



2020 ANNUAL REPORT

Country Racing SA Inc.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Country Racing SA Inc. will be held in The Junction Meeting Room, Ground Floor 470 Anzac Highway commencing at 9.00am on Friday 18th December 2020.

ORDINARY BUSINESS

1. Confirm the Minutes of the 2019 Annual General Meeting.
2. Receive the Reports of the Board.
3. Determine the level of Affiliation Fees for Members Clubs.
4. Determine the level of remuneration, expenses and allowances for Members of the CRSA Board.
5. Appointment of Auditor.
6. General Business - other Items to be included at the discretion of the Chairman unless Notice of Special Business has been received in accordance with the Constitution.

CHAIRMAN'S REPORT

Most years, my report has commenced with "There have been many challenges in the racing industry over the preceding reporting period" never has a truer word been spoken, than for the last six months.

The commencement of the COVID – 19 virus epidemic was frightening as the likelihood of racing continuing during the pandemic was considered improbable. However, the enduring efforts of the clubs, their COVID planning and their commitment to implementing the ever changing COVID rules meant that racing continued.

CRSA continues to represent the clubs as a shareholder and lobby TRSA with regard to policy matters such as the updating of the TRSA Constitution. I remind clubs that CRSA cannot get involved in operational matters as we do not have sufficient resources, our Board gives of their time freely and we engage only one-part time person who is also very generous with his time. It is my view that CRSA should seek further funding and increase our resources to better represent our member clubs.

The Constitution revamp has been a calamity and demanded a huge amount of our resources this year as we struggled to apply good governance and ethically correct principals to the rules that govern racing in South Australia. We were often forced to compromise and make changes that satisfied the State Government. We were forced to withdraw our recommendations and threatened with the withdrawal of Government funds to the industry, personally, I found this very difficult ethically. Even now we are awaiting advice from Crown Law regarding an exemption to the constitution allowing a Board Member to be appointed outside the rules of the Constitution. My advice is that this will legally fail and will therefore require further changes to the Constitution.

COVID-19 has had a huge impact on our economy and will continue to do so for many years to come. The industry (Clubs) has been able to continue operating under tough restrictions but at least racing continued. Despite the closure of TAB retail outlets and club and pub venues, the digital product continued and revenue streams continued. CRSA continually petitioned TRSA, to ensure that clubs who were entitled to claim Job Keeper did so and we believe that this enabled clubs to continue trading during this difficult period. We are currently in discussion with TRSA regarding further compensation for clubs who have had major events cancelled which substantially provide the financial resources for clubs to survive the year.

Others matters that have been a focus during the year include;

- Improving and monitoring TAB performance.
- Mount Gambier racing surface.
- Bordertown facility.
- Capital projects funded by the State Government
- Continuing to forward a summary of CRSA meeting minutes to our constituents.
- Joint management of clubs.
- Planning for a CRSA stand-alone website which has been introduced early in the new financial year.
- Continued collaborative relationship with the SAJC

Sadly, due to COVID-19 restrictions, we have been unable to visit many country clubs during the second half of the financial year.

I would like to take this opportunity to thank the CRSA Board and all volunteers within our Member Clubs for their many hours of hard work to ensure the success of our industry. Finally, I would like to extend a sincere and heart held thanks to Chris Biggs and at times Travis Dittmar. Without their contribution and dedication CRSA would be but a minnow in the racing Industry.

Wayne Henson
Chairman

Board Delegates

Chairman:

Wayne Henson

Wayne Henson was re-appointed as Chairman at the December Board meeting.

Board:

Group Central & Deputy Chairman

Jeff Tansell

Jeff Tansell was re-appointed as Deputy Chairman at the December Board Meeting.

Group Eastern

John O'Connor

Justin Kain

John O'Connor attended the July, August, September, October & November 2019 Board meetings as the Delegate before the appointment of Justin Kain as the Delegate for the Group Eastern Clubs in December 2019.

Group Western

Greg Fitzgerald

Balaklava Racing Club

Wayne Henson

Gawler & Barossa Jockey Club

Ian Millen

Ian Millen was re-appointed to act as the Deputy Chairman at the December Board meeting on any occasion whenever Jeff Tansell was not available.

Murray Bridge & Mindarie-Halidon Racing Clubs

Reg Nolan

Oakbank Racing Club

John Glatz

Strathalbyn Racing Club

Bill Peake

Delegate Meetings Attended (includes via electronic medium)

Delegate	Eligible Meetings (inc AGM)	Number Attended
Wayne Henson	11	11
Greg Fitzgerald	11	9
John Glatz	11	6
Justin Kain	6	6
Ian Millen	11	11
Reg Nolan	11	8
John O'Connor	7	7
Bill Peake	11	6
Jeff Tansell	11	8

Note: No Board Meetings were held in January 2019 and April 2020. The 2019 AGM was held in December 2019.

Auditor

William Buck

Solicitor

Piper Alderman

Bank

Commonwealth Bank

Office

240 Morphett Road

PLYMPTON NORTH SA 5037

Postal Address

GPO Box 2646, ADELAIDE SA 5001

Chief Executive Officer

Chris Biggs

Mobile Telephone

0417 833 231

Email

cbiggs@countryracingsa.com.au

FINANCIAL REPORT

The attached Financial Statement has been audited in accordance with the Constitution of Country Racing SA Inc. In particular, the following aspects of the report should be noted:

Revenue

- In 2018 CRSA negotiated an increase in the operational subsidy provided by TRSA including an annual CPI adjustment.

Expenditure

- Regional support included the expenditure relating to the WHS audit conducted in conjunction with TRSA approximately every 18 months.
- As part of the negotiated increase in operational funding an increase in management fees occurred due to the increased workload of the Chief Executive Officer.
- Travel and accommodation includes increased visitation by delegates and the Chief Executive Officer to race meetings and other regional visits plus attendance by country delegates to CRSA meetings. As part of the negotiated increase in operational subsidy TRSA agreed for CRSA delegates to receive complementary air travel to country race meetings as from February 2018 provided there was available seats on the industry aircraft.
- The COVID-19 restrictions have impacted on the conduct of meetings and travel which has resulted in many being conducted via the electronic medium.

**COUNTRY RACING SA INCORPORATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2020**

COUNTRY RACING SA INCORPORATED
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
INCOME			
Affiliation Fees		3,600	3,600
Bank Interest		5	6
Thoroughbred Racing SA Ltd Industry Funding		61,848	61,032
		65,453	64,638
EXPENDITURE			
Accounting and Audit Fees		1,277	1,255
Bank Fees and Charges		46	37
Committee Expenses		3,864	2,066
Function Expenses		-	181
Insurance		942	569
Printing, Stationery and Photocopying		385	270
Management and Secretarial Fees		36,000	36,000
Office Supplies		103	1,674
Regional Support		409	762
Sponsorship Expenses		250	250
Subscriptions and Licences		386	610
Travel and Accommodation		18,294	24,727
		61,956	68,401
Total Expenditure		61,956	68,401
Operating Profit (Deficit)		2,197	(3,763)
Accumulated Surplus at the Beginning of the Financial Year		46,372	50,135
Accumulated Surplus at the End of the Financial Year		48,569	46,372

COUNTRY RACING SA INCORPORATED

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
Current Assets			
Cash at Bank		48,186	51,169
Trade and Other Receivables	2	1,155	1,775
Total Current Assets		49,341	52,944
Total Assets		49,341	52,944
Current Liabilities			
Trade and Other Payables	3	772	6,572
Total Current Liabilities		772	6,572
Total Liabilities		772	6,572
Net Assets		48,569	46,372
Represented by:			
Members' Funds			
Accumulated Surplus		48,569	46,372
Total Members' Funds		48,569	46,372

COUNTRY RACING SA INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

These financial statements are special purpose financial statements prepared in order to satisfy the needs of the members. The Committee has determined that the association is not a reporting entity because there are no users dependent on general purpose financial statements.

The financial statements have been prepared on an accruals basis and are based on historic costs unless otherwise stated in the notes and do not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the committee members have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

(a) Income Tax

The Association is not subject to income tax under existing taxation law.

(b) Comparative Figures

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Debtors and Creditors

Debtors are recorded at amounts due less any allowance for doubtful debts. Creditors and other amounts payable are recognised when the club becomes obliged to make future payments resulting from the purchase of goods and services.

(d) 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 Tax 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 assets and liabilities statement.

(e) Related Party Disclosures

Members of the committee receive reimbursement of accommodation and travel costs on normal commercial terms and conditions to enable attendance at committee and other meetings.

COUNTRY RACING SA INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
NOTE 2 – TRADE AND OTHER RECEIVABLES		
Trade receivables	1,155	1,775
	<u>1,155</u>	<u>1,775</u>
NOTE 3 – TRADE AND OTHER PAYABLES		
Trade creditors	-	6,140
GST payable	772	432
	<u>772</u>	<u>6,572</u>

NOTE 4 – CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The Association does not have any contingent assets or contingent liabilities.

NOTE 5 - EVENTS AFTER THE REPORTING PERIOD

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

NOTE 6 – ASSOCIATION DETAILS

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

- Country Racing SA Incorporated
Morphettville Racecourse
MORPHETTVILLE SA 5043

COUNTRY RACING SA INCORPORATED
DECLARATION BY MEMBERS OF THE COMMITTEE


The Committee have determined that the Association is not a reporting entity.

The Committee have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the members of the Committee:


- 1) the financial report as set out on pages 1 to 4 presents fairly the financial position of the Country Racing SA Incorporated as at 30 June 2020 and its performance for the year ended on that date; and
- 2) at the date of this declaration there are reasonable grounds to believe that the Country Racing SA Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Committee for and on behalf of the Committee by:-



Name: *WAYNE HENSON*

Title: *CHAIRMAN*



Name: *IAN MILLON*

Title: *DIRECTOR*

Dated this *20* day of *OCTOBER*, 2020.

COUNTRY RACING SA INCORPORATED

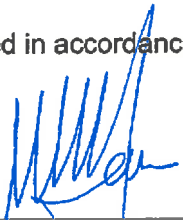
COMMITTEE REPORT

Your Committee submits the attached financial report of the Country Racing SA Incorporated for the year ended 30 June 2020.

- 1) No Committee member or officer of the Association has received or become entitled to receive during the financial year a benefit as a result of a contract made by the Association with a Committee member or officer of the Association, a firm of which a Committee member is a member or an entity in which a board member has a substantial financial interest.

- 2) No Committee member has received pecuniary benefits from the Association during the financial period other than as disclosed in the financial report.

Signed in accordance with a resolution of the Committee:



Name: Wayne Henson

Title: CHAIRMAN



Name: IAN MILLEN

Title: DIRECTOR

Dated this 9 day of OCTOBER, 2020.

Country Racing SA Incorporated

Independent auditor's report to members

Report on the Audit of the Financial Statements

Audit Opinion

We have audited the financial report of Country Racing SA Inc. (the Association), which comprises the statement of financial position as at 30 June 2020, the statement of income and expenditure, notes to the financial statements, including a summary of significant accounting policies and the declaration by members of the committee.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2020, and its financial performance for the year then ended in accordance with the accounting policies in Note 1 and the Association Incorporations Act (SA) 1985.

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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Country Racing SA Inc. to meet the requirements of the Associations Incorporation Act (SA) 1985. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

ACCOUNTANTS & ADVISORS

Level 6, 211 Victoria Square
Adelaide SA 5000
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Adelaide SA 5001
Telephone: +61 8 8409 4333
williambuck.com

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

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Act (SA) 1985 and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.



William Buck
ABN 38 280 203 274



G.W. Martinella
Partner

Dated this 9th day of October, 2020.