



# The Creek

ALBION PARK HARNESS RACING CLUB

# Annual Report

2023 - 2024

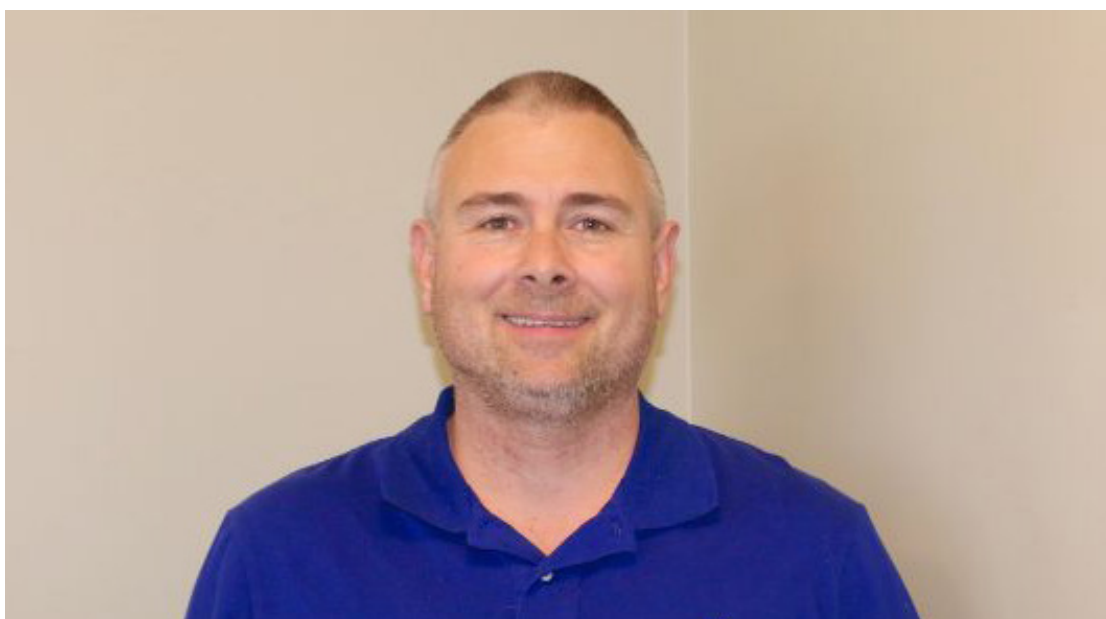






# Table of Contents

CHAIRPERSON'S REPORT .....	2
CHIEF OPERATING OFFICER'S REPORT .....	4
INITIATIVES & ACHIEVEMENTS .....	6
TREASURER'S REPORT .....	8
FINANCIAL STATEMENTS .....	12
INDEPENDENT AUDITOR'S REPORT .....	28
SPONSORS & PARTNERS .....	31



# 2023 - 2024 CHAIRPERSON'S REPORT

On behalf of the Board of Directors, I take much pleasure in reporting the 2023/24 Albion Park Harness Racing Club Annual Report.

Let me first thank Brad Steele, our former Chairman, for his massive contribution to the Club over many years. Brad resigned as Chairman at the June Board meeting, having navigated the Club through some challenging times. The time and effort that Brad put into the Club is totally appreciated by all Members, and his regular presence at the trots at Albion Park is genuinely missed.

There is a degree of frustration I express to all Members at the continual uncertainty of the future of Harness Racing in Queensland. The expected delivery of a world-class harness racing facility at Norwell is now in limbo, as Racing Queensland and the State Government reconsider its plans and commitments.

I can assure all harness racing participants in our great state that the Club is committed to ensuring the best possible outcome for our sport in Queensland, and the Club continues to work collaboratively with the key decision-makers in this respect.

The Club is aware of the modern-day limitations of the overall facilities at Albion Park, and, as a Board, we view this aspect as a key fact to remedy in the new financial year and onwards.

The financial performance of the Club in FY24 was disappointing, and I can report that the Club was impacted by several negative factors that affected the overall result.

These factors included:

- Significant reduced industry funding from Racing Queensland
- Considerable losses on our two major racing events - 2023 Constellations and the 2023 Ladbrokes Interdominion
- A substantial bad debt to the Club.

I am not one to offer excuses, and the Board and management of the Club are aware that changes need to be made to our operating model to ensure future profitability.

Members will note some changes to their own benefits at the Club, and the Board hopes that these changes might be short-term as the Club re-sets its financial performance.

The Club's overall financial position remains solid, and I am confident that the Club will rebound quickly from an unsatisfactory FY24.

From a racing perspective, there is little doubt the quality of the show at Albion Park is top class.

It helps having a champion in our midst, and in Leap To Fame we are fortunate to have a true equine mega-star to enjoy.

The 2023 Ladbrokes Interdominion Pacing Grand Final will linger long in the memory of those in attendance at Albion Park that December night, with Leap To Fame taking the spoils in staggering fashion.

It really was the “Larry” and “Harry” show, with Just Believe sweeping to victory in the trotting ranks.

### **Ladbrokes Sunshine Stars Yearling Sale**

The 2023 Ladbrokes Sunshine Stars Yearling Sale built on the gains of the inaugural previous year’s auction and has quickly staked a claim as the pre-eminent yearling sale in Queensland.

The sale was held at Albion Park for the first time and the support of breeders, vendors and buyers was greatly appreciated. Working with the Team at Nutrien has been rewarding, and the omens are promising for an even better sale in 2025 which will be held at Albion Park on February 23, 2025.

### **Sponsors**

Sponsorship is the lifeblood of many racing Clubs, and our Club is no different. The contribution of our main sponsor, Ladbrokes, is totally appreciated. The team at Ladbrokes are incredibly supportive of our Club and regularly go over and above any contractual arrangement.

Our Club continues to derive tremendous value from its long-standing relationship with Garrards – a name synonymous with the Industry in Australasia.

I thank all our valued sponsors for their support of our Club.

### **The Creek Team**

The Board has changed in recent times, with Andrew Crisan, Andrew Clarke and Dale Forbes joining Peter Bell, Nathan Hand and myself to form the Board of Directors. I wish to thank all Directors for their dedication to their roles, and to also thank the Management team and staff at The Creek for their commitment to the Club.

## **Greg Mitchell**

*Chairperson*





# 2023 - 2024 CHIEF OPERATING OFFICER'S REPORT

I have great pleasure in delivering my first Chief Operating Officer report for the Albion Park Harness Racing Club with my time at the Club now exceeding a year.

So many opportunities remain unfulfilled at the Club and, more generally, with the Harness Racing industry in South East Queensland. The industry should take great heart in achieving so much with relatively scant support and funding.

As a Club, we need to send a message to the industry that investment is needed to add energy to and truly reinvigorate our sport in this region.

By maintaining the "status quo", a decline in the overall interest and success of Harness Racing in our state will not be arrested. Real action by Racing Queensland and the State Government needs to occur otherwise the old Albert Einstein adage about doing the thing over and over again and expecting different results springs to mind.

One obvious challenge we face is the ever-growing list of upgrades required at our facility at Albion Park. While the project list is extensive, the Club (as a tenant at Albion Park) is realistic about achieving what can be afforded each year.

While these challenges are part of a discussion with Racing Queensland, the Club remains hopeful that the speeding up of a number of these improvements can be achieved through an increase in industry funding.

The most obvious opportunity for the Club is a reset to

its operating model given the imminent departure from Albion Park of greyhound racing. As a sole tenant at the facility, the Club is hopeful that certain projects can now be prioritised, including an elevator to service our hospitality areas, a refurbishment of the existing Pacers & Chasers bar, a redesign of The Creek Function Centre, and upgrades to the stabling area.

The Club, as mentioned, is realistic about what can be achieved, and the funding required to achieve it. A staged approach is likely to be required, and the Club looks forward to reaping tangible rewards from our ongoing conversations with Racing Queensland.

Talking about our "operating model", a quick look at the financial results for FY24 tells all that changes need to occur to the way the Club does its business.

As Chairman Greg Mitchell states in his report, the Club did suffer from a convergence of negative factors during FY24.

For example, there is a certain irony that by putting on a big show for an event such as 2023 Constellations and the 2023 Ladbrokes Inter Dominion, it is almost impossible to turn a profit.

Added costs around, for example, hiring equipment, furniture and the like, are not offset by the requisite increase in revenue.

The limitations of the facility at Albion Park are exposed when looking to host large gatherings of people. Our remaining grandstand can comfortably house a crowd of around 1,000 people (just), with additional space at the Trackside Marquee and the Creek Function Centre capable of increasing capacity to maybe 1,500 attendees in total.



With all the afore-mentioned costs, the Club needs to attract significantly more people to the track to ensure profitability.

I have no doubt that by providing a quality, modern hospitality facility for folk to come and enjoy the high-quality harness racing on show, that a significant entertainment option will be added to the “things-to-do” list for the city of Brisbane.

It is well known that clubs would not exist without the generous support of sponsors, and we are blessed to have a great cohort of partners. We thank them all for their amazing support and loyalty over recent times and look forward to an exciting future with all sponsors.

Members are the heart and soul of any club, and I thank all Members for their support and feedback to help us get better. We continue to work through more efficient ways to communicate, reward and service our Members, and we hope to unveil more enhancements in the near future.

I would like to thank Brad Steele, our recently departed Chairman, for his support through my initial nine months in my role. I doubt if I have met a more committed, passionate Harness Racing person than Brad.

The current Board, led by Greg Mitchell, have provided great support and guidance in trusting me with this privileged position as COO of the APHRC.

The staff at The Creek are amazing and on behalf of all Members, I thank them all for their efforts during FY24.

Regarding our racing participants - breeders, owners, trainers and drivers - thank you for your continued support of the APHRC. We currently have local champions in all aspects of the Harness Racing industry, and we congratulate them on their successes.


**Ken Rutherford**

*Chief Operating Officer*

# INITIATIVES & ACHIEVEMENTS 2023 - 2024

## MEMBERSHIP & HOSPITALITY

- Membership events
- Membership giveaways across summer & winter carnivals
- Membership 'freebies' including complementary food & beverage vouchers



## RACING

*During 2023-2024 a number of new races were run or developed including:*

- Inaugural slot race, The Hayden held for the first time where Speak The Truth proves dominant, gaining the Racing Queensland slot to compete in The Eureka
- Another brand new race- The Great Square, held for three and four-year-old trotters, with London To A Brick successful
- The Inter Dominion returns to Brisbane for the first time since 2001
- Ballots for slots in the first ever Protostar are held to determine the eight slot holders, joining Ladbrokes two slots in the richest two-year-old race in the country

## ACTIVATION & EVENTS

- Golf Day and Barrier Draw for Ladbrokes Blacks A Fake
- Calcutta for Ladbrokes Blacks A Fake
- Golf Day for ID23
- ID23 Barrier Draw conducted at Tangalooma Island
- Calcutta for Ladbrokes ID23
- Mini Blacks A Fake
- Mini Inter Dominion
- Australasian Young Drivers Championship





## FACILITIES, FOOD & BEVERAGE

- Permanent Winning Post Marquee
- Second permanent marquee - Past The Post
- Long term temporary barns
- Seasonal menus at Pacers & Chasers
- Cocktail Furniture (Creek Function Room)
- Ladbrokes Beer Garden for ID23





## SPONSORSHIP

*New sponsorships and renewals achieved during 2023-2024 included:*

- Burwood Stud
- Garrards Horse and Hound
- Haras Des Trottiers
- Leading Edge Security
- Pryde's EasiFeed
- Selective Motors
- Somerset Farms
- Stance Equitec
- Standardbredsalinone
- Racing & Sports.com
- Trump Bloodstock/Pace With Mates
- Teski Cleaning
- Ultimate Tools
- View Hotels
- Wolf Signs
- 2023 Constellations Carnival Sponsors (Betavet, Breakfast Creek Hotel, Maer Group, Sully.app)
- ID23 Carnival Sponsors (SEN, Garrards, Ladbrokes)

## MARKETING

### *Marketing initiatives across 2023-2024 included:*

- Further website development
- Increased email & SMS communications
- Member & guest vouchers
- Growth of communications database
- Summer, Winter & ID23 websites
- Digital advertising
- Growth of social media channels





# TREASURER'S REPORT

## 2023-2024

The 2024 financial year provided a disappointing outcome for the Club with a reported loss of \$697,225.

The main factors contributing to the loss include:

- The poor performances of our two major events – the 2023 Constellations and the 2023 Interdominion Championships.
- There are considerable costs attributed to staging these events and these costs were not offset in terms of revenue.
- Employee costs have increased significantly and have triggered a reappraisal of our food and beverage operation, in particular.
- A significant bad debt was another related element that impacted the FY24 result.
- A decrease in Industry funding.

The Board and Management have made changes to the Club's operation that will improve the financial position going forward.

The departure of greyhound racing from Albion Park provides an opportunity for the Club to gain greater efficiencies in the way the business operates and to explore more revenue-generating opportunities.

The Club acknowledges and thanks Racing Queensland for its financial support of the Club and, more generally, Harness Racing in SE Queensland. However, decreasing Industry funding is a trend that all parties need to address. The Club would feel that the lack of investment in facilities at Albion Park is a severe restriction on the Club's ability to generate more revenue.

The Club retains a strong balance sheet and views the immediate future of the Club as being positive.

A handwritten signature in black ink that reads "Peter Bell". The signature is written in a cursive, slightly slanted style.

**Peter Bell**

*Hon. Treasurer*





# Financial Statements

FOR

**ALBION PARK  
HARNESS RACING CLUB INC**

FOR THE YEAR ENDED  
30 JUNE 2024

# ALBION PARK HARNESS RACING CLUB INC

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		\$	\$
Revenue	2	3,344,144	3,221,595
Other Income		127,107	61,114
Racing Expense		(806,399)	(643,402)
Members Expense		(3,129)	(7,018)
Audit Fees		(17,500)	(16,470)
Bank Charges		(9,892)	(6,520)
Employee Expenses		(1,432,828)	(1,041,375)
Legal		(33,160)	(24,446)
Drivers Room		(2,717)	(3,960)
Repairs and Maintenance		(196,533)	(157,142)
Administration		(72,268)	(73,942)
Prizemoney Contribution		(1,955)	(50,695)
Promotional Activities		(350,939)	(246,767)
Travel and Entertainment		(26,086)	(119,082)
Depreciation		(215,341)	(194,283)
Fair Value Gains/(Losses) on Financial Assets		-	(120)
Food and Beverage cost of sales		(308,973)	(187,093)
Other Expenses		(690,756)	(357,859)
<b>Profit/(loss) before income tax</b>		<b>(697,225)</b>	<b>152,535</b>
Income tax expense		-	-
<b>Profit/(loss) after income tax</b>		<b>(697,225)</b>	<b>152,535</b>
Other comprehensive Income		-	-
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>(697,225)</b>	<b>152,535</b>

*The accompanying notes form part of these Financial Statements*

# ALBION PARK HARNESS RACING CLUB INC

## STATEMENT OF FINANCIAL POSITION

AS OF 30 JUNE 2024

	Note	2024	2023
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,840,620	3,482,011
Trade and other receivables	4	490,719	429,029
Inventories		44,669	44,775
Financial Assets at Fair Value through Profit or Loss	5	3,760	3,760
Other Current Assets	6	16,324	120,635
<b>Total Current Assets</b>		<b>3,396,092</b>	<b>4,080,210</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	7	847,835	935,647
<b>Total Non-Current Assets</b>		<b>847,835</b>	<b>935,647</b>
<b>TOTAL ASSETS</b>		<b>4,243,927</b>	<b>5,015,857</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	420,376	418,473
Other Current Liabilities	9	100,064	193,051
Employee Provisions		52,306	35,927
<b>Total Current Liabilities</b>		<b>572,746</b>	<b>647,451</b>
<b>TOTAL LIABILITIES</b>		<b>572,746</b>	<b>647,451</b>
<b>NET ASSETS</b>		<b>3,671,181</b>	<b>4,368,406</b>
<b>EQUITY</b>			
Retained earnings		3,671,181	4,368,406
<b>TOTAL EQUITY</b>		<b>3,671,181</b>	<b>4,368,406</b>

*The accompanying notes form part of these Financial Statements*

# ALBION PARK HARNESS RACING CLUB INC

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		\$	\$
		Inflows	Inflows
		(Outflows)	(Outflows)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts in the course of operations		3,519,832	4,236,267
Payments to suppliers and employees		(4,159,372)	(3,529,219)
Interest received		112,907	60,834
Dividends received		280	280
<b>Net Cash provided by (used in) Operating Activities</b>		<b>(526,353)</b>	<b>768,162</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		45,455	-
Purchase of property, plant and equipment		(160,493)	(220,992)
<b>Net Cash provided by (used in) Investing Activities</b>		<b>(115,038)</b>	<b>(220,992)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
<b>Net Cash provided by Financing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>		<b>(641,391)</b>	<b>547,170</b>
<b>CASH AT THE BEGINNING OF THE REPORTING PERIOD</b>		<b>3,482,011</b>	<b>2,934,841</b>
<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>3</b>	<b>2,840,620</b>	<b>3,482,011</b>

*The accompanying notes form part of these Financial Statements*



# ALBION PARK HARNESS RACING CLUB INC

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

	Retained Earnings \$	Total \$
<b>At 1 July 2022</b>	<b>4,215,871</b>	<b>4,215,871</b>
<b>Comprehensive Income</b>		
Profit/(loss) for the year	152,535	152,535
<b>Other Comprehensive Income</b>	-	-
<b>Total Comprehensive Income / (Loss)</b>	<b>152,535</b>	<b>152,535</b>
<b>At 30 June 2023</b>	<b>4,368,406</b>	<b>4,368,406</b>
<b>At 1 July 2023</b>	<b>4,368,406</b>	<b>4,368,406</b>
<b>Comprehensive Income</b>		
Profit/(loss) for the year	(697,225)	(697,225)
<b>Other Comprehensive Income</b>	-	-
<b>Total Comprehensive Income / (Loss)</b>	<b>(697,225)</b>	<b>(697,225)</b>
<b>At 30 June 2024</b>	<b>3,671,181</b>	<b>3,671,181</b>

*The accompanying notes form part of these Financial Statements*

## **Note 1 Statement of Material Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements of Albion Park Harness Racing Club Inc (the Association) are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

The following Accounting Standards and Interpretations are most relevant to the Association:

#### *Conceptual Framework for Financial Reporting (Conceptual Framework)*

The Association has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Association's financial statements.

#### *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The Association has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of International Financial Reporting Standards (IFRS) for small and medium sized enterprises (SMEs). As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Associations Incorporation Act (Qld). The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

#### *Historical cost convention*

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

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1 (n).

#### **(a) Members Capital**

Albion Park Harness Racing Club Inc. is an Incorporated Association.  
Therefore, there is no authorised or issued capital.

#### **(b) Property, Plant and Equipment**

Property, plant and equipment are included at cost.  
For plant and equipment gifted to the Club, the cost is recorded as its fair value at the date of acquisition.

The depreciable amount of all fixed assets is depreciated over their useful lives commencing from the time the asset is held ready for use.

**Note 1 Statement of Material Accounting Policies (continued)**

**(c) Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a straight-line basis over their useful lives to the entity commencing from the time the asset is held ready for use.

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

<b>Class of Fixed Asset</b>	<b>Depreciable Rate</b>
Plant and Equipment	7% - 50%
Furniture and Fittings	10% - 20%
Catering and Refurbishment Costs	20%
Leasehold Improvements	10% - 34%
Motor Vehicle	10% - 20%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(d) Impairment of Assets**

At each reporting date, the Association reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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.

**(e) Income Tax**

The Association does not pay income tax and accordingly tax effect accounting procedures are not followed.

**(f) Employees Benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable after one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

As the Management Committee believes it is probable that employees will not in future years use more than their annual entitlement of sick leave, no provision for accrued sick leave has been made as the leave will be an expense of the period.

**Note 1 Statement of Material Accounting Policies (continued)**

**(g) Revenue**

*Revenue from contracts with customers*

The Association applies AASB 15 to recognise revenue when an agreement is enforceable and contains performance obligations to transfer goods or services that are sufficiently specific to determine when the obligation has been satisfied. For an arrangement that is not within the scope of AASB 15, and not otherwise within the scope of other standards, it would be treated as contribution income under AASB 1058 (for example a cash donation without conditions).

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

*Government Grants*

Revenue from grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred in the statement of financial position as a 'contract liability' until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised immediately under AASB 1058 when the Association obtains control of the cash.

If conditions are attached to the grant which must be satisfied before the Association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a 'contract liability' until those conditions are satisfied.

*Other Revenue*

Interest revenue is recognised using the effective interest rate 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.

Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

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

**(h) Financial Assets at Fair Value through Profit or Loss**

*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Association's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the Association initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Association's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

**Note 1 Statement of Material Accounting Policies (continued)**

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)\*
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss\*.

\*These are the financial assets most relevant to the Association.

Financial assets at amortised cost (debt instruments)

The Association measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

The Association's financial assets at fair value through profit or loss include financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss based on the exit price as reported by the managers of the trusts.

*Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Association's has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Association has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Association continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Association also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Association has retained.

**Note 1 Statement of Material Accounting Policies (continued)**

**(i) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(j) Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

**(k) Contract Liabilities – Deferred Revenue**

Contract Liabilities represent the Association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Association has transferred the goods or services to the customer.

**(l) Fair Value of Assets and Liabilities**

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

"Fair value" is the price the Association would receive to sell an asset or would have to pay to transfer a liability in an orderly (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 the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the Association at the end of the reporting period (ie. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

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

**(m) Comparative Figures**

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

**Note 1 Statement of Material Accounting Policies (continued)**

**(n) Critical Accounting Estimates and Judgements**

The committee members evaluate estimates and judgements incorporated into the financial report 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*

*Estimation of Useful lives of assets*

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

The committee do not consider there to be any other key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material misstatement to carrying amounts of assets/liabilities in next annual reporting period.

*Key Judgements*

The committee do not consider there to be any critical judgements concerning the recognition and measurement of assets, liabilities, income and expenses.

# ALBION PARK HARNESS RACING CLUB INC

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
<b>2 Revenue</b>		
Racing subsidy revenue	1,258,125	1,197,544
Race day revenue	644,562	776,132
Sponsorship revenue	516,612	412,833
Membership revenue	24,064	22,147
Capital Grants Revenue	56,850	110,259
Sunshine Stars Revenue	108,810	182,561
Catering and function revenue	735,121	520,119
<b>Total</b>	<b>3,344,144</b>	<b>3,221,595</b>
<b>3 Cash and Cash Equivalents</b>		
<b>Cash Assets</b>		
Cash at Bank and on Hand	2,840,620	3,482,011
<b>Total</b>	<b>2,840,620</b>	<b>3,482,011</b>
<b>4 Trade and Other Receivables</b>		
Trade Receivables	346,142	285,278
Provision for Doubtful Debts	(264)	(264)
	<b>345,878</b>	<b>285,014</b>
Accrued Revenue	144,841	144,015
<b>Total</b>	<b>490,719</b>	<b>429,029</b>
<b>5 Financial Assets at Fair Value through Profit or Loss</b>		
Investment Portfolios at Market Value	3,760	3,760
<b>Total</b>	<b>3,760</b>	<b>3,760</b>
<p>Securities in listed corporations held for trading purposes to generate income through the receipt of dividends and capital gains.</p>		
<b>6 Other Current Assets</b>		
Prepayments	16,324	120,635
<b>Total</b>	<b>16,324</b>	<b>120,635</b>



	Note	2024 \$	2023 \$
<b>7 Property, Plant and Equipment</b>			
<b>Plant and Equipment</b>			
At cost		825,521	726,565
Less accumulated depreciation		(382,598)	(305,570)
Net Book Value		<b>442,923</b>	<b>420,995</b>
<b>Furniture, fixtures and fittings</b>			
At Cost		115,205	104,547
Less accumulated depreciation		(55,707)	(37,599)
Net Book Value		<b>59,498</b>	<b>66,949</b>
<b>Temporary Infrastructure</b>			
At Cost		41,310	41,310
Less accumulated depreciation		(33,247)	(29,516)
Net Book Value		<b>8,063</b>	<b>11,794</b>
<b>Catering &amp; Fit Out</b>			
At Cost		78,959	78,816
Less accumulated depreciation		(54,774)	(42,937)
Net Book Value		<b>24,185</b>	<b>35,879</b>
<b>Leasehold Improvements</b>			
At Cost		423,855	417,681
Less accumulated depreciation		(258,367)	(188,681)
Net Book Value		<b>165,488</b>	<b>228,999</b>
<b>Motor Vehicles</b>			
At Cost		211,638	211,639
Less accumulated depreciation		(63,960)	(40,608)
Net Book Value		<b>147,678</b>	<b>171,032</b>
<b>Total Net Book Value</b>		<b>847,835</b>	<b>935,647</b>

#### 7 Property, Plant and Equipment (continued)

##### Impairment of Assets

In accordance with note 1(d) the club has reviewed its Property, Plant and Equipment for Impairment and has determined that there are no indicators of impairment of those assets.

Asset Name	Carrying amount 1 July 2022 \$	Additions Cost / Fair Value \$	Disposals \$	Depreciation \$	Carrying amount 30 June 2023 \$
Plant & Equipment	306,333	188,814	(1,048)	(73,104)	420,995
Furniture & Fittings	56,840	25,727	-	(15,618)	66,949
Temporary Infrastructure	15,526	-	-	(3,732)	11,794
Catering & refurbishment costs	47,706	-	-	(11,827)	35,879
Leasehold Improvements	289,197	6,450	-	(66,648)	228,999
Motor Vehicles	194,384	-	-	(23,353)	171,031
<b>Total</b>	<b>909,986</b>	<b>220,991</b>	<b>(1,048)</b>	<b>(194,282)</b>	<b>935,647</b>

Asset Name	Carrying amount 1 July 2023 \$	Additions Cost / Fair Value \$	Disposals \$	Depreciation \$	Carrying amount 30 June 2024 \$
Plant & Equipment	420,995	145,911	(33,171)	(90,812)	442,923
Furniture & Fittings	66,949	10,658	-	(18,109)	59,498
Temporary Infrastructure	11,794	-	-	(3,731)	8,063
Catering & refurbishment costs	35,879	-	-	(11,694)	24,185
Leasehold Improvements	228,999	3,924	-	(67,435)	165,488
Motor Vehicles	171,031	-	-	(23,353)	147,678
<b>Total</b>	<b>935,647</b>	<b>160,493</b>	<b>(33,171)</b>	<b>(215,134)</b>	<b>847,835</b>

	2024	2023
	\$	\$
<b>8 Trade and Other Payables</b>		
Trade payables	152,306	176,635
GST Payable / (Receivable)	9,611	37,632
Accrued Expenses	40,377	50,814
Employee benefits	164,851	103,166
Other payables	53,232	50,226
	<b>420,376</b>	<b>418,473</b>
<b>9 Other Liabilities</b>		
Deferred Revenue - Other	100,064	193,051
	<b>100,064</b>	<b>193,051</b>
<b>10 Remuneration of Auditors</b>		
During the financial year the following fees were paid or payable for services provided by PKF Brisbane Audit, the auditor of the Association, its network firms and unrelated firms:		
<i>Audit services - PKF Brisbane Audit</i>		
Audit of financial statements	16,550	15,600
<i>Other services - PKF Brisbane</i>		
General advice matters	950	870
	<b>17,500</b>	<b>16,470</b>

### 11 Association Details

The Registered Office & Principal Place of Business of the club is:

Albion Park Harness Racing Club  
Albion Park Raceway  
Amy Street  
ALBION QLD 4010

### 12 Contingent Assets and Liabilities

There were no other contingent assets and liabilities against or incurred by the club.

### 13 Post Balance Date Events

There have been no events subsequent to balance date affecting this report.

### 14 Key Management Personnel Compensation

	2024	2023
	\$	\$
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel (KMP).		
KMP compensation	230,534	154,331

### 15 Other Related Party Transactions

Expenses - Race calling services - amounts paid to related parties for race calling and presenting services	-	-
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All transactions with related parties were on normal commercial terms.

Outstanding balances

There were no balances outstanding at the end of the reporting period in relation to transactions with related parties.

In the Management Committee's opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards – Simplified Disclosures and the Associations Incorporation Act (Qld);
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the Management Committee



**Greg Mitchell**

CHAIRMAN

Dated this 16<sup>th</sup> day of October 2024

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBION PARK HARNESS RACING CLUB INC.

### Report on the Financial Report

#### Opinion

We have audited the accompanying financial report of Albion Park Harness Racing Club Inc. (“the Association”), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Management Committees’ declaration.

In our opinion the financial report of the Association is in accordance with the *Associations Incorporation Act (QLD)*, including:

- a) Giving a true and fair view of the Association’s financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards – Simplified Disclosures.

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

#### Independence

We are independent of the Association in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

### Management Committees' Responsibilities for the Financial Report

The Management Committees of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Associations Incorporation Act (QLD) and for such internal control as the management committees 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 Management committees are 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 Management committees either intend 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



PKF BRISBANE AUDIT



CAMERON BRADLEY  
PARTNER

16 OCTOBER 2024  
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# The Creek

ALBION PARK HARNESS RACING CLUB

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