



CLUB
CONDELL
PARK

THE BANKSTOWN TROTTING RECREATIONAL CLUB LTD

T/A CLUB CONDELL PARK
ABN 78 000 348 809

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FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019
FOR THE PRESENTATION AT THE

FIFTY NINTH ANNUAL GENERAL MEETING

TO BE HELD IN THE

MEMORIES ROOM

178 ELDRIDGE ROAD BANKSTOWN ON

SUNDAY 24TH NOVEMBER 2019

AT 10.00AM



PRESIDENT'S REPORT

Dear Member's

The financial year end 30th June, 2019 has been a successful year. I must say it wasn't without it's challenges. I'm glad to report the club has paid the final litigation costs of \$250,000. All legal costs are now finalised. The club however, showed a loss of \$235,126 somewhat disappointing but understandable with finalising the legal costs of \$250,000

The Clubs cash flow remains strong – with our EBITDA (Earnings before interest, tax, depreciation and amortisation) \$148,280

Gaming & Revenue Tax paid by the club	\$1,801,575
Payroll Taxes	\$105,985

As you can see we weathered the storm of litigation much better than anyone expected and are now in a good position for sound progress. We look forward to the year ahead.

We currently have capital works in progress with replacement and repairs of the Club roof. We don't anticipate much disruption to the operations of the club during this time.

During the financial year our commitment to our local community continued. Our Club Grants contribution was \$159,379 including donations, sponsorships, community expenditure in kind, support and much more.

Good luck to those members entering our Mazda promotion. Car Keys are available to win of a Saturday night. Be sure to check entry details at reception. The car draw will take place Wednesday 20th November

Entertainment is flowing at the club and well attended by many members. The Board and I are strong supporters of the entertainment industry and look forward to 2020 .

I would also like to make mention, the passing of one of our ex directors Barry Clarke . Barry served eight years on the Board. Barry passed away this year and we send our condolences to his family.

To management & staff a big thank you for your hard work and extra efforts through the year.

Finally, to all our loyal members thank you for your support and patronage.

Noel Scanlon
PRESIDENT

BOARD OF DIRECTORS



PRESIDENT
Noel Scanlon



TREASURER
Rein Ujuk



DIRECTOR
Connie Hickford



DIRECTOR
Terry Taeesea



DIRECTOR
Shirley Allard



DIRECTOR
Graham Mitchell



DIRECTOR
Michael Hartney



TREASURER REPORT

Dear Members

We are very happy to advise you that litigation with Bankstown Harness Racing and Agricultural Society has been finalised with our final litigation cost paid this year of \$250,000 .

The result of 2019 is a loss of \$235,126. As you can see the litigation expenses for this year was a significant part of the loss.

Turnover for this year has increased from the previous year whilst our cost control measures implemented were also effective. We now look forward to a successful year ahead.

I would like to acknowledge and thank my fellow Directors, Senior Management, and Staff for their hard work and dedication. Thanks to all members for their support throughout the years.

Rein Ujuk
TREASURER



REGISTERED OFFICE

178 Eldridge Road, Bankstown NSW 2200
Telephone: 9709 2111 - 9709 2124

Club formed 21st December 1960
Club licensed 3rd September 1962

at 178 Eldridge Road, Bankstown

MEMBERSHIP

Foundation Membership - 238
30th June 2018 - 10,742
30th June 2019 - 10,674

PATRON

Alan Ashton.

FIRST BOARD OF DIRECTORS

M.H. Treuer, Chairman; R.M. Wade, Secretary; C.R. Feehely, S. Glohe, J.F. Mote,
P.M. Smidt, A.E. Taylor.

LIFE MEMBERS

M.H. Treuer*, J.F. Mote*, R.M.Wade*, P.M. Smidt*, W.J. Speedy*, A.E. Taylor*, C.R.
Feehely*, W.Mason*, H.Westwood*, N. Morrison*, T. Henderer*, K. French*, M.
Treuer, G.Gavan*, M. Morrison*, N.E. Chester, N.T. Scanlon,
J. Johnson, J.Nile*, Raymond Honey*

*These members are deceased.

AUDITORS

Watson & Proud
Chartered Accountants
Ground Floor, 31 Egerton Street, Silverwater NSW 2128

SPECIAL NOTICE

Election of Seven (7) Directors

Members are advised that the result of the election of seven (7) Directors will be announced at the Annual General Meeting on Sunday 24th November 2019, which will commence at 10.00am.

Nomination forms may be obtained from the Secretary as from 10.00am Thursday 31st October, 2019, between 10am-5pm Monday-Friday.

Applications must be delivered by the applicant to the Secretary not later than 5.30pm Monday 11th November, 2019.

The Ballot will be held on the following days:

Thursday	21st	November	2019
Friday	22nd	November	2019
Saturday	23rd	November	2019

Between the hours of 12 noon and 8pm on each day.

Members must present their membership card or show positive proof of identification before receiving Ballot Paper.

The Ballot will be conducted by a Returning Officer and one Scrutineer appointed by the Board, and each candidate for Directorship may, if he so desires, nominate one Scrutineer to be present.

The counting of the ballot will commence 8.15pm Saturday 23rd November, 2019. It will be conducted by the Returning Officer and one Scrutineer appointed by the Board, together with one Scrutineer nominated by each candidate for Directorship, if they so desire.

The Returning Officer will report the results to the Chairman at the Annual General Meeting, who shall then announce the candidates duly elected.

Shane Scanlon-Keevers

CEO, Dip Bus HR JP

FIFTY NINTH ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty Ninth Annual General Meeting of The Bankstown Trotting Recreational Club Limited, will be held in the Club Auditorium on Sunday 24th November, 2019 commencing at 10.00am.

Business

1. Confirmation of the Minutes of the last Annual General Meeting.
2. To receive and consider the Report of the Board for adoption.
3. Presentation of the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows.
4. Result of election of seven (7) directors.
5. Resolution

That for the purposes of the Registered Clubs Act:

- A. The members hereby approve and agree to expenditure by the Club to a sum not exceeding \$30,000 until the next Annual General Meeting of the Club for the following activities of directors:
 - (i) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee meeting on the day of that meeting when that meeting corresponds with a normal meal time.
 - (ii) Reasonable expenses incurred by Directors in travelling to and from Directors meetings or other duly constituted committee meetings as approved by the Board from time to time on production of invoices, receipts or other proper documentary evidence of such expenditure;
 - (iii) Reasonable expenses incurred by Directors in relation to such other duties including Entertainment of special guests to the Club and other promotional activities performed by Directors which activities and the expenses therefrom are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.
 - (iv) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time;
 - (v) The reasonable cost of Directors attending the Clubs NSW Annual General Meeting.
- B. The members hereby approve and agree to the members of the Board during the next twelve (12) month period receiving the following benefits which are not available to members generally but only to those members who are elected Directors of the Club:
 - (i) The provision of blazers and associated apparel for the use of Club Directors when representing the Club.
 - (ii) The provision of car parking spaces adjacent to the Club for each Director.
- C. The members acknowledge that the benefits in paragraphs (i) and (ii) above are not available to members generally but only for those who are Directors of the Club.

Explanatory Notes

These notes are to be read in conjunction with the proposed Resolution:

1. The Resolution is to have the members in Annual General Meeting approve expenditure by the Club not exceeding \$30,000 in relation to duties performed by the Club's Directors and the provision of car parking spaces at the Club.
2. To be passed the ordinary resolution must receive votes in its favour from not less than a simple majority of those members, who being entitled to do so, vote in person at the meeting.

6. General Business.

Shane Scanlon-Keevers

CEO, Dip Bus HR JP



DIRECTORS' REPORT

Your Directors present their report together with the financial report of The Bankstown Trotting Recreational Club Limited (the company) for the year ended 30th June and the auditor's report thereon.

DIRECTORS

The directors of the company in office at any time during or since the end of the financial year are:-

NAME	QUALIFICATIONS	EXPERIENCE	SPECIAL RESPONSIBILITIES
Noel Scanlon	Reg. Tax Agent, F.I.C.A	<ul style="list-style-type: none"> 18th Year Director, Prior Secretary/Manager, Employed B.T.R.C 38 years 	<ul style="list-style-type: none"> Chairman of the Board
Connie Hickford	Nil	<ul style="list-style-type: none"> 18th Year Director 	<ul style="list-style-type: none"> Sports Committee Chairperson
Shirley Allard	Nil	<ul style="list-style-type: none"> 10th Year Director Director, Coy Secretary of Private Coy 	<ul style="list-style-type: none"> Sports Committee
Rein Ujuk	Bachelor Engineering	<ul style="list-style-type: none"> 18th Year Director, Private Company Director 46 Years 	<ul style="list-style-type: none"> Treasurer Sports Committee
Graham Mitchell	Nil	<ul style="list-style-type: none"> 7th Year Director Distribution Centre Manager National Transport Manager 	<ul style="list-style-type: none"> President BTR Fishing Club
Michael Hartney	Nil	<ul style="list-style-type: none"> 3rd Year Director 	
Terry Taeesea	Nil	<ul style="list-style-type: none"> 2nd Year Director 	

CURRENT BOARD OF DIRECTORS

The number of directors meetings and number of meetings attended by each of the directors of the company during the financial year are:-

Name	Number of meetings attended	Number of meetings held*
Noel Scanlon	22	22
Rein Ujuk	10	22
Connie Hickford	21	22
Shirley Allard	22	22
Graham Mitchell	20	22
Michael Hartney	20	22
Terry Taeesea	20	22

* Number of meetings held during the time the director held office during the year

OPERATING RESULTS

The Loss of the company after providing for income tax amounted to \$235,126.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Company during the year.

PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year were the business of the non proprietary licence club.

No significant change in the nature of the company's activity occurred during the financial year.

EVENTS AFTER THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

ENVIRONMENTAL ISSUES

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared the start of the financial year. No recommendation for payment of dividends has been made.

OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.



Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2019 has been received and can be found on page 3.

Signed in accordance with a resolution of the director:

Noel Scanlon DIRECTOR

Date this 31st day of October, 2019

Rein Ujuk DIRECTOR

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE BANKSTOWN TROTting RECREATIONAL CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Watson & Proud Chartered Accountants
Name of Partner: Michael Watson
Address: 31 Egerton St SILVERWATER NSW 2128

Dated this 31st day of October, 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH JUNE 2019

	NOTES	2019	2018
Income			
Revenue	2	40,871,485	40,110,429
		40,871,485	40,110,429
Changes in inventories of finished goods and work in progress		(407)	4,707
Raw materials and consumables used		(29,706,678)	(29,064,990)
Expenditure			
Auditor's remuneration	3	(44,400)	(72,274)
Depreciation and amortisation expenses		(245,074)	(235,778)
Employee benefits expenses		(2,897,805)	(2,769,796)
Finance costs	4	(156,846)	(144,892)
Other expenses		(8,055,401)	(7,810,319)
Total Expenses		(41,106,611)	(40,093,341)
(Loss) Profit for the year		(235,126)	17,088
Total comprehensive income for the year		(235,126)	17,088

The accompanying notes form part of these financial statements.



STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2019

	NOTES	2019	2018
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	610,855	507,024
Trade and other receivables	6	445,006	221,111
Inventories	7	57,953	58,361
TOTAL CURRENT ASSETS		1,113,814	786,497
NON-CURRENT ASSETS			
Other financial assets	8	9,845	10,415
Property, plant and equipment	9	8,094,556	8,307,293
Intangible Assets	10	11,133,333	11,133,333
TOTAL NON-CURRENT ASSETS		19,237,734	19,451,041
TOTAL ASSETS		20,351,548	20,237,538
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	750,269	1,141,869
Borrowings	12	892,979	235,088
Provisions	13	857,517	806,359
TOTAL CURRENT LIABILITIES		2,500,765	2,183,317
NON-CURRENT LIABILITIES			
Borrowings	12	1,387,984	1,359,003
Provisions	13	44,683	41,644
TOTAL NON-CURRENT LIABILITIES		1,432,667	1,400,647
TOTAL LIABILITIES		3,933,432	3,583,964
NET ASSETS		16,418,116	16,653,574
EQUITY			
Reserves	14	10,716,103	10,716,434
Retained earnings	15	5,702,013	5,937,139
TOTAL EQUITY		16,418,116	16,653,573

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH JUNE 2019

	NOTES	Asset Revaluation Reserve \$	Retained earnings \$	Total \$
Balance at 1 July 2017		(419,036)	5,920,051	5,501,015
Profit attributable to equity shareholders			17,088	17,088
Less Extraordinary Items				
Revaluation Increment		11,135,470		11,135,470
Balance at 30 June 2018		10,716,434	5,937,139	16,653,573
Loss attributable to equity shareholders			(235,126)	(235,126)
Less Extraordinary Items				
Devaluation		(331)		(331)
Profit attributable to equity shareholders				
Balance at 30 June 2019		10,716,103	5,702,013	16,418,116

The accompanying notes form part of these financial statements.



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2019

	NOTES	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Members		11,797,040	11,887,198
Payments to Suppliers and Employees		(12,216,696)	(12,118,784)
Dividend Received		454	317
Interest Received		1,272	-
Finance Costs Paid		(138,333)	(141,129)
Net cash provided by operating activities	16	(556,262)	(372,398)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipments		-	-
Payments for property, plant & equipments		(32,337)	(11,337)
Net Cash (Used in) Investing Activities		(32,337)	(11,337)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		692,430	-
Repayment of Borrowings		-	(75,491)
Net cash (Used in) provided by financing activities		692,430	(75,491)
Net increase (decrease) in Cash held			
Cash at the beginning for the year		103,831	(459,226)
		507,024	966,250
Cash at the end of the year		610,855	507,024

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial reports cover The Bankstown Trotting Recreational Club Ltd T/A Club Condell Park as an individual entity. The Bankstown Trotting Recreational Club Ltd T/A Club Condell Park is a for profit proprietary company incorporated and domiciled in Australia.

The functional and presentation currency of The Bankstown Trotting Recreational Club Ltd T/A Club Condell Park is Australian dollars.

The financial report was authorised for issue by the Directors.

Comparatives are consistent with prior years, unless otherwise stated.

BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the Corporations Act 2001.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals 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 significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment of losses.

LAND AND BUILDINGS

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

In the periods when the freehold land and buildings are not subject to an independent valuation, the director conduct director's valuations to ensure the land and building's carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are recognised against fair value reserves directly in equity; all other decreases are recognised in profit or loss.



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 the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed within the company 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 company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

DEPRECIATION

Property, plant and equipment, is depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight line method from the date that management determine that the asset is available for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

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

The depreciation rates for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate	Class of Fixed Asset	Depreciation Rate
Plant and Equipment	7-25%	Leasehold Improvements	2.5%
Motor Vehicles	15-22.5%	Computers	15-40%
Office Machines	20%	Air Conditioners	11.5%
Poker Machines	10-50%	Others	4-30%
Buildings	2.5%	Furniture	7.5-20%

LEASES

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the company, are classified as finance leases.

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

Leased assets are depreciated over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised over the life of the lease term.

FINANCIAL INSTRUMENTS

INITIAL RECOGNITION AND MEASUREMENT

Financial instruments are recognised initially using trade date accounting, i.e. on the date that company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

IMPAIRMENT OF ASSETS

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information, including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that Standard.

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

TRADE AND OTHER RECEIVABLES

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The company's trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The company's available-for-sale financial assets comprise listed securities.

Available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-



for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

EMPLOYEE BENEFITS

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit

agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

PROVISIONS

Provisions are recognised when the company 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 are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting year. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of other comprehensive income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

REVENUE AND OTHER INCOME

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

SALE OF GOODS

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

INTEREST REVENUE

Interest revenue is recognised using the effective interest rate method.

DIVIDEND REVENUE

Dividend revenue is recognised when the right to receive a dividend has been established.

RENDERING OF SERVICES

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

OTHER INCOME

Other income is recognised on an accruals basis when the company is entitled to it.

TRADE AND OTHER PAYABLES

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

GOODS AND SERVICES TAX (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

COMPARATIVE AMOUNTS

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The directors evaluate estimates and judgments 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 entity.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimate is revised and in any future period affected.

CHANGES IN ACCOUNTING POLICY

The club has noticed in the last 60 years that the sick leave is not used by the employees in full. So in the current financial year they have decided to reduce the provision for sick leave to half to reflect the correct provisions.

Poker Machine Licenses has been recognised in the Balance sheet in this financial year. The reason for recognising it in this financial year is that following a sale in 2017, there has arisen an active market, the value can be determined.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

	2019	2018
2 Revenue and Other Income		
Revenue		
Sales revenue:		
Sale of goods	40,128,058	39,268,432
Dividends Received	454	415
Interest Received	1,272	-
Subscriptions	26,796	38,807
Rendering of services	578,784	570,760
Other Revenue	136,121	232,015
Total revenue	40,871,485	40,110,429
Dividend revenue from:		
Fully Franked Dividends	454	415
Total dividend revenue	454	415
Interest revenue from:		
Interest Received	1,272	(716)
Total interest revenue	1,272	(716)
Other revenue from:		
Vending Machine Income	1,615	1,436
Sundry Income	127,939	230,579
Insurance Claims Received	6,567	
Total other revenue	136,121	232,015
3 Profit for the year		
The result for the year was derived after charging / (crediting) the following items:		
Profit before income tax from continuing operations includes the following specific expenses:		
a. Expenses		
Depreciation of Property, Plant and Equipment	245,074	235,778
Loss on Disposal of Property, Plant and Equipment	-	-
Remuneration of the Auditor for:		
- Auditing or Reviewing Report	44,400	44,400
- Other Services	-	27,874
	44,400	72,274
4 Finance Cost		
Interest Paid	138,333	141,129
Insurance & Fixed Hire Purchase Finance Charges	18,513	3,763
	156,846	144,892
5 Cash and Cash Equivalents		
Cash at Bank	409,696	300,886
Petty Cash	1,000	1,000
Cash Floats	190,000	190,000
Till Floats	2,200	2,200
Cash at Bank- Interest Bearing Account	7,959	12,938
	610,855	507,024
Reconciliation of cash		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

	2019	2018
Cash at Bank	409,696	300,886
Petty Cash	1,000	1,000
Cash Floats	190,000	190,000
Till Floats	2,200	2,200
Cash at Bank- Interest Bearing Account	7,959	12,938
	610,855	507,024
6 Trade and Other Receivables		
Trade Debtors	1,818	6,856
Less Prov'n for Doubtful Debts	-	(3,968)
Prepayments	144,688	146,214
Other Debtors	298,500	58,808
Interest Paid In Advance	-	5,557
Workers Comp Debtor	-	7,644
	445,006	221,111
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.		
7 Inventories		
Stock on Hand at Cost	57,953	58,361
	57,953	58,361
8 Financial Assets		
Non-Current		
Shares in Public Companies at Valuation	9,845	10,415
9 Property, Plant and Equipment		
Freehold Land at Cost	2,133,154	2,133,154
BUILDINGS		
Buildings at:		
Buildings at Valuation	11,452,371	11,452,371
Less accumulated depreciation	(6,526,019)	(6,478,266)
Total Buildings	4,926,352	4,974,105
PLANT AND EQUIPMENT		
Poker Machines Area – Furniture and Fixtures:		
Poker Machines Area – Furniture and Fixture– At Cost	503,943	503,943
Accumulated depreciation	(396,796)	(374,937)
	107,147	129,006
Plant and Equipment		
Plant and Equipment – At Cost	5,661,599	5,629,262
Accumulated depreciation	(4,733,696)	(4,558,234)
Total Plant and Equipment	927,903	1,071,028
Total Property, Plant and Equipment	8,094,556	8,307,293

Movements in Carrying Amounts of Property, Plant and Equipment

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

	2019			2018
	Freehold Land & Buildings	Poker Machine Area	Plant and Equipment	Total
	\$	\$	\$	\$
Balance at 1 July 2017	7,155,020	148,817	1,241,377	8,545,214
Additions	-	5	12,534	12,539
Disposal	-	-	(14,682)	(14,682)
Depreciation Expense	(47,761)	(19,815)	(168,201)	(235,777)
Balance at 30 June 2018	<u>7,107,259</u>	<u>129,006</u>	<u>1,071,028</u>	<u>8,307,293</u>
Additions	-	-	32,337	32,337
Disposal	-	-	-	-
Depreciation Expense	(47,753)	(21,855)	(175,466)	(245,074)
Balance at 30 June 2019	7,059,506	107,151	927,899	8,094,556
10 Intangible Assets				
PM Licence Entitlement			11,133,333	11,133,333
Total			<u>11,133,333</u>	<u>11,133,333</u>
Poker Machine Entitlements				
Poker machine entitlements are assessed as having an indefinite useful life.				
The measurement and recognition criteria is outlined in Note 1 to the financial statements.				
11 Trade and Other Payables				
Current				
Trade Creditors			544,907	399,348
Accrued Charges			132,629	624,304
GST Output & PAYG Tax withheld			57,326	103,298
Subscriptions In Advance			12,602	10,047
Sundry Creditors			2,806	4,872
			<u>750,269</u>	<u>1,141,869</u>
Trade and other payables are unsecured, non interest bearing and are normally settled within 30 days.				
The carrying value of trade and other payables is considered to be a reasonable approximation of fair value due to the short term nature of the balances.				
12 Borrowings				
Current				
Insurance Premiums - Financed			124,711	115,088
Arch Financial Loan			-	120,000
ANZ Loan			175,268	-
Debentures			593,000	-
Total current borrowings			<u>892,979</u>	<u>235,088</u>
Non-Current				
Arch Financial Loan - NCL			-	766,003
ANZ Bank Loan - NCL			1,387,984	-
Debentures			-	593,000
Total non-current borrowings			<u>1,387,984</u>	<u>1,359,003</u>
Total borrowings			<u>2,280,963</u>	<u>1,594,091</u>
13 Provisions				
Prov'n for Holiday Leave			432,105	406,126
Prov'n for Sick Leave			144,892	149,121
Prov'n for Long Service Leave Unconditional			280,520	251,112
Total Current provisions			<u>857,517</u>	<u>806,359</u>
Non-Current				
Prov'n for Long Service Leave Pre-Conditional			44,683	41,644
Total Non-Current Provisions			<u>44,683</u>	<u>41,644</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

	2019	2018
Analysis of Total Provisions		
Current	857,517	806,359
Non-current	44,683	41,644
	902,200	848,003
14 Reserves		
Asset Revaluation/(Devaluation) Reserve	10,716,103	10,716,434
Total	10,716,103	10,716,434
15 Retained Earnings		
Retained earnings at the beginning of the financial year	5,937,140	5,920,052
(Net loss) Net profit attributable to members of the company	(235,126)	17,088
Retained earnings at the end of the financial year	5,702,013	5,937,140
16 Cash Flow Information		
Reconciliation of result for the year to cashflows from operating activities.		
Reconciliation of net income to net cash provided by operating activities:		
Profit (Loss) after income tax	(235,126)	17,088
Cash flows excluded from profit (loss) attributable to operating activities		
Non-cash flows in profit		
Depreciation	245,073	235,778
(Profit)/Loss on Sale of Fixed Assets	-	15,346
Changes in assets and liabilities		
(Increase)/decrease in inventories	408	(4,707)
(Increase)/decrease in trade and other receivables	(229,452)	(99,324)
Increase/(decrease) in trade and other payables	(391,600)	(506,928)
Increase/(decrease) in provisions	54,435	29,651
	(556,262)	(372,398)

17 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

	2019	2018
Financial Assets		
Cash and Cash Equivalents	610,855	507,024
Investments	9,846	10,415
Loans and Receivables	445,006	221,111
Total Financial Assets	1,065,707	738,550
Financial Liabilities		
Bank Loan Secured	1,563,253	-
Trade & Other Payables	750,269	1,141,869
Hire Purchase & Insurance Liabilities	124,711	115,088
Debentures	593,000	593,000
Arch Financials	-	886,003
Total Financial Liabilities	3,031,233	2,735,960

The company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The company does not have any derivative instruments at 30 June 2019.

Objectives, Policies and Processes

The board of directors receives overall responsibility for the establishment of the company's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

2019

2018

The day-to-day risk management is carried out by the company's finance function under policies and objectives which have been approved by the board of directors. The chief financial officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and assessment of market forecasts for interest rate movements.

The board of directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest Rate Risk

Exposure to interest rate arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using variable rate. The company is only exposed to fixed rate risk on respect of hire purchase and insurance premiums financed.

Foreign Currency Risk

The company is not exposed to fluctuations in foreign currencies.

Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date and adjusted for transaction costs expected to be incurred. For other assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold those assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance sheet.

	2019		2018	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
Financial Assets				
Cash and Cash Equivalent	610,855	610,855	507,024	507,024
Loans and Receivables	445,006	445,006	221,111	221,111
Available for sale – Financial Assets – Equity Investment	9,846	9,846	10,415	10,415
	-	-	-	-
Total Financial Assets	1,065,707	1,065,707	738,550	738,550
Financial Liabilities				
Trade and Other Payables	750,269	750,269	1,141,869	1,141,869
Borrowings	124,711	124,711	115,088	115,088
Debentures	593,000	593,000	593,000	593,000
Arch Financials	-	-	886,003	886,003
ANZ Loan	1,563,253	1,563,253	-	-
Total Financial Liabilities	3,031,233	3,031,233	2,735,960	2,735,960

18 Contingent Liabilities

The are no contingent liabilities at 30 June 2019.

19 Subsequent Events

The directors are not aware of any significant events since the end of the reporting period.

20 Capital Commitments

Capital expenditure commitments contracted for not accrued in the accounts as at 30th June 2019

	2019	2018
Capital Expenditure Projects		
- Payable no later than 12 Months	\$300,445	-



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

	2019	2018
21 Key Management Personnel Disclosures	2019	2018
Key Management Personnel Remuneration		
Short Term Benefits	\$161,839	\$162,645
Long Term Benefits	-	-
22 Related Party Disclosure		
There are no related party transactions.		
23 Statutory Information		
The registered office of the company is: The Bankstown Trotting Recreational Club Ltd T/A Club Condell Park 178 Eldridge Road, Bankstown, NSW 2200		
24 Core and Non-Core Property		
Section 41J(2) of the Registered Clubs Act 1976 requires the annual report to specify the core property and non-core property for the financial year ended 30th June 2019.		
Core Property : The core property of the Club is the defined premises at 178 Eldridge Rd, Bankstown, NSW 2200		
Non Core Property: There is no non-core property of the Club.		

DIRECTORS DECLARATION

The director of the company declares that:

- The financial statements and notes, as set out on pages 1 to 21, for the year ended 30 June 2019 are in accordance with the Corporations Act 2001 and:
 - comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - give a true and fair view of the financial position and performance of the company.
- In the director's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the director.

Noel Scanlon DIRECTOR

Rein Ujuk DIRECTOR

Dated this 31st day of October 2019



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BANKSTOWN TROTTING RECREATIONAL CLUB LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

OPINION

I have audited the financial report of The Bankstown Trotting Recreational Club Ltd T/A Club Condell Park, (the company) which comprises the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the director's declaration.

In my opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

BASIS FOR OPINION

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the director of the company, would be in the same terms if given to the director as at the time of this auditor's report.

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

RESPONSIBILITIES OF DIRECTOR'S FOR THE FINANCIAL REPORT

The director of the company is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the director determine 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL REPORT

My 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 my 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director'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 company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am 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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company 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.

I communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the director with a statement that I have complied with relevant ethical requirements regarding

independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the director, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Name of Firm: Watson & Proud
Chartered Accountants
Name of Principal: Michael Watson
Address: 31 Egerton St SILVERWATER NSW 2128

Dated this 31st day of October, 2019.