Customers*.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT

Financial liabilities

Financial liabilities are subsequently measured at
amortised cost; or
fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:
a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
held for trading; or
initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at fair value or amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:
incurred for the purpose of repurchasing or repaying in the near term;
part of a portfolio where there is an actual pattern of short-term profit taking; or
a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk to other comprehensive income enlarges or creates an accounting mismatch, these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:
amortised cost;
fair value through other comprehensive income; or
fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

Financial Instruments ... continued

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The club initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which MSB 3 applies, the club makes an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss. Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the club's accounting policy.

DERECOGNITION

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the club no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

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Financial Instruments ... continued

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity that the club elected to classify as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

IMPAIRMENT

The club recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The club uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the club assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the club measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the club measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit-impaired (not on acquisition or originations), the club measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the club assumes that the credit risk has not increased significantly since initial recognition and, accordingly, it can continue to recognise a loss allowance of 12-month expected credit loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

Financial Instruments ... continued

In order to make such a determination that the financial asset has low credit risk, the club applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the club recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset. Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Impairment of Assets

At the end of each reporting period, the club reviews the carrying amounts 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows - that is, they are specialised assets held for continuing use of their service capacity - the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Employee Provisions

SHORT-TERM EMPLOYEE BENEFITS

Provision is made for the club'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 club's obligations for short-term employee benefits such as wages, salaries and sick leave 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' long service leave and annual leave entitlements not expected to be settled wholly within 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 market yields at the end of the reporting period on high-quality bonds that have maturity dates that approximate 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 club's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the club 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

Cash on Hand

Cash on hand include cash on hand, deposits held at-call with banks, other short-term highly liquid investments, and bank overdrafts.

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.

Revenue

CONTRIBUTED ASSETS

The club receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138.)

On initial recognition of an asset, the club recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The club recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amount.

OPERATING GRANTS, DONATIONS AND BEQUESTS

When the club receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the club:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the club:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the club recognises income in profit or loss when or as it satisfies its obligations under the contract.

CAPITAL GRANT

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

INTEREST INCOME

Interest income is recognised using the effective interest method.

INCOME FROM SALE OF GOODS AND SERVICES

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.

A receivable will be recognised when the goods and services are delivered. The club's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales are made within a credit term of 30 to 45 days.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

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.

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 club 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.

Provisions

Provisions are recognised when the club 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.

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 club.

KEY ESTIMATES

Impairment - general

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

KEY JUDGEMENTS

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

Lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the club will make. The club determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the club.

New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the club has decided not to early adopt.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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2. Cash

	This Year \$	Last Year \$
Cash on hand	350	350
Cash at bank (ANZ)	3,129,504	2,368,958
Cash at bank (BOQ)	19,511	19,513
Cash at bank (CBA)	4,850	4,895
Cash at bank (Ord Minnett)	11,147	7,615
Term deposit (AMP)	300,000	300,000
Term deposit (ANZ)	0	500,000
Term deposit (Bendigo)	300,000	300,000
Term deposit (BOQ)	500,000	500,000
Term deposit (CBA)	250,000	250,000
Term deposit (MEB)	100,000	500,000
Term deposit (NAB)	730,000	730,000
Term deposit (Rural Bank)	0	250,000
Total	5,345,362	5,731,331

Note: The effective interest rate on short-term bank deposits was 0.6% (2020: 1.0%).

3. Receivables

Trade debtors	348,141	956,856
Other debtors	803,913	65,438
Less: provision for doubtful debts	(1,202)	(2,768)
Total	1,150,852	1,019,527

a. Lifetime Expected Credit Loss: Credit Impaired

The club applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision as at 30 June 2021 is determined as follows; the expected credit losses also incorporate forward-looking information.

As at the reporting date, the board of management has concluded that the impact of AASB 9 on the financial statements would not be material.

2021		> 30 days past due \$	> 60 days past due \$	> 90 days past due \$	Total \$
Gross carrying amount	1,037,875	96,183	14,363	3,632	1,152,054
Loss allowing provision	0	0	0	(1,202)	(1,202)
2020					
Gross carrying amount	908,380	42,957	11,385	59,572	1,022,294
Loss allowing provision	0	0	0	(2,768)	(2,768)

b. Credit Risk

The club 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 club is considered to relate to the class of assets described as "receivables".

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

3. Receivables ... continued

b. *Credit Risk... continued*

The club always measures the loss allowance for accounts receivables at an amount equal to lifetime expected credit loss. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The club writes off an accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery (eg when the debtor has been placed under liquidation or has entered into bankruptcy proceedings) or when the trade receivables are over two years past due, whichever occurs earlier. None of the accounts receivable that have been written off are subject to enforcement activities.

4. Inventories

Bar	185,243	82,348
Kiosk and food	31,533	18,405
Grounds - material	2,125	1,475
	<u>218,901</u>	<u>102,228</u>

5. Other Assets

Prepayments	65,487	57,699
	<u>65,487</u>	<u>57,699</u>

6. Investments in Associates

20 Shares - 20% ownership of Sunshine Coast Racing Pty Ltd	20	20
17.8% ownership of SCRUT	10,660,481	
15.4% ownership of SCRUT		7,033,864
	<u>10,660,481</u>	<u>7,033,884</u>

Principal activity - asset ownership

Country of incorporation - Australia

Significant influence:

- Sunshine Coast Racing Pty Ltd acts as trustee for Sunshine Coast Racing Unit Trust (SCRUT). 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	7,033,884	6,640,206
- Share of associated company's profit/(loss) after income tax	(575,293)	(576,029)
- Purchase of additional units in SCRUT	2,000,000	0
- Net share of associated company's reserve movements	2,201,890	969,707
- Balance at the end of the year	<u>10,660,481</u>	<u>7,033,884</u>

Summarised presentation of assets, liabilities and performance of associates:

	\$'000	\$'000
- Current assets	7,363	3,518
- Non current assets	56,168	44,454
- Total assets	63,531	47,972
- Current liabilities	1,737	220
- Non current liabilities	1,904	2,078
- Total liabilities	3,641	2,298
- Net assets	59,890	45,674
- Revenues	915	366
- Net profit/(loss) after income tax of associates	(747)	(3,740)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

7. **Property, Plant and Equipment**

	This Year \$	Last Year \$
Plant and equipment at cost	4,081,872	3,748,027
Less: accumulated depreciation	1,806,347	1,566,751
Total	2,275,525	2,181,276
 (a) Movements in carrying amounts:		
Opening balance - WDV	2,181,276	2,065,501
Additions	418,319	385,525
Disposals	(33,003)	0
Depreciation	(291,067)	(269,750)
Closing balance - WDV	2,275,525	2,181,276

8. **Payables**

Trade creditors	509,669	454,993
Accrued charges	267,847	379,624
Income in advance	360,633	150,734
Total	1,138,149	985,350

9. **Provisions**

Current:

Annual leave	211,836	172,320
Long service leave	121,768	111,773
	333,064	284,093

Non-Current:

Long service leave	69,473	43,932
	69,473	43,932
Total	403,077	328,025

(a) Analysis of provisions annual and long service leave:

Opening balance	328,025	313,946
Additional provisions raised during the year	164,453	140,971
Amounts used	(89,401)	(126,891)
Closing balance	403,077	328,025

Employee provisions

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion of this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the club does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the club does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

10. **Related Party Transactions**

a. Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the club, directly or indirectly, including its board of management members, is considered key management personnel.

Key management personnel compensation:

- short-term employee benefits	287,904	286,339
- other long-term benefits	0	0
Total	287,904	286,339

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

	This Year \$	Last Year \$
Related Party Transactions ..continued		
<i>Other Related Parties</i>		
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)	12,800	21,000
Butler McDermott Lawyers - Peter Boyce	700	535
Total	13,500	21,535

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 club related out-of-pocket expenditure. In addition, the club 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 parties unless otherwise stated.

Rental Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable-minimum lease payments		
not later than 12 months	1	1
between 12 months and five years	4	4
later than five years	60	61
Total	65	66

Concessionary Leases - leasehold land

The club has elected to apply the temporary option available under AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities in relation to any existing concessionary lease arrangements. The club has an existing concessionary lease agreement with Sunshine Coast Racing Pty Ltd in relation to the use of land at Pierce Avenue Caloundra Queensland. The lease is due to expire on 31 October 2086 payable \$1 per annum. There are no restrictions on the use of the land, other than it must be used for the principal activities of the club. The club is required to obtain approval from Sunshine Coast Racing Pty Ltd prior to construction on the property. The club has an economic dependence on the continuance of these arrangements.

Financial Risk Management

The club's financial instruments consist mainly of cash and deposits with banks. The club 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 club's policy that no trading in financial instruments or derivatives shall be undertaken.

Economic Dependence

While the club's activities are significantly funded by member activities and commercial operations, the club is greatly assisted in its activities by distributions provided by Racing Queensland. At the date of this report, the members of the board of management had no reason to believe that Racing Queensland would not continue to provide financial support to the club.

Events Occurring after the Balance Date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Apart from the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the club, the results of those operations, or the state of affairs of the club in future financial years.

STATEMENT BY THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 30 JUNE 2021

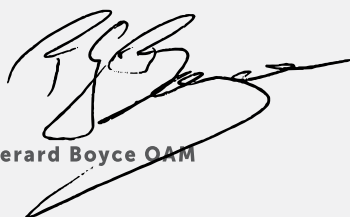
Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

In accordance with a resolution of the board of management of Sunshine Coast Turf Club Inc (the club), the members of the board of management declare that:

The financial statements and notes are in accordance with the *Associations Incorporation Act (Qld) 1981* and:
comply with Australian Accounting Standards ; and
give a true and fair view of the financial position of the club as at 30 June 2021 and of its performance for the year ended on that date.

In the directors' opinion there are reasonable grounds to believe that the club will be able to pay its debts as and when they become due and payable.

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



Peter Gerard Boyce OAM

15/9/2021

Date

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SUNSHINE COAST TURF CLUB INC

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141



Love & Partners
REGISTERED COMPANY AUDITORS

Opinion

We have audited the financial report of the Sunshine Coast Turf Club Inc (*the club*), which comprises the statement of financial position as at 30 June 2021, 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 to the financial statements including a summary of significant accounting policies, and the statement by the board of management.

In our opinion, the accompanying financial report of the club is in accordance with the requirements of the Associations Incorporation Act (Qld) 1981, including:

- giving a true and fair view of the club's financial position as at 30 June 2021 and of its financial performance for the year then ended; and**
- that the financial records kept by the club 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 club 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 club is responsible for the other information. The other information comprises the information included in the club's annual report for the year ended 30 June 2021, 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 club is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Clubs 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.

In preparing the financial report, the board of management is responsible for assessing the club'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 club or to cease operations, or has no realistic alternative but to do so.

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CONTACT

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CORPORATE INFORMATION

Love and Partners Auditors Pty Ltd
ABN: 30 125 237 229

Authorised Audit Company Number: 313440
www.loveandpartners.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SUNSHINE COAST TURF CLUB INC

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

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FORTIETH ANNUAL REPORT 2020-2021

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 club'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 club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the club to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board 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.



Brett J Buntain
Managing Director
RCA No. 213172

Date: 15 September 2021.

INDEPENDENT AUDITOR'S DISCLAIMER FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

The additional financial information presented on the following pages is in accordance with the books and records of Sunshine Coast Turf Club Inc (the club) which have been subjected to the auditing procedures applied in our audit of the club for the year ended 30 June 2021. 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.



Love & Partners

REGISTERED COMPANY AUDITORS

"Liability limited by a scheme approved under Professional Standards Legislation"

SUPPORTING SCHEDULES FOR THE YEAR ENDED 30 JUNE 2021

INCOME:

BAR AND CATERING TRADING

	This Year \$	Last Year \$
Sales	2,645,876	1,736,112
Less: cost of goods sold	856,688	552,685
Gross Profit	1,789,188	1,183,426
GPR %	67.6%	68.2%
Less: direct costs	872,832	695,814
Net Profit	916,356	487,613
NPR %	34.6%	28.1%

OTHER REVENUE

Funding and subsidies - COVID-19	363,000	389,348
Interest received	48,633	78,370
Membership subscriptions	259,634	201,323
Other grants and donations	0	473,671
Race book sales and advertising	31,206	24,378
Sundry revenue	26,507	21,484
Various rentals	117,721	122,975
Total	846,701	1,311,549

TOTALISATOR TRADING

Gross commission Unitab	135,885	119,503
Outside tote management fees	3,246	810
Total	139,131	120,312
Less: expenses	1,429	1,473
Equipment rental	781	1,014
Repairs and maintenance	51	1,179
Stationery	135,756	159,304
Wages	138,017	162,969
Net Profit	1,114	(42,657)
NPR %	0.8%	(35.5%)

SUPPORTING SCHEDULES FOR THE YEAR ENDED 30 JUNE 2021

Sunshine Coast Turf Club Inc. ABN: 22 950 178 141

EXPENDITURE:

ESSENTIAL SERVICES

	This Year \$	Last Year \$
Electricity	228,283	236,578
Fire services	14,736	13,889
Insurances	192,057	128,591
Legal fees	700	2,500
Lease outgoings and rates	210,527	246,067
Security services	79,241	65,908
Telephone and internet	28,674	29,486
Total	754,218	723,019

OTHER EXPENSES

Administration	157,949	150,897
Advertising and promotion	189,919	236,372
Bad and doubtful debts	1,202	2,768
Committee expenses	17,941	26,840
Donations	13,048	0
Minor asset purchases	171,790	106,095
Race day trophies	18,354	9,928
Race book expenditure	100,681	77,223
Race day expenses	491,915	408,474
Racecourse maintenance	671,946	727,432
Stable complex expenses	527,150	443,098
Total	2,361,895	2,198,126

PAYROLL RELATED EXPENDITURE

Annual leave, long service leave and sick leave	75,051	14,079
Fringe benefits tax	9,514	12,083
Payroll tax	62,622	40,508
Superannuation	268,883	235,385
Workcover insurance	87,068	80,787
Total	503,139	382,842







CONTACT

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SUNSHINE COAST TURF CLUB

ABN: 22 950 178 141