

TOOWOOMBA TURF CLUB INC 2018/19 ANNUAL REPORT





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TOOWOOMBA TURF CLUB INC 2018/19 OFFICIALS

Chairman

Mr Kent Woodford

Deputy Chairman

Mr Ken Bullen *(resigned 28 June 2019)*

Honorary Treasurer

Mr Bob Frappell *(resigned 28 June 2019)*

Committee

Mr Allan Gee

Mr Kevin Dixon *(resigned 1 July 2019)*

Mr Robert Dare *(resigned 17 June 2019)*

Mrs Lisa Frappell *(resigned 28 June 2019)*

Chief Executive Officer

Mr Blair Odgers

Club Bank

Australian and New Zealand Banking Group
(ANZ) Toowoomba

Auditor

Crowe Horwath

2018/19 MEETING OF CLUB MEMBERS AND PRESENTATION OF THE ANNUAL REPORT

The MEETING OF CLUB MEMBERS will be held in the Weetwood Room on Thursday, August 29, 2019 at 6.30pm.



ATTENDANCE AT COMMITTEE MEETINGS

There were 12 Management Committee Meetings held in the 2018/19 reporting period.

COMMITTEE MEMBER	MA	MA
Mr Kent Woodford	12	0
Mr Ken Bullen <i>(resigned 28 June 2019)</i>	9	3
Mr Bob Frappell <i>(resigned 28 June 2019)</i>	10	2
Mr Allan Gee	11	1
Mr Robert Dare <i>(resigned 17 June 2019)</i>	10	2
Mr Kevin Dixon <i>(resigned 1 July 2019)</i>	9	3
Mrs Lisa Frappell <i>(resigned 28 June 2019)</i>	11	1

MA MEETINGS ATTENDED

MA MEETINGS ABSENT







CHAIRMAN'S REPORT



Racing pundits will say “There is never a dull moment in the world of horse racing” and, by and large, this proves true. There is no denying that the final months of the 2018/19 year were eventful and disruptive to what was, up until that point, another successful year.

The chain of events that led to the resignation of five members of the Management Committee has been well documented, even at times embellished, so I feel expanding on the events of this period in this report would bring no good. However, if any member does wish to discuss, please feel free to contact me.

Our club is over 130 years old and I am supremely confident that, in time, the positives from this change will be realised and the Toowoomba Turf Club will continue to prosper.

I must acknowledge the contribution of the five Management Committee who left their positions in late June – Ken Bullen, Bob Frappell, Robert Dare, Kevin Dixon and Lisa Frappell – great people who contributed in their own way to this club.

I would especially like to acknowledge the contribution of past Chairman and 2018/19 Honorary Treasurer, Bob Frappell. Bob served our club for over a decade, six of those as Chairman. The list of club achievements during this period is substantial. Bob had an uncanny ability to educate the powers of Queensland racing, Local and State

Government and influential businesspeople, to the needs of the Toowoomba Turf Club. Members, stakeholders and visitors now enjoy the spoils of these negotiations.

The Committee, for some time, has operated strongly as a team unit. United in the Club's pathway and united in its decision-making. Ken, Rob, Kevin, Lisa and Bob each played a significant role in the team dynamic that has guided this club for the past few years. I thank them greatly for their support and look forward to continuing to see them trackside.

I now look forward to the next chapter in our Club's journey. At this year's Annual General Meeting, we sign in five new Committee Members, with fresh ideas, a fresh passion and fresh enthusiasm to guide the Club forward. It is with great pleasure I welcome the successful candidates from our recent Management Committee election:

1. Gerard Betros;
2. Andrew Catlow;
3. Anthony Collins;
4. Allen Volz; and
5. Jason Ward.

Together with long serving Committeeman Allan Gee, I look forward to working with these Members on the 2019/20 Management Committee.

Stepping out of the boardroom, I would like to also mention special appreciation

of our trainers, jockeys, stable hands, owners and other who have stayed-the-course during a challenging year. There is no doubt that length integrity matters challenged the patience of not only those involved, but everyone who participates here at Clifford Park. State authorities have committed to reviewing the processes to avoid reoccurrence, and we look forward to hearing the recommendations resulting from that review.

Pleasingly, there is great reason for positivity and optimism. Our lengthy battle to convince Racing Queensland of the importance of continuity of our Saturday night timeslot and to recognise the importance a significant prizemoney investment has helped us achieve substantial growth in the prizemoney distributed at Clifford Park. Total prizemoney (including QTIS bonuses) distributed at Clifford Park grew 35% to \$7.6M. I thank Racing Queensland for its support of the Club's strategy to increase stakeholder returns in Toowoomba.

At Racing Queensland's request and, with a significant level of support, earlier this year we announced changes to the programming of our Weetwood race day moving forward. This change will see the Weetwood race day headline a new Queensland Spring Carnival in 2020. This is an extremely exciting opportunity and I ask all Members to support this transition, as the future benefits for the Club look likely to be significant.

We have continued to realise our strategic objective to grow revenue and invest the returns into Clifford Park. The Chief Executive will provide more detail in his following report, but we are pleased to again reach record sponsorship support, strong race day sales and continued growth in non-race day sales. This work allows us to reinvest in our facilities.

I am pleased to report an enormous positive response to the recent renovation of one of our key function spaces, the Winning Post Room. This renovation, at an expense of near \$250,000, was primarily funded by the existing finance facility and will prove, as the Clive Berghofer Grande Atrium has, to be a key asset to drive greater function sales and race day attendance.

I would like to again acknowledge and thank the staff of the Toowoomba Turf Club. They continue to work hard to drive the Club forward, they adapt quickly and professionally to structural and operational changes directed by the Committee, and they continue to put forward wonderful events for Members and guests to enjoy. Thank you to all staff and management.

It is always sad when, throughout the year, we hear the passing of a Member of our Club, but the sadness deepened when we learned of the passing of one of our few Life Members. I would like to, again, pay respect and remember Life Member Peter Overall, who passed away in January, 2019. Peter served as Deputy Chairman of our

Club and was a great support of racing in Toowoomba. He is sadly missed.

We all now look forward to, what I am positive, will be an enjoyable 2019/20. As always, I encourage any Member, at any time, to contact me personally if you have any queries or ideas for your club.

Kent Woodford

Chairman



CHIEF EXECUTIVE REPORT



For the 2019 Annual Report, it is my pleasure to present both the financial report and operating report to the Members of the Toowoomba Turf Club (TTC).

FINANCIAL REPORT

It is pleasing to report an Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) profit for the 2018/19 year of \$203,712. The enclosed financial statements of the TTC detail in full the positive financial performance for the 2018/19 financial year. These full statements do detail an accounting loss of \$438,851, however, this includes a depreciation amount of \$568,688, which does not impact the operating cash flow performance of the club.

Not dissimilar to the wider local economy, the TTC continues to face the challenges of the drought in our region. We cannot hide from the simple fact that an evening at Clifford Park to enjoy the races is discretionary and, if cash is tight, they simply may decide to stay home. Additionally, our suppliers have been forced to increase their pricing. As they, too, feel the effects, they must adjust their pricing.

It's the latter that has primarily impacted the TTC. Club expenditure has increased 4% (or \$199,367) from 2018 to \$4.7m. Increases in fixed expenses, such as Council rates up 11% (or \$16,943), insurances up 19% (or \$19,478), and track electricity up 18% (or \$5,582), continue to drive the costs of conducting race meetings up. Management

has now switched energy and insurance suppliers, hoping that this trend can be remedied in the years ahead.

Management continues to invest funding toward the maintenance and repairs of Clifford Park. An additional \$43,086 was invested into the maintenance of the venue. Significant improvements occurred in the weeks and months leading into Weetwood to ensure our facility was presented in optimal condition.

It is most pleasing to report that the Club's investment strategy continues to result in an uptrend in revenue. Club revenue increased 8% or (\$407,410) to \$5.6m. Bar trading grew 23% to \$863,504, catering trading grew 4% to \$563,104 and sponsorship again broke records, growing 13% to \$323,401 – the first time in club history we have received over \$300,000 in sponsorship support.

The growth in bar and catering revenue had a flow-on effect on our Cost of Goods expenses rising from \$1m to \$1.3m. A strategic investment in the quality and preparation of our food reduced profit margins, but ensured positive customer feedback and higher spend-per-head. Similarly, bar service expenses increased, but customer service feedback improved. These strategic investments were considered by the Management Committee as necessary to ensure patronage continued to grow during tough economic times. Pleasingly, these decisions continue to bear fruit.

Capital investment in patron facilities at Clifford Park continued in the past 12 months. More than \$250,000 was invested in the renovation of the Winning Post Room during early 2019. This vitally-important function space has been transformed and bookings for the 2019 Christmas period look set to exceed previous performance by 20%. To continue to compete in the function and events market, the club must continue to invest in its facilities. To this, the club has secured \$200,000 in capital support from Tabcorp as part of a long-term sponsorship agreement that will see the main betting facility at Clifford Park transformed in the coming 12 months.

Following the recommendation of previous audit reports, this year management commenced the process of reviewing the club assets register. During this review, management recognised a previous accounting error regarding the depreciation of the StrathAyr course proper. When received in 2013, the entirety of the StrathAyr works was registered and depreciated at 2.5% or 40 years. Advice obtained this year from StrathAyr detailed that some sections of the track profile (such as the grass and sand layer) would not perish with maintenance replenishment through seeding and top dressing. The reclassification of the lifespan of this asset has resulted in a reduction of \$133,077 in depreciation expenses in this financial report, and an adjustment of prior period reports. In the coming year, we will

continue to review our asset register to ensure that the appropriate classification and depreciation schedule is recognised. It should be noted here, as per the Officers' report on page 28, depreciation is not a cash expenditure and therefore does not impact the operating cash flows.

OPERATING REPORT

The return of Eagle Farm racing had a direct impact on our racing calendar, just as its omission in recent years, had. Our total number of race meetings increased to 48 race meeting in the season and the schedule of Saturday night meetings increased to 32 (up on 27 last year). Continuity of our Saturday night racing is critical to the viability of the TTC. The "higher-cost" Sunday meetings, and "lower-revenue generating" mid-week meetings continued to provide challenges from an operating standpoint but, pleasingly, afforded record prizemoney distribution of \$7.6m.

Throughout the year, management has contributed to Racing Queensland's development of a conceptual racing calendar for the 2022/23 racing season. At these meetings, the TTC's position of racing every possible Saturday night was continually put forward by management, with Racing Queensland's Executive acknowledging not only the local, but industry, benefits of this approach, by pencilling 46 Saturday night meetings and one Saturday afternoon metropolitan meeting (Weetwood) in their conceptual race calendar. The implementation of this

calendar is forecast to increase raceday revenue circa 20%. The realisation of this conceptual race calendar will be of significant importance to the TTC's viability of the coming decade.

In November 2018, the TTC joined other Queensland race clubs and industry participants in a united stand, illustrating the significance of collaboration. This stand resulted in the Queensland State Government committing \$26m additional funding to the industry, realised through the introduction of the Point of Consumption tax. The TTC continues to work united with other Queensland race clubs to achieve greater industry and local outcomes. This will prove important as we move toward the end of the existing 10-year media rights agreement on June 30, 2020, and we negotiate the next decade of broadcast rights for racing at Clifford Park.

Our premier raceday, the Audi Centre Toowoomba Weetwood, continued to grow in 2019 as plans were put in place for a second transformation in five years for the 2020 version. Growth indicators for the 2019 event continued to illustrate the benefits of strategic investment into the operation of this event. Attendance grew 10% to 4,983, pre-purchased reserved dining sales increased 36%, attendee on-course spend-per-head increased 11% to exceed \$50 for the first time, and bar sales grew 25% to exceed \$225,000. Feedback from corporate partners, members and guests was, by in large, extremely positive.

This continues a five-year upward trajectory in this event's key performance indicators. It's this that influenced Racing Queensland's decision to shift the Weetwood to a September timeslot and build a Spring Racing Carnival around our event. The 2020 Weetwood, to be held on Saturday September 26, will be a landmark event for the TTC. I encourage all Members and supporters to get behind this change, to help this event grow to national significance.

As mentioned above in the financial report, the growth of our corporate support and Stallion Club participation has grown to almost \$325,000. This has increased 170% (2014 - \$118,969) in the past five years. This growth is the outcome of the entire team at Clifford Park, but none more-so than Lizzy King. I congratulate Lizzy on this strategic development and deeply thank the long list of supporters detailed on page 16. I implore TTC members to support our supporters where you can.

As detailed in the Chairman's report, the TTC's Management Committee welcomes five new faces for the 2019/20 year. I join the Chairman in welcoming each new Member and look forward to working at the direction of this new board. I would also like to thank the five-board Members who resigned at financial year-end.

Finally, I would like to recognise the efforts of all TTC team members who have contributed across the past year. Structural changes to the TTC administration were

made in late 2018 and have had significant positive impacts in 2019. The 2019 administration team is now well-positioned to implement the strategic vision of our new Board and I look forward to the coming year.

Blair Odgers

Chief Executive Officer



RACING SUMMARY

YEAR	RACE MEETINGS	TOTAL			AVERAGE	
		RACES	STARTERS	PRIZE MONEY (Inc QTIS)	PRIZE MONEY (Inc Bonuses)	STARTERS
2018/19	48	343	2921	\$7,604,150	\$22,170	8.52
2017/18	43	311	2650	\$5,627,300	\$18,094	8.52
2016/17	47	314	2800	\$4,960,050	\$15,796	8.92
2015/16	44	301	2755	\$5,103,700	\$16,956	9.15
2014/15	42	285	2471	\$5,070,400	\$17,791	8.67
2013/14	30	215	2028	\$4,470,000	\$20,790	9.43
2012/13	58	400	3325	\$4,726,000	\$11,815	8.31
2011/12	60	397	3679	\$4,932,000	\$12,423	9.26
2010/11	61	418	4109	\$5,020,000	\$12,009	9.83
2009/10	58	430	4014	\$5,779,000	\$13,439	9.33
2008/09	58	229	2350	\$3,663,200	\$15,997	10.26
2007/08	59	420	4378	\$4,308,000	\$10,257	10.42
2006/07	56	395	4255	\$4,113,800	\$10,415	10.77
2005/06	57	404	4148	\$3,912,500	\$9,684	10.27



Stallion Club

STALLION CLUB SPONSORSHIP

The Toowoomba Turf Club would like to sincerely thank the involvement of the following sponsors for their significant contributions to the Toowoomba Turf Club:

STALLION CLUB MEMBERS

AG RIGGING
ACCESS INSULATION
A&R REFRIGERATION
BARRIER REEF POOLS
BRISBANE RIVERVIEW
COCA-COLA
CREATE ADVICE GROUP
CREATE WITH COTTEE
CROWE HORWATH
CUB
ENFAB
ENTERPRISE LEGAL
EUREKA STUD
FURNEY'S STOCK FEED
GAINSBOROUGH LODGE / CHARLTON TYRE
GC EVENT HIRE
GEMLIFE
GRAND CENTRAL
HANNAS
HELLO HARRY
HYGAIN
JOE WAGNER GROUP
K&R PLUMBING
KENNARDS HIRE
KNIGHTS LAUNDRY

LASER CLINICS AUSTRALIA
LIVING TURF
LYSAGHT TOOWOOMBA
M&K CONSTRUCTIONS
M.SUTTON CONCRETING
MITTYS
MOORE TRAILERS
NEIL MANSELL CONCRETE
NEIL MANSELL GROUP
NRG SERVICES
POTTERS HOTEL
PRO-CLEAR PTY LTD
PRYDE'S EASIFEED
QES
QPF TOOWOOMBA
RAFF GROUP
RAY BUNCH MACHINERY
REAL CHOICE FINANCE
ROCK TRADE INDUSTRIES
SEDL AGENCIES
SHANNON SIGN COMPANY
TAYLOR BUILDING GROUP
TOOWOOMBA PLASTICS
STRATHAYR
THE EVENT GROUP
TOOWOOMBA REGIONAL COUNCIL
TOOWOOMBA TRUCK SPARES
TRACKSIDE PHOTO
VANDERFIELD
WEARING MEMORIES
WEBSTER CAVANAGH
WESTON KITCHENS
WHOLESALE HORSEWEAR HOUSE
WIN TELEVISION
WIPPELLS AUTOS

MEDIA PARTNERS

The Turf Club would like to thank the following media for their assistance in covering Toowoomba Races throughout the year.

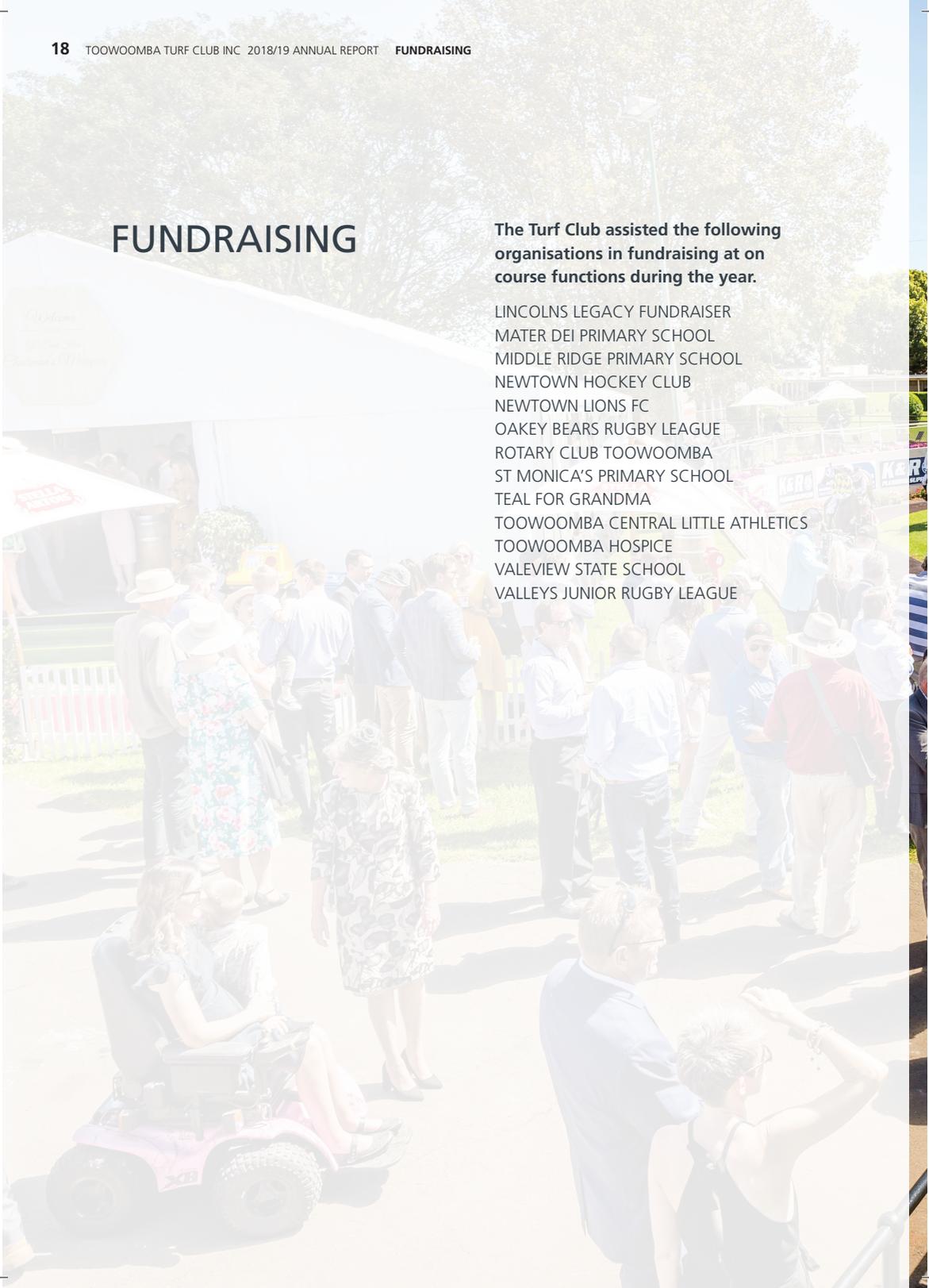
HIT FM
HIGHLIFE MAGAZINE
POWER FM
RACE MAGAZINE
RADIO TAB
RIVER 94.9
SKY CHANNEL
SEVEN NETWORK TOOWOOMBA
SOUTHERN CROSS AUSTEREO
STYLE MAGAZINE
THE RANGE FM
TOOWOOMBA CHRONICLE
TRACKSIDE PHOTOGRAPHY
TRIPLE M
WIN TELEVISION
ABC TOOWOOMBA



FUNDRAISING

The Turf Club assisted the following organisations in fundraising at on course functions during the year.

- LINCOLNS LEGACY FUNDRAISER
- MATER DEI PRIMARY SCHOOL
- MIDDLE RIDGE PRIMARY SCHOOL
- NEWTOWN HOCKEY CLUB
- NEWTOWN LIONS FC
- OAKEY BEARS RUGBY LEAGUE
- ROTARY CLUB TOOWOOMBA
- ST MONICA'S PRIMARY SCHOOL
- TEAL FOR GRANDMA
- TOOWOOMBA CENTRAL LITTLE ATHLETICS
- TOOWOOMBA HOSPICE
- VALEVIEW STATE SCHOOL
- VALLEYS JUNIOR RUGBY LEAGUE







2019 TOOWOOMBA TURF CLUB MEMBERSHIP LIST

Gary Adrian	Alfred Bugeja
Jack Aldridge	Ken Bullen
Ray Anderson	Raymond Bunch
David Anderson	Travis Buther
Craig Armstrong	John Butler
James Arthur	Brian Byers
Murray Arthur	George Campbell
Desmond Ashe	Lisa Campbell
Daniel Atkinson	Michael Carmody
Jim Atkinson	Noel Cass
Jim Barnes	Andrew Catlow
William Baskett	Brenda Caton-Tait
Lyn Baskett	John Cawkwell
Geoff Batzloff	Robyn Cawkwell
Greer Beck	Bernard Chappell
Charles Bennett	Shane Ciurleo
John Berghofer	Diana Clift
Dan Berigan	Elva Coleborn
Gerard Betros	Lynette Coleman
Kent Blair	Brett Collins
Jeffrey Blandfort	Paul Collins
Joan Blinco	John Collins
Geoff Bolton	Anthony Collins
Kellie Bond	Julie Collis
Cameron Bond	Peter Connole
Ross Boucher	Barry Coonan
Carolyn Boyce	Peter Cordner
Glenice Boyce	Phillip Cox
Wayne Brackin	Emmy Cox
Peter Bredhauer	Wayne Crompton
Gerry Breuer	Ron Crossley
Bernard Bryant	Nicholas Curley
Jean Bryant	Mark Curley
Diana Bryant	Donna Currie
Shaun Buckle	Mark Currie
Gary Buckley	Ben Currie
Nick Bucknell	John Dann

Tracy Dann	Gary Garland	Peter Hoare-Smith	Dr Vicky Lindemann
Robert Dare	Peter Garrod	Robert Hohn	Rick Lingard
Charmaine Dau	Bradley Gear	Garry Holden	John Lobban
William Davison	Malcolm Geddes	Graham Holmes	Daniel Long
John Dean	Allan Gee	Allan Holmes	Don Loomis
Rex Dearing	Wayne Gesler	Raymond Honnery	Kim Lundgaard
Christine Devine	David Giesemann	Helen Honnery	Ivar Lundgaard
Kevin Dixon	William Gillespie	Sharyn Hovey	Madonna Lyons
Linda Dixon	Rae Goes	Roland Hovey	Julie-Ann Lyons
Lisamaree Dobbin	Darryl Gollan	Robert Huntley-	Alan Macandie
Michael Doherty	Peter Gollogly	Chipper	Mark Macdermott
Russell Dowrick	Warren Gooch	Douglas Johnson	John Mackie
Lyle Dunne	Kevin Goodall	Greg Johnson	Wayne Maiden
Joseph Edge	Janice Gould	George Johnston	Barry Mallory
Susan Edwards	Warren Green	Lindsay Jones	Neil Mansell
Phillip Egerton	Alan Greenbury	Lesley Jurd	Peter Manthey
Mark Ellem	Ron Griffin	Michael Kajewski	Brooke Marjoribanks
Ken Elliot	Colin Hall	Lindsay Kampf	Timothy Marsh
Russell English	James Hanna	Desleigh Kane	Allan Mason
Stanley Erbacher	Jacqueline Hannah	Shane Kanowski	Michael Matthewson
Vincent Ernst	Darryl Hansen	Thomas Karl	Stephen Mauger
Buddy Facer	Peter Harrington	Patrick Keenan	Scott McAlpine
Ian Ferris	Leesha Hartwig	Joy Kelly	Peter McAuliffe
Darren Fleming	Vanessa Healy	Michael Kelly	Dr Kim McCasker
Margaret Flynn	Graham Healy	John Kelly	Thomas McCawley
Trevor Flynn	Scott Henningsen	Kevin Kemp	Leeanne McCoy
Gary Fox	Robin Henry	Judith Kemp	Roberta McDonald
Rod Franke	John Henry	Robert King	Doug McDougall
Bob Frappell	Brian Hewitt	Wendy Kings	John McDougall
Michael Frappell	Barry Hilton	Patrick Kinsella	Peter McGrath
Lisa Frappell	Michael Hilton	Catherine Kirkwood	Dallas McIveen
Maree Frappell	Denise Hilton	Stephen Kirkwood	Leo McIntosh
Richard French	Perry Hines	Patrick Kynoch	Paul McKellar
Peter Frohlich	Colleen Hines	Geraldine Lalor	Gene McMillan
Robert Frost	Stephen Hislop	Glen Laws	Steve McNamee
Damian Fry	Owen Hitchener	Hazel Laycock	Lissa McNamee
Justin Gardiner	Sandra Hitchener	Darren Lewis	William McNeil

Thomas McVeigh	Scott Pengelly	Andrew Simmons	Tricia Tilley
Alan Miller	Mark Peters	Rodney Simpson	Macallister Todd
Jason Miller	Andrew Petersen	Norman Smith	Aaron Trace
Denis Moloney	Peter Phelan	Vincent Smith	Stephen Tregae
Paul Moody	Robert Philp	Nicholas Smith	Bruce Troyahn
Beverly Moore	Terence Pitt	Shane Smith	Colin Tully
Sheldon Moore	Anthony Platz	Jason Smith	Peter Turnbull
Dr John Morgan	Janice Prow	Michael Smith	Colleen Twomey
Wayne Morley	Kymerley Rampling	Neville Southee	Kathy Van De Velde
Donna Morley	Graham Rampling	Lee Spooner	Marcel Van De Velde
Kelvin Morris	Justin Ramsey	Barry Squair	Allen Volz
James Morris	David Redgwell	Allan Stanton	Nicholas Wagner
Helen Morris	John Redman	Helen Stanton	Joseph Wagner
Maureen Murdoch	David Reynolds	Jeffrey Stark	Gregg Wagner
Beverly Murphy	Roger Richards	Denise Statham	Desmond Waldron
Patrick Murphy	Melinda Richards	Trevor "Ross" Stephan	Kenley Waldron
Stephen Napper	Alan Richardson	Richard Stephenson	Paul Wallace
Brian New	Michael Rippis	Kathleen Stevens	Ken Waller
Stephen Neylon	Mandy Robbins	Dee Stewart	Stephen Walton
Paul Niehus	Geoff Roberts	Kaylene Stewart	Jason Ward
Brian Nimmo	Bruce Rolls	Donna Stewart	Craig Warren
Paul Nolan	Susan Ross	Peter Storey	Anthony Watson
Basil Nolan	Leanne Ryals	Annmarie Stower	Bethany Webb
Michael Nolan	Peter Schriek	Darby Sullivan	Kimberley Webster
Paul Noone	John Schriek	Ian Sullivan	Murray Webster
Shann O'Connell	John Scott	Denis Sutton	Hon. Pat Weir MP
Christine O'Connor	James Searston	Michael Sutton	David Weiss
Christopher O'Connor	Patrick Sedl	Bruce Swan	Francis Westgate
Leo O'Keefe	Andrew Sedl	Christopher Tait	Tony White
John Olive	Peter Sedl	Chris Tait	Peter Winsor
Michael O'Neil	Reginald Sherman	Carol Taylor	Gregory Winter
Mathew O'Shannessy	Lorraine Sherriff	Ross William Taylor	Brian Wippell
Gary Palmer	Brett Short	Luke Taylor	Kent Woodford
Patricia Parslow	Robert Simes	Rodney Teevan	James Woods
John Paterson	Julia Simmons	John Thomas	Graham Woods
Robert Paynter	Adrian Simmons	Geoffrey Thorley	Brock Wooldridge
Neville Pedersen	John Simmons	Bart Thurlow	Barry Wooster

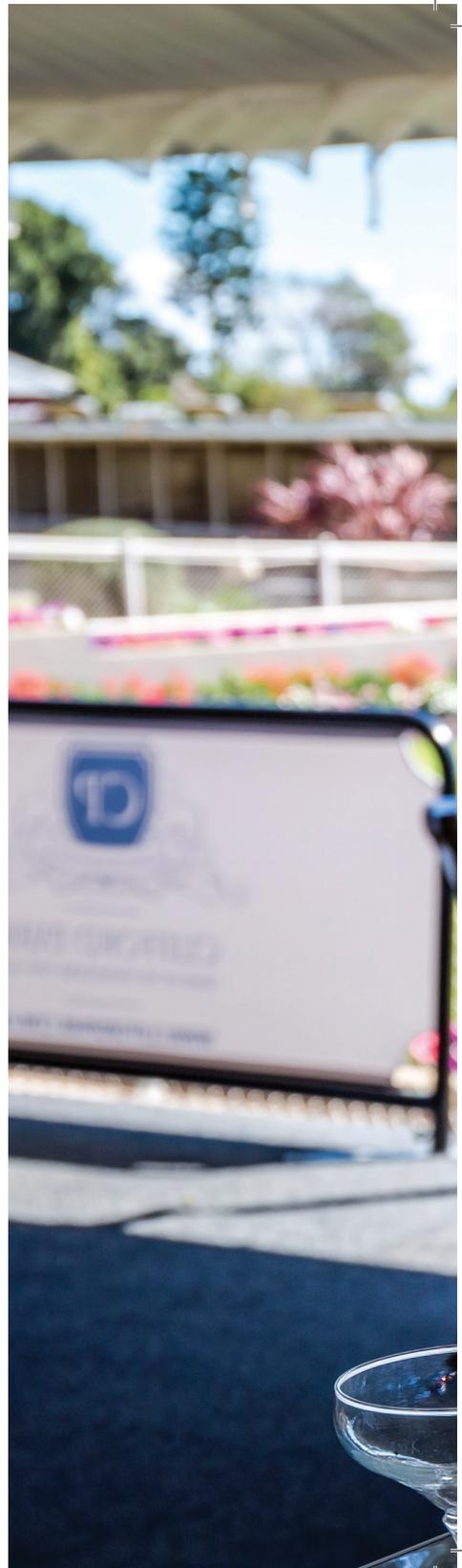
Arthur Wrigley
Geoffrey Young
Maria Zielke
Brian Zischke

LONG MEMBERSHIP

Geoffrey Arthy
Clive J Berghofer
OAM
Fred Brown
Brian Doble
Michael Dolley
Roger Douglas
Greg Gabbett
Colin Giltrow
Trevor Glasby
John Hooper
Peter Howard
David Laws
Peter Mackie
John McDonald AM
Kevin McSweeney
Kev O'Shea
Gordon Pember
Werner Quast
Raymond Wain
William Zeller

LIFE MEMBERSHIP

Norman Pankhurst
Neville Stewart OAM
Tom Warren
Col Zeller





FINANCIAL STATEMENTS

Toowoomba Turf Club Inc

ABN 61 398 954 669

Annual Report – 30 June 2019

**Toowoomba Turf Club Inc
Officers' report
30 June 2019**

The officers present their report, together with the financial statements, on Toowoomba Turf Club Inc for the year ended 30 June 2019.

Officers

The following persons were officers of the Toowoomba Turf Club Inc during the whole of the financial year and up to the date of this report, unless otherwise stated:

Kent Woodford – Chairman
Ken Bullen – Deputy Chairman (resigned 28 June 2019)
Bob Frappell – Treasurer (resigned 28 June 2019)

Committee members

The following persons were committee members of the Toowoomba Turf Club Inc during the whole of the financial year and up to the date of this report, unless otherwise stated:

Kent Woodford
Bob Frappell (resigned 28 June 2019)
Allan Gee
Ken Bullen (resigned 28 June 2019)
Kevin Dixon (resigned 1 July 2019)
Robert Dare (resigned 17 June 2019)
Lisa Frappell (resigned 28 June 2019)

Principal activities

During the financial year the principal continuing activities of the Toowoomba Turf Club Inc were to provide and support all Darling Downs stakeholders with premier racing and training facilities for the distribution of prize money.

Operating result

The earnings before interest, tax, depreciation and amortisation (EBITDA) for the year was \$203,712 (2018: \$402,674).

The incorporated association generated positive cash flows from operating activities of \$242,199 (2018: \$474,706) as shown in the statement of cash flows.

The depreciation amount of \$568,688 (2018: \$504,535) is not a cash expenditure and therefore does not impact the operating cash flows.

The accounting loss for the year amounted to \$438,852 (2018 loss: \$162,194).

Distribution of profits

Toowoomba Turf Club Inc is prohibited under its rules from making any distribution of surplus funds to its members.

Committee member benefits

No committee member has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the incorporated association or a related body corporate, with the committee member, a firm of which the committee member is a member or an entity in which a committee member has a substantial financial interest, except as disclosed in the related party note to the financial statements.

**Toowoomba Turf Club Inc
Officers' report
30 June 2019**

Signed in accordance with a resolution of the members of the committee.



Kent Woodford
Chairman

9 August 2019
Toowoomba

Toowoomba Turf Club Inc

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30 June 2019

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General information

The financial statements cover Toowoomba Turf Club Inc as an individual entity. The financial statements are presented in Australian dollars, which is Toowoomba Turf Club Inc's functional and presentation currency.

Toowoomba Turf Club Inc is a not-for-profit incorporated association.

The financial statements were authorised for issue on 9 August 2019.

Toowoomba Turf Club Inc
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 \$	2018 restated \$
Revenue	3	5,594,669	5,337,270
Expenses			
Employee benefits expense		(2,578,300)	(2,439,995)
Depreciation expense		(568,688)	(504,535)
Finance costs		(73,875)	(60,333)
Profit/(loss) on disposal of non-current assets		-	(8,187)
Other expenses	4	<u>(2,812,658)</u>	<u>(2,486,414)</u>
Deficit before income tax expense		(438,851)	(162,194)
Income tax expense		<u>-</u>	<u>-</u>
Income after income tax expense for the year attributable to the members of Toowoomba Turf Club Inc		(438,851)	(162,194)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive Income for the year attributable to the members of Toowoomba Turf Club Inc		<u><u>(438,851)</u></u>	<u><u>(162,194)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Toowoomba Turf Club Inc
Statement of financial position
As at 30 June 2019

	Note	2019 \$	2018 restated \$	1 July 2017 restated \$
Assets				
Current assets				
Cash and cash equivalents	5	4,694	6,425	168,892
Trade and other receivables	6	600,948	569,182	564,029
Inventories	7	92,468	80,224	58,802
Other	8	38,512	55,846	29,817
Total current assets		<u>736,622</u>	<u>711,677</u>	<u>821,540</u>
Non-current assets				
Property, plant and equipment	9	<u>17,979,184</u>	<u>18,062,267</u>	<u>17,915,666</u>
Total non-current assets		<u>17,979,184</u>	<u>18,062,267</u>	<u>17,915,666</u>
Total assets		<u>18,715,806</u>	<u>18,773,944</u>	<u>18,737,206</u>
Liabilities				
Current liabilities				
Trade and other payables	10	747,203	578,781	456,252
Borrowings	11	1,637,458	23,489	16,460
Employee benefits	12	105,032	156,755	121,152
Other	13	60,337	63,457	61,217
Total current liabilities		<u>2,550,030</u>	<u>822,482</u>	<u>655,081</u>
Non-current liabilities				
Borrowings	14	13,641	1,385,933	1,355,683
Employee benefits	15	<u>57,342</u>	<u>31,882</u>	<u>30,599</u>
Total non-current liabilities		<u>70,983</u>	<u>1,417,815</u>	<u>1,386,282</u>
Total liabilities		<u>2,621,013</u>	<u>2,240,297</u>	<u>2,041,363</u>
Net assets		<u>16,094,793</u>	<u>16,533,647</u>	<u>16,695,843</u>
Equity				
Reserves	16	2,633,333	2,633,333	2,633,333
Retained surpluses		<u>12,039,254</u>	<u>13,900,314</u>	<u>14,062,509</u>
Total equity		<u>16,094,796</u>	<u>16,526,107</u>	<u>16,695,843</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Toowoomba Turf Club Inc
Statement of changes in equity
For the year ended 30 June 2019

	Note	Reserves \$	Retained surpluses \$	Total equity \$
Balance at the beginning of the reporting period		2,633,333	13,596,962	16,230,295
Net effect of a correction of an error	23	-	465,547	465,547
Restated balance at 1 July 2017		2,633,333	14,062,509	16,695,843
Restated deficit after income tax expense for the year		-	(162,194)	(162,194)
Other comprehensive income for the year, net of tax		-	-	-
Total comprehensive income for the year		-	(162,194)	(162,194)
Restated balance at 30 June 2018		<u>2,633,333</u>	<u>13,900,314</u>	<u>16,533,647</u>
		Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2018		2,633,333	13,900,314	16,533,647
Deficit after income tax expense for the year		-	(438,851)	(438,851)
Other comprehensive income for the year, net of tax		-	-	-
Total comprehensive income for the year		-	(438,851)	(438,851)
Balance at 30 June 2019		<u>2,633,333</u>	<u>13,461,463</u>	<u>16,094,796</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Toowoomba Turf Club Inc
Statement of cash flows
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		5,559,783	5,806,025
Payments to suppliers and employees		<u>(5,243,710)</u>	<u>(5,271,786)</u>
		316,074	535,039
Interest received		-	
Finance costs paid		<u>(73,875)</u>	<u>(60,333)</u>
Net cash from operating activities	21	<u>242,199</u>	<u>474,706</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(485,606)	(705,061)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>47,322</u>
Net cash used in investing activities		<u>(485,606)</u>	<u>(659,739)</u>
Cash flows from financing activities			
Net proceeds of borrowings		<u>241,676</u>	<u>37,279</u>
Net cash from financing activities		<u>241,676</u>	<u>37,279</u>
Net decrease in cash and cash equivalents		(1,730)	(145,754)
Cash and cash equivalents at the beginning of the financial year		<u>6,425</u>	<u>152,179</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>4,694</u></u>	<u><u>6,425</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Associations Incorporation Act 1981 and associated regulations, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going Concern

Notwithstanding the net losses in the 2019 and 2018 financial years, and the deficiency of net current assets, the financial statements have been prepared on a going concern basis. This assessment is based on positive cash flows from operations, access to a \$300,000 overdraft facility, the committee obtaining clarification of continuation of support being provided by ANZ bank, and the ongoing support from Racing Queensland through the form of subsidies.

At the date of this report the committee has no reason to believe that Racing Queensland will not be able to continue to provide these subsidies.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue

Track training fees, jump outs, catering and bar sales, events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Grants and subsidies

Grants and subsidies are recognised at their fair value where there is a reasonable assurance that the grant or subsidy will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the incorporated association is a community service institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories

Inventories are stated at the lower of cost and net realisable value on a 'first in first out' basis. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Land is shown at fair value, based on periodic valuations by external independent valuers. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Increases in the carrying amounts arising on revaluation of land are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

All other property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight line or diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. Depreciation rates are as follows:

Track upgrades	2.50% - 15.00%
Buildings and improvements	2.50% - 3.75%
Plant and equipment	3.75% - 37.50%
Motor vehicles	12.50% - 25.00%
Office equipment	7.50% - 37.50%
Furniture and fittings	1.50% - 20.00%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

New or amended Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the association and are not likely to in future periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

AASB 9 Financial Instruments

The company has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest.

A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value.

All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI').

Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch).

New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of adoption

AASB 9 was adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2018.

**Pinnacle Incorporated Association RDR General Purpose
Notes to the financial statements
31 December 2016**

Note 3. Revenue

	2019 \$	2018 \$
<i>Sales revenue</i>		
Sale of goods	<u>3,415,823</u>	<u>3,195,403</u>
	3,415,823	3,195,403
<i>Other revenue</i>		
Membership subscriptions	41,321	43,617
Operating grants - subsidy	1,361,551	1,228,901
Sponsorships	323,401	285,588
Rental revenue	390,690	402,861
Grant Income	30,000	-
Other revenue	31,883	180,900
	<u>2,178,846</u>	<u>2,141,867</u>
Revenue	<u>5,594,669</u>	<u>5,337,270</u>

Note 4. Expenses

	2019 \$	2018 \$
Deficit before income tax includes the following specific expenses:		
Cost of goods sold	<u>755,422</u>	<u>600,506</u>

Note 5. Current assets - cash and cash equivalents

	2019 \$	2018 \$
Cash at bank/(overdraft)	(54,587)	(6,915)
Cash on hand	<u>59,281</u>	<u>13,340</u>
	<u>4,694</u>	<u>6,425</u>

Note 6. Current assets - trade and other receivables

	2019 \$	2018 \$
Trade receivables	224,047	206,777
Accrued income	<u>376,901</u>	<u>362,405</u>
	<u>600,948</u>	<u>569,182</u>

Note 8. Current assets - other

	2019 \$	2018 \$
Prepayments	<u>38,512</u>	<u>55,846</u>
	<u>38,512</u>	<u>55,846</u>

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 9. Non-current assets - property, plant and equipment

	2019	2018
	\$	\$
Freehold land – at valuation	3,933,333	3,933,333
Track upgrades - at cost	8,388,201	8,388,201
Less: Accumulated depreciation	<u>(847,475)</u>	<u>(741,058)</u>
	<u>7,540,726</u>	<u>7,647,143</u>
Building and improvements - at cost	7,735,102	7,394,988
Less: Accumulated depreciation	<u>(2,309,703)</u>	<u>(2,044,113)</u>
	<u>5,425,399</u>	<u>5,350,875</u>
Plant and equipment - at cost	1,879,719	1,829,785
Less: Accumulated depreciation	<u>(1,193,481)</u>	<u>(1,072,901)</u>
	<u>686,237</u>	<u>756,884</u>
Motor vehicles - at cost	84,197	84,197
Less: Accumulated depreciation	<u>(56,433)</u>	<u>(49,730)</u>
	<u>27,764</u>	<u>34,467</u>
Office equipment - at cost	220,967	201,939
Less: Accumulated depreciation	<u>(143,023)</u>	<u>(128,578)</u>
	<u>77,944</u>	<u>73,361</u>
Furniture and fittings - at cost	640,348	570,317
Less: Accumulated depreciation	<u>(366,607)</u>	<u>(311,653)</u>
	<u>273,741</u>	<u>258,664</u>
Capital work in progress	<u>14,040</u>	<u>7,540</u>
	<u><u>17,979,184</u></u>	<u><u>18,062,267</u></u>

Land valuation

Land was last revalued on 30 June 2014 based on DERM valuation as at 30 June 2014.

The committee members do not believe that there has been a material movement in fair value since the valuation date.

Toowoomba Turf Club Inc
 Notes to the financial statements
 30 June 2019

Note 9. Non-current assets - property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Freehold land	Track upgrades	Buildings and improvements	Plant and equipment	Motor vehicles	Office equipment	Furniture and fittings	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restated balance at 1 July 2017	3,933,333	7,776,149	5,222,076	716,508	47,895	86,826	132,879	-	17,915,666
Additions	-	-	371,615	160,539	18,182	3,256	143,929	7,540	705,061
Disposals	-	(16,551)	-	(13,971)	(23,403)	-	-	-	(53,925)
Restated depreciation expense	-	(112,455)	(242,816)	(106,192)	(8,207)	(16,721)	(18,144)	-	(504,535)
Restated balance at 30 June 2018	3,933,333	7,647,143	5,350,875	756,884	34,467	73,361	258,664	7,540	18,062,267
Balance at 1 July 2018	3,933,333	7,647,143	5,350,875	756,884	34,467	73,361	258,664	7,540	18,062,267
Additions	-	-	340,114	49,933	-	19,028	70,030	6,500	485,605
Disposals	-	-	-	-	-	-	-	-	-
Depreciation expense	-	(106,417)	(265,590)	(120,580)	(6,703)	(14,445)	(54,953)	-	(568,688)
Balance at 30 June 2019	3,933,333	7,540,726	5,425,399	686,237	27,764	77,944	273,741	14,040	17,979,184

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 10. Current liabilities - trade and other payables

	2019 \$	2018 \$
Trade payables	482,121	439,965
Sundry payables	9,514	13,011
Accrued expenses	32,382	18,341
BAS payable	53,662	25,761
Withholding taxes payable	111,509	28,433
Other payables	58,015	53,270
	<u>747,203</u>	<u>578,781</u>

Note 11. Current liabilities - borrowings

	2019 \$	2018 \$
Premium funding	19,386	-
Hire purchase liability	18,071	23,489
Bank loans	1,600,000	-
	<u>1,637,458</u>	<u>23,489</u>

Note 12. Current liabilities - employee benefits

	2019 \$	2018 \$
Annual leave liability	78,247	117,850
Long service leave liability	26,785	38,905
	<u>105,032</u>	<u>156,755</u>

Note 13. Current liabilities - other

	2019 \$	2018 \$
Income in advance	60,337	63,457

Note 14. Non-current liabilities - borrowings

	2019 \$	2018 \$
Bank loans	-	1,350,000
Hire purchase liability	13,640	35,933
	<u>13,641</u>	<u>1,385,933</u>

* The loan is secured by a registered mortgage over the property situated at 48 Wyalla Street Newton, and a General Security Agreement over all present and after-acquired property.

The current facility has a limit available of \$2,000,000, which includes an overdraft facility with a \$300,000 limit. At balance date it was noted that the Toowoomba Turf Club Inc had not met a lending covenant attached to the facility, as such the liability has been classified as fully current as at 30 June 2019 as the entity does not have an unconditional right to defer settlement of the loan. However, the management and committee of Toowoomba Turf Club Inc have obtained a letter from ANZ subsequent to balance date confirming the financial institution will continue to provide support.

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 15. Non-current liabilities - employee benefits

	2019 \$	2018 \$
Long service leave	<u>57,342</u>	<u>31,882</u>

Note 16. Equity - reserves

	2019 \$	2018 \$
Revaluation surplus reserve	<u>2,633,333</u>	<u>2,633,333</u>
	<u>2,633,333</u>	<u>2,633,333</u>

Revaluation surplus reserve

The reserve is used to recognise increments and decrements in the fair value of land.

Note 17. Key management personnel disclosures

Compensation

The aggregate compensation made to officers and other members of key management personnel (who include the senior management team) of the incorporated association is set out below:

	2019 \$	2018 \$
Aggregate compensation	<u>673,521</u>	<u>624,639</u>

Note 18. Contingent liabilities

The incorporated association had no contingent liabilities as at 30 June 2019 (30 June 2018: none).

Note 19. Commitments

	2019 \$	2018 \$
<i>Lease commitments – finance</i>		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	22,293	27,710
One to five years	<u>15,400</u>	<u>37,692</u>
Minimum lease payments	37,692	65,402
Less unexpired charges	<u>(5,980)</u>	<u>(5,980)</u>
	<u>31,712</u>	<u>59,422</u>

Finance lease commitments include contracted amounts for various plant and equipment secured under hire purchase and equipment finance agreements expiring within one to five years.

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 20. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 21. Events after the reporting period

It was identified after the reporting date that the Club had not met a lending covenant attached to their loan with ANZ. However, confirmation of support from the financial institution has been obtained where ANZ have indicated the intention to continue support of Toowoomba Turf Club Inc. therefore considered that this event will not significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

No other matters or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

Note 23. Reconciliation of profit after income tax to net cash from operating activities

	2019 \$	2018 restated \$
Deficit after income tax expense for the year	(438,851)	(162,194)
Adjustments for:		
Depreciation	568,688	504,535
Net loss on disposal of non-current assets	-	6,602
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(17,270)	50,900
(Increase)/decrease in prepayments	17,334	(26,029)
(Increase)/decrease in inventories	(12,244)	(21,422)
Increase/(decrease) in trade and other payables	168,421	83,999
Increase/(decrease) in employee benefits	(26,262)	36,885
Increase/(decrease) in income received in advance	(3,120)	1,430
Net cash from operating activities	<u>242,199</u>	<u>474,706</u>

Toowoomba Turf Club Inc
Notes to the financial statements
30 June 2019

Note 24. Reconciliation of profit after income tax to net cash from operating activities

In the process of obtaining a detailed componentisation of the cost of the Racecourse Track in the 2019 financial year, it was identified the previous application of one useful life to the total cost of the asset had understated the value of the Racecourse Track in previous year financial statements.

Management have since recalculated the written down value of the Racecourse Track using this additional information acquired in the 2019 financial year. This error has been corrected by restating for each of the affected financial statement line items, opening balances as at 1 July 2017 and the comparative amount for the 30 June 2018 financial year.

The following tables summarise the impacts on the association's financial statements:

Impact of correction of error			
	30 June 2017 (previously reported)	Adjustment	1 July 2017 (Restated)
	\$	\$	\$
Property, Plant and Equipment	17,450,119	465,547	17,915,666
Total Non-Current Assets	17,450,119	465,547	17,915,666
Total Assets	18,255,756	465,547	18,721,303
Retained surplus	16,230,296	465,547	16,695,843
	30 June 2018 (previously reported)	Adjustment	1 July 2018
	\$	\$	\$
Property, Plant and Equipment	17,463,643	598,624	17,463,643
Total Non-Current Assets	17,463,643	598,624	17,463,643
Total Assets	18,175,320	598,624	18,773,994
Retained surplus	15,935,023	598,624	16,533,647
Depreciation expense	637,613	(133,078)	504,535
Deficit before income tax expense	(295,272)	133,078	(162,194)
Total comprehensive loss for the year attributable to the members	(295,272)	133,078	(162,194)

Toowoomba Turf Club Inc
Officers' declaration
30 June 2019

In the officers' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, Associations Incorporation Act 1981 and associated regulations;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the officers



Kent Woodford
Chairman

9 August 2019
Toowoomba



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Independent Auditor's Report

To the Members of Toowoomba Turf Club Inc

Opinion

We have audited the financial report of Toowoomba Turf Club Inc (the Association), which comprises the statement of financial position as at 30 June 2019, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2019 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 1981*.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of the Association as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 1981*.

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.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information contained in the Association's Annual Report for the year ended 30 June 2019, 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.

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

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Responsibilities of Management and Those Charged with Governance for the Financial Report

Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduce Disclosure Requirements and the *Associations Incorporation Act 1981* and for such internal control as 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, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are 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 the 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 directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 the audit.

Crowe Audit Australia

Crowe Audit Australia

John Zabala FCA
Partner

9 August 2019
Toowoomba

TOOWOOMBA TURF CLUB INC ABN 61 398 954 669 PROFIT & LOSS STATEMENT YEAR ENDED 30 JUNE 2019		
	2019	2018
Bar Trading	\$	\$
Sales	863,504	701,383
Cost Of Goods Sold		
Opening Stock	69,773	49,887
Purchases	349,904	262,983
Less Closing Stock	(\$83,066)	(\$69,773)
Cost Of Goods Sold	<u>336,612</u>	<u>243,096</u>
Gross Profit Bar	<u>526,893</u>	<u>458,287</u>
Bar Direct expenses		
Wages, Super	251,935	177,395
Other Expenses	84,050	69,282
Total Bar Expenses	<u>335,985</u>	<u>246,678</u>
Net Profit Bar	<u>190,908</u>	<u>211,609</u>
Gross Profit Margin	61.02%	65.34%
Net Profit Margin	22.11%	30.17%

TOOWOOMBA TURF CLUB INC ABN 61 398 954 669 PROFIT & LOSS STATEMENT YEAR ENDED 30 JUNE 2019		
	2019	2018
Tote Trading	\$	\$
Gross Commission	33,174	42,567
Tote Expenses		
Wages, Super	51,910	47,358
Other Expenses	8,131	8,640
Total Tote Expenses	<u>60,041</u>	<u>55,998</u>
Net Profit/Loss Tote	<u>(\$26,867)</u>	<u>(\$13,431)</u>
Net Profit Margin	-80.99%	-31.55%
Catering Trading		
Sales	563,104	539,302
Less:		
Cost of Goods sold		
Opening stock	10,451	8,915
Purchases	166,247	136,007
Closing Stock	<u>(\$17,304)</u>	<u>(\$10,451)</u>
	<u>159,394</u>	<u>134,471</u>
Gross Profit Catering	<u>403,709</u>	<u>404,831</u>
Catering Direct Expenses		
Wages, Super	263,167	222,968
Other Expenses	137,679	116,718
Total Catering Expenses	<u>400,846</u>	<u>339,687</u>
Net Profit Catering	<u>2,864</u>	<u>65,145</u>
Gross Profit Margin	71.69%	75.07%
Net Profit Margin	0.51%	12.08%

TOOWOOMBA TURF CLUB INC		
ABN 61 398 954 669		
PROFIT & LOSS STATEMENT		
YEAR ENDED 30 JUNE 2019		
	2019	2018
Prizemoney Distribution	\$	\$
Prizemoney allocated from RQ	7,604,150	5,627,300
Less: Prizemoney paid by TTC	<u>(\$7,604,150)</u>	<u>(\$5,627,300)</u>
	-	-
Racing Income		
Gate Takings	87,385	98,472
Race book sales & advertising	7,196	7,068
Bookmakers fees	-	-
Sponsorship	323,401	285,588
Barrier Trial Fees	7,612	4,928
Other racing income	<u>1,183,840</u>	<u>1,100,901</u>
	<u>1,609,434</u>	<u>1,496,957</u>
Racing Expenditure		
Advertising & promotion	134,244	169,281
Ambulance	76,743	63,341
Cleaning	104,096	95,645
Outside Broadcast service	273,302	242,882
Hire of Equipment	54,416	25,787
Race books	11,671	13,543
Race day entertaining committee	3,504	2,787
Race day entertainers	112,388	81,008
Security	52,096	54,607
Trophies	6,484	7,497
Veterinary & farrier fees	37,947	38,081
Wages & Superannuation	211,627	180,449
Race day employee meals	11,788	9,808
Clerk of course stabling & outlays	40,008	43,626
Other racing expenditure	<u>122,491</u>	<u>86,092</u>
	<u>1,252,806</u>	<u>1,114,434</u>
Net Operating Profit/Loss	<u>356,628</u>	<u>382,523</u>

TOOWOOMBA TURF CLUB INC
ABN 61 398 954 669
PROFIT & LOSS STATEMENT
YEAR ENDED 30 JUNE 2019

	2019	2018
Other Operating/Administrative Revenue	\$	\$
Operating Subsidy RQL	1,070,451	947,102
Grants & Subsidies	321,100	281,799
Interest Received	-	-
Membership subscriptions	41,321	43,617
Track fees & property rentals	1,042,112	1,111,383
Other operating revenue	50,470	23,150
	2,525,453	2,407,050
Other Operating/Administrative Expenses		
Audit & Accounting	22,000	21,824
Bank Charges	18,047	16,563
Committee expenditure	-	-
Depreciation & Loss on sale	568,688	637,613
Donations	350	400
Electricity & Gas	117,369	111,146
Fees, Permits	8,873	9,860
Insurance	120,939	101,461
Interest paid	73,875	60,333
Legal fees	-	-
Postage & freight	13,053	13,512
Printing & stationery	33,064	33,622
Rates	166,374	149,431
Security venue	3,365	3,464
Telephone, fax , internet	28,604	31,894
Wages, salaries,superannuation	742,539	751,747
Workcover	65,225	64,125
Bad Debts & Provision Doubtful debts	9,414	261
Consultancy fees	-	-
Payroll Tax	82,570	61,259
Provision for employees entitlements	-26,263	36,886
Other	120,305	211,626
	2,168,390	2,317,027
Other Administrative Profit	357,063	90,023

TOOWOOMBA TURF CLUB INC
ABN 61 398 954 669
PROFIT & LOSS STATEMENT
YEAR ENDED 30 JUNE 2019

	2019	2018
Departmental Profit Summary	\$	\$
Bar Trading net income	190,908	211,609
Tote Trading net income	-26,867	-13,431
Catering Trading net income	2,864	65,145
Racing net profit	356,628	382,523
Other Operating/Administrative Profit	357,063	90,023
	<u>880,595</u>	<u>735,869</u>
 Add: Other Non recurring Income	 -	 <u>150,008</u>
 Less: Other Expenditure		
Repairs & Maintenance	353,509	259,028
Fuel & Oil	43,470	40,396
Wages, salaries & super	915,898	871,912
Other	6,568	9,814
	<u>1,319,445</u>	<u>1,181,149</u>
 NET OPERATING PROFIT	 (\$438,850)	 (\$295,273)
 EARNINGS BEFORE INTEREST, TAX, DEPRECIATION & AMORTISATION (EBITDA)	 \$203,713	 \$402,674



You're invited
to our
**MEMBERS & INDUSTRY
APPRECIATION DINNER**



Saturday, August 31, 2019
6.30pm
Clive Berghofer Grande Atrium



Delicious three-course meal, cash bar
Featuring guest speakers
**JEFF LLOYD &
GREG MILES**



To RSVP, contact Clifford Park office
on 4634 6066 before Friday, August 23*

(* Limited tickets are available for this event.
First-come-first-reserved, until tickets are exhausted).

Additional tickets available
for purchase for \$80pp.

Auction to raise funds for National Jockeys Trust





2019 Race Dates

JULY - DECEMBER

- Twilight Meeting
- Day Meeting
- Feature Raceday

Feature Race Days	
28 September, 2019	Pat O'Shea Plate & Toowoomba Roses
5 November, 2019	Celebrate Melbourne Cup Race Day
23 November, 2019	Champagne & Diamonds Ladies Race Day
7 December, 2019	Christmas at Clifford Park
28 December, 2019	Clifford Park Farewells 2019



JULY							AUGUST							SEPTEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
		1	2	3	4	5	6					1	2	3	1	2	3	4	5	6	7
7	8	9	10	11	12	13	4	5	6	7	8	9	10	8	9	10	11	12	13	14	
14	15	16	17	18	19	20	11	12	13	14	15	16	17	15	16	17	18	19	20	21	
21	22	23	24	25	26	27	18	19	20	21	22	23	24	22	23	24	25	26	27	28	
28	29	30	31				25	26	27	28	29	30	31	29	30						

OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5						1	2	1	2	3	4	5	6	7
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

Image courtesy of Trackside Photography





YAK ALES
Little
Big
Woo!



CHILL WITH A YAK





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