

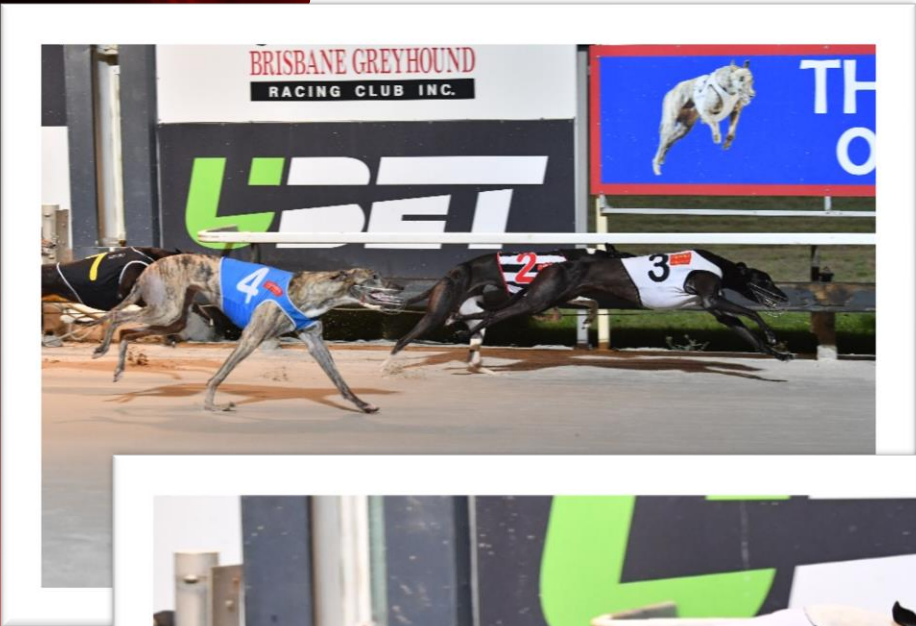


BRISBANE GREYHOUND
RACING CLUB INC

Annual Report



Notice of Meeting together with the
Forty-Seventh Annual Report and
Financial Statements for the year ending
30th June, 2018





Office

Albion Park Raceway

Amy Street

Breakfast Creek, QLD, 4010

Telephone

(07) 3862 1744

Facsimile

(07) 3862 2091

Postal Address

Po Box 396

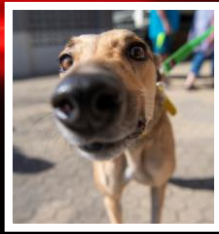
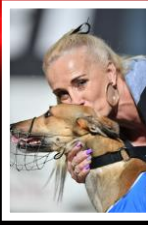
Albion, QLD, 4010

Web Site

<http://www.brisgreys.com>

Email address

info@brisgreys.com



Notice of Annual General Meeting

Notice is hereby given that the Forty-Seventh Annual General Meeting of the Brisbane Greyhound Racing Club Inc. will be held on Wednesday, 31 October 2018, at 7.00pm in Pacesetters, Albion Park Raceway, Amy Street, Breakfast Creek.

Business to be transacted shall be:-

- (i) Apologies.
- (ii) To confirm the Minutes of the previous Annual General Meeting held 25th October 2017.
- (iii) To receive the report of the Board.
- (iv) To receive the audited Statement of Accounts of the Club for the year ended 30th June 2018.
- (v) To elect members of the Board.
- (vi) To appoint Auditors for the ensuing year.
- (vii) To consider a recommendation of the Board that Mr. P Dolan be awarded Honorary Life Membership of the Club.
- (viii) General Business.

Election of the Board:

The single retiring Member is Mr Les Bein.

Nominations for the Board position are to be in writing, duly signed by two financial members. Every such nomination shall be lodged with the Secretary, not later than 5.00pm on **Wednesday 24th October 2018.**

By order of the Board
Luke Gatehouse
Chief Executive Officer



Chairman's Report

It is my privilege to provide the Brisbane Greyhound Racing Club Chairman's report for the 2017/18 racing season.

The 2017 UBET Nationals

The Brisbane Club was privileged to host the 2017 UBET Nationals in August. The National Conference was a watershed moment as it was the first held under the auspices of the newly created Greyhound Clubs Australia (GCA). A tremendous amount of planning and work has gone into transforming the Australian Greyhound Racing Association (AGRA) into a more inclusive, responsive and dynamic organisation. I was honoured to be appointed inaugural President of GCA at the Annual General Meeting held during the National Conference.

The Nationals Final race meeting was held on a Friday night and set a new record for wagering on a Queensland greyhound racing event, with the National Distance Final recording the highest ever turnover on a greyhound race in Queensland.

It was great to see a home town victory in the National Sprint with Jury winning for trainer Tony Brett and owner Steve Williams. The National Distance was taken out in wonderful fashion by the Robert Britton trained Fanta Bale.

Track Renovation

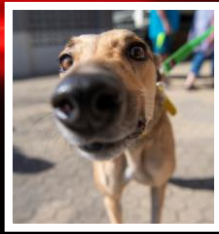
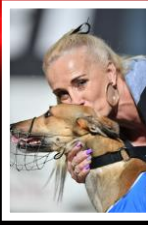
The Club undertook a major renovation of the track in March 2018. This project was completely funded and project managed by the Club, with around \$100,000 committed to ensure the best possible racing surface for our greyhounds.

Financial Performance

I am pleased to report that the Brisbane Club recorded a surplus of \$175,234 in 2017/18, up from \$89,500 in the previous year. The Board has continued its focus on long-term financial stability of the Club including the incorporation of investment strategies to build club equity.

The Club's Statement of Comprehensive Income shows that the Club's Net Asset position increased by 8.3% or \$343,492 over the year, with the Club posting a Net Asset position in excess of \$4.5 million. The Club has now grown our net equity by 50 per cent since 2012.

This result is testament to the governance provided by the Club's Board and the sound management of the Club's resources and finances by the management team.



Albion Park Food and Beverage

This issue has been discussed year in year out for several years now, with the obvious benefits to the Club being able to gear up our commercial operations in such a way as to increase income, sponsorship and many other activities.

Early in the year we won the battle and were told by Racing Queensland that they were willing to allow the Club to take over the running the food and beverage operations. After a good deal of thought on how to best operate with our co-tenant, the Albion Park Harness Racing Club (APHRC), we came to an in-principle agreement to form a joint venture company going forward.

Upon undertaking further due diligence it was found, mainly due to the age of the current building we are forced to operate out of, the costs of upgrading the kitchen and other facilities would be prohibitive. With Racing Queensland, the owner of Albion Park, not prepared to invest in Albion Park due to their desire to relocate us to a new state-of-the art facility, and both clubs not willing to spend the large amounts of money required on upgrades due to the uncertainty of our tenure, we remain as is.

Greyhound Racing Infrastructure

The major impediment to the Club and the industry moving forward is the lack of new infrastructure in South East Queensland. We continually receive acknowledgement that this is a priority for Racing Queensland, yet despite all the words and “plans” we still don’t have anything concrete in place for the Club’s future. This is extremely frustrating for the Board as we continue the quest to finalise a long term, viable future for the Club.

Feature Racing

Congratulations are extended to the winners of the Group and Listed races conducted during 2017/18:

Group 1

Garrard's Horse and Hound Winter Cup (520m)

Fast Times (Tony Brett)

Sky Racing Brisbane Cup (520m)

Fast Times (Tony Brett)

UBET Gold Cup (710m)

Tornado Tears (Robert Britton)

Group 2

Bogie Leigh Queensland Futurity (520m)

She's Gifted (Deborah Coleman)

Thirty Talks @ Stud Queensland Derby (520m)

Two Times Twice (John Finn)

Group 3

Gold Coast Cup (520m)

Opal Nera (Tony Brett)

Box 1 Photography Queensland Cup (600m)

Jalapeno (Tony Apap)

UBET Flying Amy Classic (520m)

Hasten Slowly (Jeffrey Britton)

Box 1 Photography Superstayers Invitational (710m)

Tornado Tears (Robert Britton)

National Championships-State Winners

National Sprint Queensland Final (520m)

Jury (Tony Brett)

National Distance Queensland Final (710m)

Outside Pass (Tony Apap)

National Championships-Overall Winners (Albion Park)

UBET National Sprint Championship (520m)

Jury (Tony Brett)

UBET National Distance Championship (710m)

Fanta Bale (Robert Britton)

Track Records

600m- Champagne Sally (Ray Burman) 34.43sec

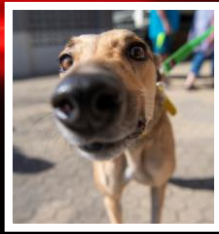
4 January 2018

710m- Tornado Tears (Robert Britton) 41.20sec

21 June 2018

520m- Mepunga Blazer (Jeffrey Britton) 29.41sec

28 June 2018



Sponsors

On behalf of the Club we thank our sponsors for their participation and support of our race meetings

UBET

Racing Queensland

SKY Racing

Garrard's Horse and Hound

Clint's Caravan Warehouse

Thirty Talks @ Stud

Box 1 Photography

Glasshouse Greyhound Sporting Club

Asset Body Corporate Bribie Island

Expat Lodge Boarding Kennels

Fabregas @ Stud

Withcott Hotel

The Manly Hotel

Marburg Hotel

Norths Devils Leagues Club

Aspley Leagues Club

Tony & Brett Gallagher

Harris Family

The Board would like to recognise and congratulate all Club staff and contractors for their efforts in conducting a high-volume operation of four race meetings and two public trial sessions each week.

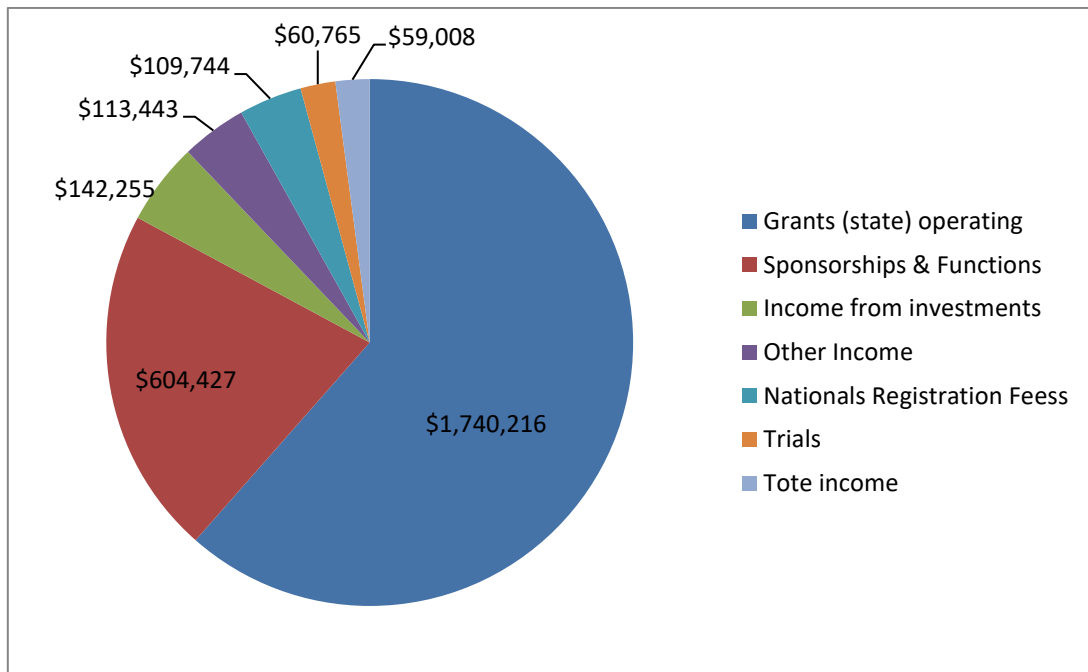
Treasurer's Report

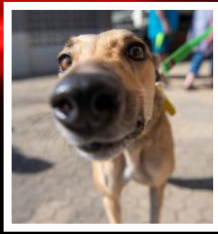
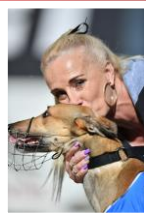
The Brisbane Greyhound Racing Club posted an operating profit of \$175,235 and a Total Comprehensive Income of \$343,492 for the 2017/18 year.

The Club's Total Comprehensive Income for the 2017/18 year of \$343,492 is comprised of:

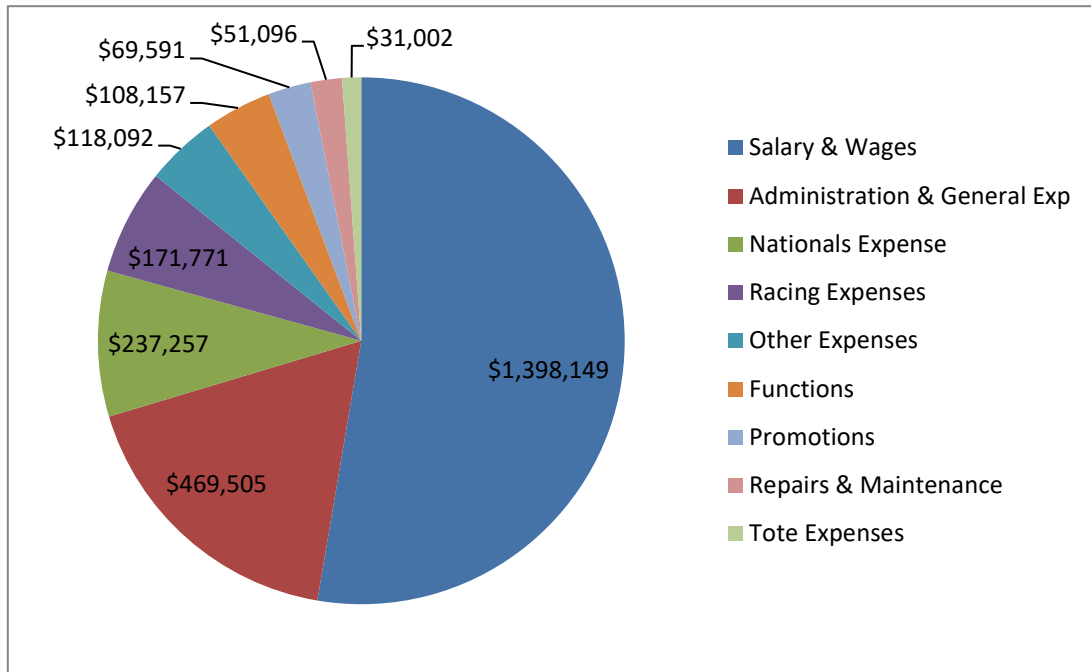
- A profit from normal operating activities of \$23,212;
- Investment income of \$142,255;
- Other Expenses of \$8,403;
- Capital Gain on Sale of Assets \$18,171;
- Asset revaluation increase of \$168,257;

Sources of Income

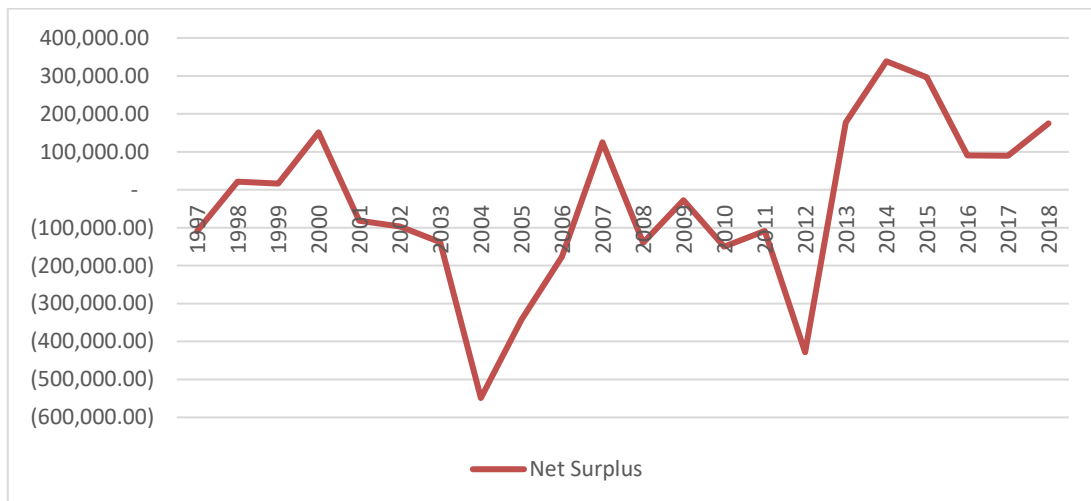




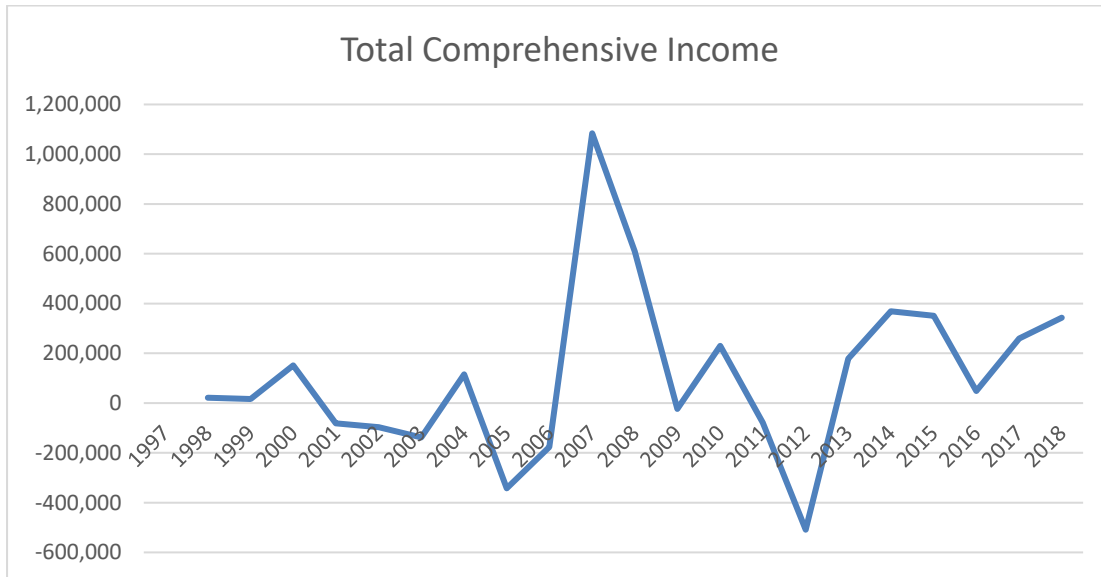
Expenditure



Historical Net Profit/Loss

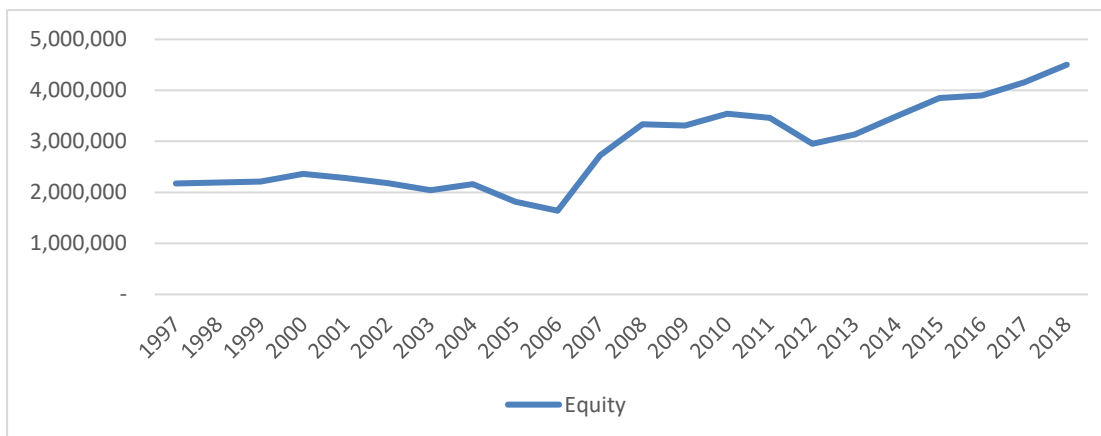


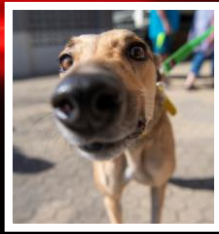
Historical Total Comprehensive Income



Historical Total Equity

The Club's Balance Sheet continues to grow, with the Club's total equity increasing by \$343,492 over the course of the year.





Board Meetings

Under Clause 7 (iv) of the Club Constitution, at the first meeting of the Board held after the 2017 Annual General Meeting, Mr L Bein was appointed Chairperson, Mr. R. Lambert was appointed Deputy Chairperson, and Ms E Wallis was appointed Hon. Treasurer for the ensuing year.

During the period under review, twelve General Meetings of the Club Board were held.

Attendances at these Meetings were as follows:-

| | |
|------------|----|
| N. Beaton | 10 |
| L. Bein | 12 |
| R. Lambert | 11 |
| D. Pegg | 11 |
| P. Smith | 4 |
| E Wallis | 10 |
| W Warner | 7 |
| D Wallis | 7 |



Brisbane Greyhound Racing Club Inc

ABN 84 193 096 124

Financial Report for the Year Ended 30 June 2018

BRISBANE GREYHOUND RACING CLUB INC

TABLE OF CONTENTS

| | Page No. |
|--|----------|
| COMMITTEE'S REPORT | 3 |
| STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | 4 |
| STATEMENT OF FINANCIAL POSITION | 5 |
| STATEMENT OF CHANGES IN EQUITY | 6 |
| STATEMENT OF CASH FLOWS | 7 |
| NOTES TO THE FINANCIAL STATEMENTS | 8 |
| STATEMENT BY MEMBERS OF THE COMMITTEE | 23 |
| INDEPENDENT AUDIT REPORT | 24 |

BRISBANE GREYHOUND RACING CLUB INC

COMMITTEE'S REPORT

The committee members submit herewith the annual report of the Brisbane Greyhound Racing Club Inc for the financial year ended 30 June 2018.

Committee Members

The names of the committee members during the year or since the end of the financial year are:

Les Bein – President

Robert Lambert – Vice-President

Peter Smith (departed 25/10/17)

Eleanor Wallis - Treasurer

Neil Beaton

Dennis Pegg

David Wallis (appointed 25/10/17)

Bill Warner (resigned 17/4/18)

Principal Activities

The principal activities of the association during the financial year were:

- Host race meetings throughout the year; and
- To provide social facilities to members of the association.

Significant Changes

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

Operating Result

The profit after providing for income tax amounted to \$175,234 (2017:\$89,500)

Signed in accordance with a resolution of the Members of the Committee.



.....
L Bein - President



.....
E Wallis - Treasurer

Dated this 27th day of September 2018

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | 2018 \$ | 2017 \$ |
|---|------|----------------|----------------|
| Revenue | 2 | 2,829,856 | 2,317,432 |
| Accounting and audit fees | | (22,396) | (32,900) |
| Committee expenses | | (9,733) | (16,977) |
| Cost of merchandise sold | | (2,518) | (1,773) |
| Depreciation and amortisation expense | | (37,298) | (36,498) |
| Employee benefits expense | 3 | (1,398,149) | (1,430,218) |
| Equipment hire | | (27,324) | (38,195) |
| Finance costs | | (4) | (201) |
| Function expenses | | (108,157) | (47,435) |
| Insurance | | (25,972) | (18,054) |
| Investment expenses | | (8,403) | (8,335) |
| Loss on sale of Property, Plant and Equipment | | - | (7,266) |
| Motor Vehicle expenses | | (6,657) | (8,803) |
| Nationals event expenses | | (237,257) | - |
| Prize money | | (1,000) | (1,700) |
| Promotions expense | | (69,591) | (132,210) |
| Racing expense | | (171,771) | (171,277) |
| Repairs and maintenance | | (51,096) | (64,032) |
| Telephone expenses | | (13,085) | (12,284) |
| Tote expenses | | (31,002) | (30,530) |
| Trainer fee | | (258,360) | (21,689) |
| Travel expenses | | (56,756) | (44,066) |
| Other expenses | | (118,092) | (103,489) |
| Current year surplus before income tax | | <u>175,235</u> | <u>89,500</u> |
| Income tax expense | 1a | - | - |
| Net current year surplus | | <u>175,235</u> | <u>89,500</u> |
| Other comprehensive income | | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met: | | | |
| Fair value remeasurement gain/(loss) on available-for-sale financial assets, net of tax | | 168,257 | 170,603 |
| Total other comprehensive income for the year, net of tax | | <u>168,257</u> | <u>170,603</u> |
| Total comprehensive income for the year, net of tax | | <u>343,492</u> | <u>260,103</u> |
| Net current year surplus attributable to members of the entity | | <u>175,235</u> | <u>89,500</u> |
| Total comprehensive income attributable to members of the entity | | <u>343,492</u> | <u>260,103</u> |

The accompanying notes form part of these financial statements.

BRISBANE GREYHOUND RACING CLUB INC

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

| | Note | 2018 | 2017 |
|---------------------------------------|-------------|-------------------------|-------------------------|
| | | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash on hand | 5 | 681,165 | 625,317 |
| Accounts receivable and other debtors | 6 | 220,706 | 240,786 |
| Inventories on hand | 7 | 6,342 | 5,920 |
| Other | 8 | 20,366 | 53,911 |
| TOTAL CURRENT ASSETS | | <u>928,579</u> | <u>925,934</u> |
| NON-CURRENT ASSETS | | | |
| Financial assets | 9 | 3,658,442 | 3,335,626 |
| Property, plant and equipment | 10 | 386,818 | 298,398 |
| TOTAL NON-CURRENT ASSETS | | <u>4,045,260</u> | <u>3,634,024</u> |
| TOTAL ASSETS | | <u><u>4,973,839</u></u> | <u><u>4,559,958</u></u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and other payables | 11 | 280,186 | 206,652 |
| Employee provisions | 12 | 155,721 | 169,714 |
| Financial liabilities | 13 | - | 2,082 |
| TOTAL CURRENT LIABILITIES | | <u>435,907</u> | <u>378,448</u> |
| NON-CURRENT LIABILITIES | | | |
| Employee provisions | 12 | 34,713 | 21,783 |
| Financial liabilities | 13 | - | - |
| TOTAL NON-CURRENT LIABILITIES | | <u>34,713</u> | <u>21,783</u> |
| TOTAL LIABILITIES | | <u>470,620</u> | <u>400,231</u> |
| NET ASSETS | | <u><u>4,503,219</u></u> | <u><u>4,159,727</u></u> |
| EQUITY | | | |
| Reserves | 14 | 388,123 | 219,866 |
| Retained surplus | | 4,115,096 | 3,939,861 |
| TOTAL EQUITY | | <u>4,503,219</u> | <u>4,159,727</u> |

The accompanying notes form part of these financial statements.

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | Financial Asset Revaluation Reserve \$ | Retained surplus \$ | Total \$ |
|---|------|--|---------------------------|-------------|
| Balance at 1 July 2016 | | 49,263 | 3,850,361 | 3,899,624 |
| Comprehensive income | | | | |
| Net surplus for the year | | - | 89,500 | 89,500 |
| Other comprehensive income for the year | 14 | 170,603 | - | 170,603 |
| Total comprehensive income attributable to members of the entity | | 170,603 | 89,500 | 260,103 |
| Balance at 30 June 2017 | | 219,866 | 3,939,861 | 4,159,727 |
| Comprehensive income | | | | |
| Net surplus for the year | | - | 175,235 | 175,235 |
| Other comprehensive income for the year | 14 | 168,257 | - | 168,257 |
| Total comprehensive income attributable to members of the entity | | 168,257 | 175,235 | 343,492 |
| Balance at 30 June 2018 | | 388,123 | 4,115,096 | 4,503,219 |

The accompanying notes form part of these financial statements.

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | 2018 | 2017 |
|---|-------------|-------------|-------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Grants (state) operating received | | 1,914,237 | 1,534,181 |
| Receipts from customers | | 1,049,457 | 761,708 |
| Payments to suppliers and employees | | (2,767,012) | (2,401,621) |
| Interest paid | | (4) | (201) |
| Net cash provided by operating activities | 19 | 196,678 | (105,933) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | - | 13,636 |
| Purchase of property, plant and equipment | | (125,718) | (43,272) |
| Investment income received | | 123,358 | 132,797 |
| Purchase of financial assets | | (539,098) | (669,966) |
| Proceeds from sale of financial assets | | 402,710 | 921,369 |
| Net cash used in investing activities | | (138,748) | 354,564 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payment of borrowings | | (2,082) | (19,742) |
| Net cash used in financing activities | | (2,082) | (19,742) |
| Net increase in cash held | | 55,848 | 228,889 |
| Cash on hand at beginning of financial year | | 625,317 | 396,428 |
| Cash on hand at end of financial year | 5 | 681,165 | 625,317 |

The accompanying notes form part of these financial statements.

BRISBANE GREYHOUND RACING CLUB INC

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

The financial statements cover Brisbane Greyhound Racing Club Inc as an individual entity. Brisbane Greyhound Racing Club Inc is an association incorporated in Queensland and operating pursuant to the *Associations Incorporation Act 1981*.

The financial statements were authorised for issue on 27th September 2018 by the members of the committee.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Brisbane Greyhound Racing Club Inc applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* and other applicable Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Associations Incorporation Act 1981*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an 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 amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The club is exempt from Income tax, by virtue of Section 50-45 of the Income Tax assessment Act 1997.

b. Inventories on Hand

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

c. Property, Plant and Equipment

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

Plant and equipment

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

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

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

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Property, Plant and Equipment (Continued)

Depreciation

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

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

| Class of Fixed Asset | Depreciation Rate |
|------------------------|-------------------|
| Leasehold improvements | 5-10% |
| Motor Vehicles | 22.5% |
| Plant and equipment | 5-33% |

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

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

d. Leases

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

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

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

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

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

e. Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Financial Instruments (Continued)

Classification and subsequent measurement (Continued)

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

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

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

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

(ii) *Loans and receivables*

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

(iii) *Held-to-maturity investments*

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

(iv) *Available-for-sale investments*

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

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

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

(v) *Financial liabilities*

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

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Financial Instruments (Continued)

Impairment

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

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

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

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

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

Derecognition

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

f. Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

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

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

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

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Employee Provisions

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

h. Cash on Hand

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

i. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

j. Revenue and Other Income

Revenue from hosting race meetings are measured at the fair value of the consideration received or receivable.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. Revenue and Other Income (Continued)

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

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

k. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

l. Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

n. Accounts Payable and Other Payables

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

o. Provisions

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

p. Critical Accounting Estimates and Judgments

The committee evaluates 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 association.

Key estimates

(i) *Impairment – general*

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

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p. Critical Accounting Estimates and Judgments (Continued)

Key judgments

(i) *Provision for impairment of receivables*

The association reviews the receivables outstanding at the end of the year for any debtors that are unlikely to be collected. A provision for impairment of receivables is recognised for those debts that are considered uncollectable.

(ii) *Available-for-sale investments*

The association has an investment in the shares of publically listed companies with a total value of \$3,658,442 (2017:\$3,335,626) at the end of the reporting period. Should share values decline to a level which is in excess of 50% below cost or should prices remain at levels below cost for a period in excess of 24 months, the association has determined that such investments will be considered impaired in the future.

(iii) *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

q. Fair Value of Assets

The association measures some of its assets at fair value on a recurring basis.

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

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

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

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | 2018 | 2017 |
|---|------|-----------|-----------|
| | | \$ | \$ |
| NOTE 2: REVENUE AND OTHER INCOME | | | |
| Racing revenue: | | | |
| – Dog Trials | | 60,765 | 81,649 |
| – Grants (state) operating | | 1,740,215 | 1,394,710 |
| | | 1,800,980 | 1,476,359 |
| Other revenue: | | | |
| – Bar and catering commission | | 31,534 | 24,937 |
| – Investment income | | 142,255 | 128,893 |
| – Functions | | 34,894 | 42,587 |
| – Management fees | | 1,500 | 20,006 |
| – Nationals Registration Fees | | 109,744 | - |
| – Profit on sale of financial assets | | 18,171 | 53,980 |
| – Sales of merchandise | | 9,422 | 10,791 |
| – Sponsorships | | 537,999 | 439,961 |
| – Tote income | | 59,008 | 80,285 |
| – Wages recovered | | 51,779 | - |
| – Other Income | | 32,570 | 39,633 |
| | | 1,028,876 | 841,073 |
| Total revenue | | 2,829,856 | 2,317,432 |

NOTE 3: EXPENSES

Employee benefit expense:

| | | | |
|--------------------------|--|-----------|-----------|
| – Salaries and wages | | 1,230,981 | 1,263,091 |
| – Superannuation expense | | 111,150 | 118,125 |
| – WorkCover | | 23,245 | 19,972 |
| – Fringe benefits tax | | 17,033 | 12,344 |
| – Payroll tax | | 15,740 | 16,686 |
| | | 1,398,149 | 1,430,218 |

Interest expense on financial liabilities

| | |
|---|-----|
| 4 | 201 |
|---|-----|

Rental expense on operating leases:

| | | | |
|--------------------------|--|--------|--------|
| – minimum lease payments | | 57,972 | 63,854 |
|--------------------------|--|--------|--------|

NOTE 4: AUDITORS' FEES

Remuneration of the auditor of the association for:

| | | | |
|--|--|--------|--------|
| – Auditing or reviewing the financial report | | 14,000 | 15,000 |
| – Accounting and taxation services | | 3,400 | 4,025 |
| | | 17,400 | 19,025 |

BRISBANE GREYHOUND RACING CLUB INC

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

| NOTE 5: CASH ON HAND | Note | 2018 | 2017 |
|-----------------------------|-------------|----------------|----------------|
| | | \$ | \$ |
| Cash at bank | | 639,045 | 601,525 |
| Cash on hand | | 42,120 | 23,792 |
| | 20 | <u>681,165</u> | <u>625,317</u> |

Reconciliation of cash

Cash on hand at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

| | | | |
|-----------------------------|--|----------------|----------------|
| Cash at bank – unrestricted | | 639,045 | 601,525 |
| Cash on hand – unrestricted | | 42,120 | 23,792 |
| | | <u>681,165</u> | <u>625,317</u> |

NOTE 6: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

CURRENT

| | | | |
|---|----|----------------|----------------|
| Trade receivable | | 53,338 | 128,681 |
| Provision for impairment | | - | - |
| Other receivables | | 167,368 | 112,105 |
| Total current accounts receivable and other debtors | 20 | <u>220,706</u> | <u>240,786</u> |

NOTE 7: INVENTORIES ON HAND

CURRENT

| | | | |
|--|--|-------|-------|
| Promotional material (at lower of cost and net realisable value) | | 6,342 | 5,920 |
|--|--|-------|-------|

NOTE 8: OTHER ASSETS

CURRENT

| | | | |
|-------------|--|--------|--------|
| Prepayments | | 20,366 | 53,911 |
|-------------|--|--------|--------|

NOTE 9: FINANCIAL ASSETS

NON CURRENT

Available-for-sale financial assets

a. Available-for-sale financial assets comprise:

Listed investments, at fair value:

| | | | |
|---|----|------------------|------------------|
| - shares in listed corporations at fair value | 20 | <u>3,658,442</u> | <u>3,335,626</u> |
|---|----|------------------|------------------|

BRISBANE GREYHOUND RACING CLUB INC

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

| NOTE 10: PROPERTY, PLANT AND EQUIPMENT | Note | 2018 | 2017 |
|---|-------------|-----------------------|-----------------------|
| | | \$ | \$ |
| Leasehold land improvements: | | | |
| At cost | | 159,403 | 49,170 |
| Accumulated depreciation | | (54,682) | (49,170) |
| | | <u>104,721</u> | <u>-</u> |
| Leasehold improvements: | | | |
| At cost | | 12,288 | 12,288 |
| Accumulated depreciation | | (11,171) | (11,073) |
| | | <u>1,117</u> | <u>1,215</u> |
| Plant and equipment: | | | |
| At cost | | 497,258 | 481,773 |
| Accumulated depreciation | | (266,964) | (242,517) |
| | | <u>230,294</u> | <u>239,256</u> |
| Motor Vehicles: | | | |
| At cost | | 69,537 | 69,537 |
| Accumulated depreciation | | (18,851) | (11,610) |
| | | <u>50,686</u> | <u>57,927</u> |
| | | | |
| Total property, plant and equipment | | <u><u>386,818</u></u> | <u><u>298,398</u></u> |

Movements in carrying amounts

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

| | Leasehold land Improvements | Leasehold Improve- ments | Plant and Equipment | Motor Vehicles | Total |
|-------------------------|--|---|--------------------------------|---------------------------|-----------------------|
| | \$ | \$ | \$ | | \$ |
| Balance at 1 July 2016 | 4,917 | 1,314 | 255,340 | 50,955 | 312,526 |
| Additions | - | - | 7,476 | 35,796 | 43,272 |
| Disposals | - | - | - | (20,902) | (20,902) |
| Depreciation expense | (4,917) | (99) | (23,560) | (7,922) | (36,498) |
| Balance at 30 June 2017 | <u>-</u> | <u>1,215</u> | <u>239,256</u> | <u>57,927</u> | <u>298,398</u> |
| Additions | 110,233 | - | 15,485 | - | 125,718 |
| Disposals | - | - | - | - | - |
| Depreciation expense | (5,512) | (98) | (24,447) | (7,241) | (37,298) |
| Balance at 30 June 2018 | <u><u>104,721</u></u> | <u><u>1,117</u></u> | <u><u>230,294</u></u> | <u><u>50,686</u></u> | <u><u>386,818</u></u> |

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | 2018 \$ | 2017 \$ |
|--|------|------------|------------|
| NOTE 11: ACCOUNTS PAYABLE AND OTHER PAYABLES | | | |
| CURRENT | | | |
| Unsecured liabilities: | | | |
| Trade payables | | 78,742 | 81,507 |
| Other payable | | 114,109 | 64,946 |
| Unearned revenue | | 16,886 | 23,765 |
| GST liability | | 70,449 | 36,434 |
| | | 280,186 | 206,652 |
| | | | |
| a. Financial liabilities at amortised cost classified as accounts payable and other payables | | | |
| Accounts payable and other payables: | | | |
| – total current | | 280,186 | 206,652 |
| – total non-current | | - | - |
| | | 280,186 | 206,652 |
| Less: Unearned revenue | | (16,886) | (23,765) |
| Financial liabilities as accounts payable and other payables | 20 | 263,300 | 170,218 |

NOTE 12: EMPLOYEE PROVISIONS

| | | | |
|---|--|---------|---------|
| CURRENT | | | |
| Employee provisions – annual leave entitlements | | 79,033 | 83,949 |
| Employee provisions – long service leave entitlements | | 76,688 | 85,765 |
| | | 155,721 | 169,714 |
| NON CURRENT | | | |
| Employee provisions – long service leave entitlements | | 34,713 | 21,783 |
| | | 34,713 | 21,783 |

Analysis of Employee Provisions

| | Annual Leave Entitlements \$ | Long Service Leave Entitlements \$ |
|---------------------------|---------------------------------------|---|
| Opening balance at 1 July | 83,949 | 107,548 |
| Additional provisions | 71,574 | 16,388 |
| Amounts used | (76,490) | (12,535) |
| Balance at 30 June | 79,033 | 111,401 |

Employee Provisions – Leave Entitlements

The provision for employee benefits represents amounts accrued for annual leave and long service leave.

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | 2018 | 2017 |
|--|------|------|------|
| | | \$ | \$ |

NOTE 12: EMPLOYEE PROVISIONS

Employee Provisions – Leave Entitlements

Based on past experience, the association does not expect the full amount of annual leave to be settled within the next 12 months. However, the amount must be classified as a current liability because the association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

NOTE 13: FINANCIAL LIABILITIES

| | | | |
|----------------------------|----|---|-------|
| Chattel Mortgage - secured | | - | 2,082 |
| | 20 | - | 2,082 |
| Current | | | |
| | | - | 2,082 |
| Non Current | | | |
| | | - | - |
| | | - | 2,082 |

NOTE 14: RESERVES

Financial Asset Revaluation Reserve

The financial assets revaluation reserve represents the cumulative amount of fair value gains/losses recognised in other comprehensive income in remeasuring the investments in shares in listed companies.

NOTE 15: LEASING COMMITMENTS

Operating Lease Commitments

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

Payable – minimum lease payments:

| | | | |
|------------------------------|--|---------|---------|
| – not later than 12 months | | 57,972 | 57,972 |
| – between 1 year and 5 years | | 83,004 | 140,976 |
| – later than 5 years | | - | - |
| | | 140,976 | 198,948 |

The lease commitment consists of the lease of two (2) photocopiers and a telephone system with a term of 5 years with payments made monthly in advance and a lease of photo finish camera equipment with a lease term of 6 years, paid monthly in arrears.

The club has a commitment with Racing Queensland Limited with respect to its occupancy at the Albion Park Raceway. From 1 July 2011, no rent was payable by the club to Racing Queensland Limited for rent of the Albion Park facility.

NOTE 16: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities and contingent assets for the year ended 30 June 2018 (2017:\$nil)

NOTE 17: EVENTS AFTER THE REPORTING PERIOD

The committee is not aware of any significant events since the end of the reporting period.

BRISBANE GREYHOUND RACING CLUB INC

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

| NOTE 18: RELATED PARTY TRANSACTIONS | Note | 2018 \$ | 2017 \$ |
|--|------|------------|------------|
| a. Key Management Personnel | | | |
| Any person(s) having authority and responsibility for planning, directing and controlling the activities of the association, directly or indirectly, including its committee members, is considered key management personnel. | | | |
| Key management personnel compensation: | | | |
| – short-term benefits | | 372,556 | 382,345 |
| – post-employment benefits | | 35,015 | 35,495 |
| | | 407,571 | 417,840 |
| The association's committee members are not entitled to receive remuneration for the services provided to the association. | | | |
| b. Other Related Parties | | | |
| Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members. | | | |
| The association sold a motor vehicle to a member of the management committee for the amount of \$15,000 (Incl GST). The vehicle was sold at its current market value. | | | |
| There were no transaction between the association and any other related parties. | | | |

NOTE 19: CASH FLOW INFORMATION

Reconciliation of cash flow from operating activities with net current year surplus

| | | |
|--|-----------|-----------|
| Current year surplus/(deficit) after income tax | 175,235 | 89,500 |
| Non-cash flows in current year surplus: | | |
| – depreciation expense | 37,298 | 36,498 |
| – net (gain)/loss on disposal of property, plant and equipment | - | 7,266 |
| – Net (gain)/loss on sale of financial assets | (18,171) | (53,980) |
| – Interest and dividends recognised as Investing Activities | (123,358) | (132,798) |
| Changes in assets and liabilities: | | |
| – (Increase)/decrease in accounts receivable and other debtors | 20,080 | (35,903) |
| – (Increase)/decrease in inventories on hand | (422) | (1,727) |
| – (Increase)/decrease in other assets | 33,545 | (39,601) |
| – Increase/(decrease) in accounts payable and other payables | 73,534 | (10,543) |
| – Increase/(decrease) in employee provisions | (1,063) | 35,355 |
| | 196,678 | (105,933) |

BRISBANE GREYHOUND RACING CLUB INC

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

| | Note | 2018 \$ | 2017 \$ |
|---|------|------------|------------|
| NOTE 20: FINANCIAL RISK MANAGEMENT | | | |
| The association's financial instruments consist mainly of deposits with banks, local money market instruments, investments in listed shares, receivables and payables, and lease liabilities. | | | |
| 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: | | | |
| Financial assets | | | |
| Cash on hand | 5 | 681,165 | 625,317 |
| Accounts receivable and other debtors | 6 | 220,796 | 240,786 |
| Available-for-sale financial assets - investments in listed shares | 9 | 3,658,422 | 3,335,626 |
| Total financial assets | | 4,560,383 | 4,201,729 |
| Financial liabilities | | | |
| Financial liabilities at amortised cost: | | | |
| - Accounts payable and other payables | 11 | 263,300 | 170,218 |
| - Chattel mortgage | 13 | - | 2,082 |
| Total financial liabilities | | 263,300 | 172,300 |

Financial Risk Management Policies

The association's committee is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The committee monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held by the committee.

The committee's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

NOTE 21: FAIR VALUE MEASUREMENTS

The association has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition.

The association does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

Recurring fair value measurements

Financial assets

Available-for-sale financial assets

| | | | |
|--|---|-----------|-----------|
| - shares in listed companies | 9 | 3,658,422 | 3,335,626 |
| Total financial assets recognised at fair value | | 3,658,422 | 3,335,626 |

For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

BRISBANE GREYHOUND RACING CLUB INC

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

NOTE 22: ECONOMIC DEPENDENCE

The association's activities are largely funded by operating grants received from Racing Queensland Limited. At the date of this report, the members of the committee had no reason to believe that Racing Queensland Limited would not continue to provide financial support to the Club.

NOTE 23: ASSOCIATION DETAILS

The registered office and principal place of business of the association is:

Brisbane Greyhound Racing Club Inc.
Albion Park Raceway
Amy Street
BREAKFAST CREEK QLD 4010


BRISBANE GREYHOUND RACING CLUB INC

**STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2018**


In the opinion of the committee, the financial report as set out on pages 4 to 22:

1. Presents a true and fair view of the financial position of the Brisbane Greyhound Racing Club Inc. as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Association Incorporations Act 1981.
2. At the date of this statement, there are reasonable grounds to believe that the Brisbane Greyhound Racing Club Inc. will be able to pay its debts as and when they fall due.

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



L Bein
President



E Wallis
Treasurer

Dated this 27th day of September 2018

BRISBANE GREYHOUND RACING CLUB INC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISBANE GREYHOUND RACING CLUB INC

Report on the Financial Report

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Brisbane Greyhound Racing Club Inc, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

In our opinion, the accompanying financial report of Brisbane Greyhound Racing Club Inc is in accordance with the requirements of the *Associations Incorporation Act 1981 (Qld)*, including:

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

Basis for Opinion

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

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

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

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

Responsibilities of the Committee for the Financial Report

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

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

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.

BRISBANE GREYHOUND RACING CLUB INC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRISBANE GREYHOUND RACING CLUB INC

Report on the Financial Report

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

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



PRIESTLEYS
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation



M C ANDREASSEN
Partner

Signed at Brisbane on this 30th day of Sept 2018

