



CLARENCE RIVER JOCKEY CLUB 2011 ANNUAL REPORT



Annual General Meeting

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Clarence River Jockey Club Limited will be held in the Members' Bar, Grafton Racecourse, Powell Street Grafton on Tuesday 8 November 2011 commencing at 7.30pm.

BUSINESS

1. Receive and table Apologies
2. Confirm the minutes of the previous Annual General Meeting
3. Receive and consider the reports of the Board of Directors
4. Receive and consider the Financial Statements for the year ending 30 June 2011
5. Appoint Auditors to hold office until the next AGM
6. Deal with any business of which due notice has been given
7. Consider any other business of which the meeting may approve

Bradley de Martino Rosaroll
Chief Executive Officer



CLARENCE RIVER JOCKEY CLUB

Grafton Racecourse

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www.crjc.com.au

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CRJC Directors & Staff

Clarence River Jockey Club Board of Directors



Graeme Rickwood
Stephen Haines (VC)

Garry McCormick
John Kenny
Julie Hutchings

Wally Green
Graeme Green (C)

Rowan Wicks
Brian Ferrie

Bob Pavitt (T)

Clarence River Jockey Club Staff



Bradley de Martino
Chief Executive

Drew Cookson
Racecourse Manager

Wayne Phillips
Hospitality & Events Manager

Trish McNeilly
Finance / Administration



Sue Donohoe
Administration

Darren Collett
Mechanic / Groundsman

Ian Bathgate
Groundsman

Dean Hambly
Apprentice Greenkeeper

Rex Kelly
Trackwork Supervisor

Chairman's Report



It is my pleasure, on behalf of the Board of Directors, to present this report to the Members and any other interested parties, after all it has been quite a good year and we have achieved a very good financial result considering the state of the Nation at present.

We have also made quite good progress in the maintenance of the racetrack and stables as well as the development of our member/public facilities.

After meeting capital and maintenance expenditure and meeting all provisions etc. we still achieved a reasonable net profit of \$142,894. All expenditure is very closely monitored by both board and management. The result compares favourably with that achieved last financial year.

Our flagship event, the July Carnival was again most successful and this certainly helps us to ensure we continue throughout the year on a positive note.

Many of our colleagues and neighbouring clubs were not so fortunate and lost or had to postpone their cups carnivals along with numerous regular meetings due to bad weather and flooding. This has had a very detrimental effect on their financial positions and many are facing difficult times going forward. I certainly wish them well and we will give them whatever assistance possible to work through these tough times.

The Grafton Cup and WHK Ramornie continue to set benchmarks for all county races by attracting high quality horses and make some of the city race fields look pretty ordinary. I thank all trainers and visitors for their ongoing support.

The changes which have been made over recent years to our support days, particularly Ladies Day (South Cup) and Family Day (Maclean Cup) are proving most positive and these days are continuing to be very popular and profitable for the club.

Without our great sponsors it would be most difficult to put on such a successful carnival or to be a successful race club. I sincerely thank all sponsors both big and small for their support, it is greatly appreciated. Without listing all our sponsors and

with respect to all I particularly thank the following major sponsors Westlawn Finance, WHK, XXXX Gold, Coffs Coast Prestige, Maclean Bowling Club, Tursa Employment & Training, NBN Television, Winning Edge Presentations, Schweppes and Yellow Tail Wines. They are all great people, great sponsors and a pleasure to work with. Thank you all.

I also thank the Kensei Club members for their support and it was great to see Wykes Tyrepower come out the big winner for naming rights to the 2011 Cup. Any Kensei Club member can win this right and the marketing benefits of being involved in the racing world, so why not be part of it next year. The following businesses are members and all won individual prizes, Mark Bloomer Transport, Roches Family Hotel, Grafton Gas & Plumbing, Grafton District Services Club, Wykes Tyrepower, Yamba Shores Tavern, Maclean Bowling Club, XXXX Gold, Elders Real Estate Grafton and Hanks Kitchen. Congratulations to all Kensei members on their prizes and I hope you will all be there again in 2012.

Promotion and good Management of our functions & events is also starting to pay good dividends with revenues now supporting our racing activities and the bottom line.

The support of the media is essential for promoting our racing and particularly our Carnival. We are most fortunate to work with The Daily Examiner, Radio 2GF, NBN Television, Sky Racing & Sky Sports Radio. Their ongoing promotional efforts are much appreciated. Thanks also to some of the terrific personalities who work with them such as Tony White & Patrick Allen from the Daily Examiner, Chris Scholtz of Racing & Sports, Gary Kliese & Rod Fuller of Sky Racing. Thank you also Barry & Marg Walker and your team at Beam Video. You do a great job.

In presenting the following Annual Financial Report I finally acknowledge the excellent work and effort by our CEO Mr Bradley de Martino Rosaroll, who is capably supported by his Admin & Management Teams and their staff, all have done another terrific job. On behalf of the Board of Directors we thank you all personally for your individual effort & loyalty. I also sincerely thank all Directors for their effort and their most valuable personal time which they contribute with little recognition to your race club.

G.E.Green
Chairman



Stars of the 2011 July Carnival

WHK Ramornie Handicap

ANDREW GIBBONS - Jockey

JEREZANA

Trainer - PETER SNOWDEN



Wykes Tyerpower Grafton Cup

PAUL HAMMERSLEY - Jockey

WARRIOR WITHIN

Trainer - BRUCE W HILL



Coffs Coast Prestige South Grafton Cup

GAZZA GURU



TURSA Employment Grafton Guineas

OKANE



Treasurer's Report



I am pleased to report that the 2011 financial year has shown a trading profit of \$142,894.

This is a good result for the club and was achieved allowing for the purchase of equipment and establishment of the Club owned marquee situated on the public hill area. This marquee will provide additional funds for the club in the future. Other capital works included the replacement of a large portion of the boundary fence along Turf Street and new concrete between the entrance walkway and members stairs

The result was achieved by an increase in Racing NSW contributions generally created by the conversion of non TAB Saturdays to TAB Sky 2 meetings which also created an increase in the Clubs return to owners and industry participants. In addition to the industry contributions the CEO Bradley de Martino Rosaroll has kept tight control on expenditure under our control.

The following items detail major income and expenditure for the 2011 financial year.

Total income \$4,007,146

Admission Charges \$148,340
Membership Subscriptions \$75,733
Net Bar Trading \$251,346
Sponsors contributions \$199,798
Racing NSW Distribution Subsidy \$2,663,904
Track Maintenance Scheme \$174,110

Total expenditure \$3,864,252

Returns to Owners \$2,338,252
Racecourse Occupancy \$687,858
Jockey Ride Fees \$44,155
Salary & Wages \$154,187
Bar Wages \$82,434

During the 2012 financial year the major issue that will affect all clubs and the NSW industry in general is the outcome of the Racefields Legislation case. A positive outcome will provide a much needed financial boost for the racing industry.

Over the next 12 months the Club will continue with further maintenance of its public and training facilities. At the time of writing, numerous improvements are being investigated including an upgrade of the female jockey's facilities, stage two of the pavement replacement program at the rear of the grandstand and the replacement of another section of boundary fencing.

To help with the continued growth of our functions business basic renovations are being planned in the members and restaurant including painting, window furnishings, lighting and a new PA system.

In summary the Club continues to trade in a positive manner and holds \$467,408 in cash and cash equivalents.

Further detailed financial information is contained in the following report.

R.J.Pavitt
Treasurer

2011 Financial Statements



Directors' Report

for the year ended 30 June 2011

Your directors present their report on the company for the financial year ended 30 June 2011.

Principal Activities

The company's principal activities of the company are the promotion and conduct of thoroughbred horse racing in Grafton and the surrounding district. The company is also the trustee of the Grafton Racecourse & Recreation Reserve.

These principal activities assist in achieving the short term and long term objectives of the company by:

- providing facilities for members, industry stakeholders and the community
- providing entertainment and social facilities for members and the community
- providing turnover, cash flow and profit to meet the financial objectives of the company

Directors Information

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Graeme E Green	Chairman Track & Buildings, Finance and Marketing & Promotions	Appointed 8 March 2000	Retired Financial Services Executive Diploma of Financial Services Vice Chairman Summerland Credit Union
Stephen F Haines	Vice Chairman Bars & Catering, Finance and Marketing & Promotions	Appointed 28 November 2001	Regional Manager - Plumbing Industry Certificate IV Business Management
Robert J Pavitt	Treasurer Betting and Finance Committees	Appointed 28 February 1991	Retired Town Planner Northern Rivers Racing Association Chairman Racing NSW Country
Brian W Ferrie	Director Betting and Tracks & Buildings Committees	Appointed 20 February 1986	Retired - Fuel Industry employee
Walter J Green	Director Programming and Finance Committees	Appointed 28 February 1991	Regional Manager - Rural Supplies
Julie A Hutchings	Director Marketing & Promotions, Programming and Track & Buildings Committees	Appointed 27 February 1992	Businesswoman Artist Farmer
John J Kenny	Director Bars & catering and Marketing & promotions Committees	Appointed 25 February 1982	Retired - Media Industry
Garry D McCormick	Director Track & Buildings, Bars & Catering and Programming Committees	Appointed 26 February 1998	Businessman - Pest Control
Graeme J Rickwood	Director Betting and Programming Committees	Appointed 8 March 2000	Businessman - Retail Industry
Rowan N Wicks	Director Finance and Track & Buildings Committees	Appointed 28 February 1991	Retired Businessman - Building & Steel Industry Farmer



Directors' Report

for the year ended 30 June 2011

Meetings of Directors

During the financial year, 11 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Graeme E Green	11	9
Stephen F Haines	11	10
Robert J Pavitt	11	7
Brian W Ferrie	11	8
Walter J Green	11	8
Julie A Hutchings	11	9
John J Kenny	11	10
Garry D McCormick	11	7
Graeme J Rickwood	11	9
Rowan N Wicks	11	8

Short Term Objectives of the Company

The company has identified the following short term objectives:

- to meet racing industry benchmarks
- to continue to provide training facilities for industry stakeholders
- to maintain and provide facilities for members and the community
- to operate in a financially prudent manner that allows for ongoing maintenance and future capital improvements
- to increase function centre patronage

The company has adopted the followings strategies in order to achieve these short term objectives:

- the preparation of an annual budget and ongoing review, and the review of the strategic plan
- the review of the company operations and compliance with legislative obligations such as occupational health and safety and industry expectations

Long Term Objectives of the Company

The company has identified the following long term objectives:

- to continue to be financially secure
- to promote thoroughbred racing in the community and maintain our existing standing as a leading country club in NSW

The company has adopted the followings strategies in order to achieve these long term objectives:

- the development of existing and additional revenue streams and the maintenance of the race track and facilities to encourage industry and community participation at Grafton



Directors' Report

for the year ended 30 June 2011

Performance Measurement

The company uses the following key performance indicators to measure performance:

- Profit, after income tax expense, for the financial year was \$142,894
- Cash flow from operating activities for the financial year was \$15,068
- Total TAB turnover generated during the financial year of \$28,557,520
- NSW starters trained in Grafton during the financial year was 1,658
- the compliance with occupation health and safety and environmental reviews conducted by regulatory bodies

Membership Details

The Clarence River Jockey Club Ltd is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

Membership Class	Number of Members	Individual Members Contribution on winding up of Company	Total Members Contribution on winding up of Company
Life / Honorary	92	\$ 2	\$ 184
Ordinary (including member's guests)	1,174	\$ 2	\$ 2,348
Junior Members	60	\$ 2	\$ 120
Total	1,326	\$ 2	\$ 2,652

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

The Directors report is signed in accordance with a resolution of the Board of Directors

Graeme E Green
Chairman

Stephen F Haines
Vice Chairman

Dated: 5 October 2011

Auditors' Independence Declaration



**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATION ACT 2001
TO THE DIRECTORS OF
CLARENCE RIVER JOCKEY CLUB LIMITED**

ABN 24 001 892 459

I declare that, to the best of my knowledge and belief, during the financial year to 30 June 2011 there have been:

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

WHK Camerons Audit Services.

WHK Camerons Audit Services

Neil Rushforth.

K N Rushforth
Audit Partner
24 Queen Street
GRAFTON NSW
2460

Dated: 5 October 2011

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WHK Camerons Audit Services Partnership
91 680 058 554



Statement of Comprehensive Income for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Revenue	4	4,007,146	3,684,437
Depreciation expense	5	(44,073)	(40,206)
Employee benefits expense	5	(373,402)	(373,003)
Other expenses	5	(3,446,777)	(3,098,737)
Unexpended grants		-	(100,000)
Profit before income tax expense		142,894	72,491
Income tax expense	1(a)	-	-
Profit after income tax expense		142,894	72,491
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		\$ 142,894	\$ 72,491

The accompanying notes form part of these financial statements.



Statement of Financial Position

as at 30 June 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	467,408	586,935
Trade and other receivables	7	281,534	162,711
Inventories	8	20,508	30,741
Financial assets	9	85,319	81,438
Other current assets	10	46,600	21,719
TOTAL CURRENT ASSETS		901,369	883,544
NON CURRENT ASSETS			
Financial assets	9	293,713	315,574
Property, plant and equipment	11	628,615	534,278
TOTAL NON CURRENT ASSETS		922,328	849,852
TOTAL ASSETS		1,823,697	1,733,396
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	208,735	129,434
Financial liabilities	13	14,893	14,893
Provisions	14	48,408	43,520
Other liabilities	15	154,709	266,926
TOTAL CURRENT LIABILITIES		426,745	454,773
NON CURRENT LIABILITIES			
Financial liabilities	13	14,745	29,637
Provisions	14	-	9,673
TOTAL NON CURRENT LIABILITIES		14,745	39,310
TOTAL LIABILITIES		441,490	494,083
NET ASSETS		\$ 1,382,207	\$ 1,239,313
EQUITY			
Retained earnings		1,382,207	1,239,313
TOTAL EQUITY		\$ 1,382,207	\$ 1,239,313

The accompanying notes form part of these financial statements.



Statement of Changes in Equity for the year ended 30 June 2011

	Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2009	18,399	1,148,423	1,166,822
Profit after income tax expense		72,491	72,491
Total other comprehensive income for the year	-	-	-
Transfers to/(from) reserves	(18,399)	18,399	-
Balance at 30 June 2010	<u>\$ -</u>	<u>\$ 1,239,313</u>	<u>\$ 1,239,313</u>
Profit after income tax expense		142,894	142,894
Total other comprehensive income for the year	-	-	-
Transfers to/(from) reserves	-	-	-
Balance at 30 June 2011	<u>\$ -</u>	<u>\$ 1,382,207</u>	<u>\$ 1,382,207</u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2011

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3,749,431	3,656,523
Payments to suppliers and employees		(3,760,311)	(3,541,039)
Interest received		25,948	25,548
Income tax paid	1(a)	-	-
Net cash provided by (used in) operating activities		<u>15,068</u>	<u>141,032</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments		(3,971)	(3,295)
Proceeds from sale of property, plant and equipment		727	-
Purchase of property, plant and equipment		(138,410)	(57,314)
Loan repayments		<u>21,861</u>	<u>21,861</u>
Net cash (used in) provided by investing activities		<u>(119,793)</u>	<u>(38,748)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayment of borrowings		<u>(14,802)</u>	<u>(14,892)</u>
Net cash (used in) provided by financing activities		<u>(14,802)</u>	<u>(14,892)</u>
Net increase (decrease) in cash held		(119,527)	87,392
Cash at the beginning of the financial year		<u>586,935</u>	<u>499,543</u>
Cash at the end of the financial year	6 (a)	<u>\$ 467,408</u>	<u>\$ 586,935</u>

The accompanying notes form part of these financial statements.



Notes to the Financial Statements for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies

Statement of Compliance

The financial statements are general purpose financial statements that have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards - Reduced Disclosure Regime, and comply with other requirements of the law.

The financial statements cover Clarence River Jockey Club Limited as an individual entity. Clarence River Jockey Club Limited is a public company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the directors on 5 October 2011.

Basis of Preparation

The Clarence River Jockey Club Limited has elected to early adopt the pronouncement AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

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 and the Corporations Act 2001.

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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Income Tax

The directors consider that the company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value on a first-in first-out basis.

(c) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at cost less depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining the recoverable amounts.

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

Clarence River Jockey Club Limited - ABN: 24 001 892 459

Notes to the Financial Statements for the year ended 30 June 2011

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready 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 asset are:

Class of Fixed Asset	Depreciation Rate
Buildings and Improvements	2.5%
Plant and equipment	5 - 33%
Motor vehicles	25%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) 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 the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as 'fair value through profit and loss' in which case transactions costs are expensed to the statement of comprehensive income immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate 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.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method;
- less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the costs and other premiums or discounts) through 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 value with a consequential recognition of an income or expense in the statement of comprehensive income.



Notes to the Financial Statements for the year ended 30 June 2011

(i) Financial assets at fair value through profit and loss.

Financial assets are classified as 'fair value through profit and 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 carrying value being included in the 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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(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 company's intention to hold these investment to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets 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.

Available-for-sale financial assets are included in non-current assets except for those which are expected to be disposed within 12 months after the end of the reporting period, which will be classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire 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 expire. The difference between the carrying value 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 the statement of comprehensive income.

(e) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information 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 the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value of its recoverable amount is expensed to the statement of comprehensive income.

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

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

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Cash and Cash Equivalents

Cash and cash equivalents include 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvements in those goods.

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 received a dividend has been established.

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

(j) Trade and Other Payables

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

(k) Goods and Services Tax

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.



Notes to the Financial Statements for the year ended 30 June 2011

(I) Comparative Figures

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

Note 2: Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in Note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following are the critical judgements, key assumptions and estimates, that directors have used in the process of applying the company's accounting policies.

Key judgments — Doubtful debts provision

Included in accounts receivable at 30 June 2011 are amounts receivable from various accounts which have been considered doubtful and a provision has been estimated and maintained for these amounts.

Key estimates — Impairment

The directors assess impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Note 3: Application of New and Revised Accounting Standards

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported in these financial statements.

AASB 1053: 'Application of Tiers of Australian Accounting Standards' and AASB 2010-2: 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'

AASB 1053 establishes a differential financial reporting framework consisting of two tiers of reporting requirements for general purpose financial statements, comprising Tier 1: Australian Accounting Standards and Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements (RDR). AASB 2010-2 makes amendments to each Standard and Interpretation indicating the disclosures not required to be made by 'Tier 2' entities or inserting 'RDR' paragraphs requiring simplified disclosures for 'Tier 2' entities. The adoption of these standards has resulted in significantly reduced disclosures, largely in respect of income tax, segments, impairment, related parties, share-based payments, financial instruments and cash flows.

Amendments to AASB 101: 'Presentation of Financial Statements'

The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standard arising from the Annual Improvements Project') clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.

Amendments to AASB 107: 'Statement of Cash Flows'

The amendments (part of AASB 2009-5 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') specify that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities in the statement of cash flows. Consequently, cash flows in respect of development costs that do not meet the criteria of AASB 138 'Intangible Assets' for capitalisation as part of an internally generated intangible asset (and, therefore, are recognised in profit or loss as incurred) have been reclassified from investing to operating activities in the statement of cash flows.

Clarence River Jockey Club Limited - ABN: 24 001 892 459
Notes to the Financial Statements
for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Note 4: Revenue			
Operating activities:			
Income from race meetings		3,341,101	3,022,382
Membership subscriptions		71,173	105,458
Profit on rental operations		28,487	29,863
Sponsorship contributions		199,798	191,409
Racing NSW income		174,110	150,115
Other income		<u>165,802</u>	<u>160,104</u>
Total revenue from operating activities		<u>3,980,471</u>	<u>3,659,331</u>
Non-operating activities:			
Interest received from other persons		25,948	25,477
Profit/(loss) on sale of fixed assets		<u>727</u>	<u>(371)</u>
Total revenue from non-operating activities		<u>26,675</u>	<u>25,106</u>
Total revenue		<u>\$ 4,007,146</u>	<u>\$ 3,684,437</u>
Note 5: Profit Before Income Tax Expense			
Expenses			
Depreciation expense		<u>\$ 44,073</u>	<u>\$ 40,206</u>
Employee Benefits Expense			
Payroll tax		-	2,003
Provision for employee entitlements		(4,785)	9,282
Salary and wages		361,939	343,402
Superannuation		12,842	14,979
Other staff costs		<u>3,406</u>	<u>3,337</u>
		<u>\$ 373,402</u>	<u>\$ 373,003</u>
Other expenses			
Advertising and promotion		51,528	59,977
Ambulance fees		33,530	31,224
Bad and doubtful debts		13,106	2,389
Equipment hire		29,826	21,480
Jockeys riding fees		44,155	35,513
Racecourse occupancy costs	17	687,858	579,457
Returns to owners (including prizemoney and trophies)		2,338,812	2,113,321
Security		48,183	68,295
Telephone		24,268	19,599
Other operating expenses		<u>175,511</u>	<u>167,482</u>
		<u>\$ 3,446,777</u>	<u>\$ 3,098,737</u>

Notes to the Financial Statements for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Note 6: Cash and Cash Equivalents			
Cash on hand		15,115	2,285
Cash at bank		<u>452,293</u>	<u>584,650</u>
		\$ 467,408	\$ 586,935
 (a) Reconciliation of cash and cash equivalents			
Cash and cash equivalents 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 and cash equivalents		<u>467,408</u>	<u>586,935</u>
		\$ 467,408	\$ 586,935
 Note 7: Trade and Other Receivables			
CURRENT			
Trade receivables		159,753	70,044
Less: Provision for impairment		<u>(1,480)</u>	<u>(1,480)</u>
		158,273	68,564
Other receivables		<u>123,261</u>	<u>94,147</u>
		\$ 281,534	\$ 162,711
 Note 8: Inventories			
CURRENT			
Stock on Hand, at cost:			
Bar		15,887	26,120
Other		<u>4,621</u>	<u>4,621</u>
		\$ 20,508	\$ 30,741
 Note 9: Financial assets			
Held-to-maturity financial assets		63,458	59,577
Loans and receivables		<u>315,574</u>	<u>337,435</u>
		379,032	397,012
Less non-current portion		<u>(293,713)</u>	<u>(315,574)</u>
Current portion		\$ 85,319	\$ 81,438
 (a) Held-to-maturity financial assets comprise:			
- unsecured notes		\$ 63,458	\$ 59,577
Held-to-maturity assets comprise term deposits and unsecured notes with financial institutions. There are fixed rate returns upon maturity of these assets.			
 (b) Loans and receivables financial assets comprise:			
- Grafton Racecourse and Recreation Reserve		\$ 315,574	\$ 337,435
Loans and receivable assets comprise various loans made to the Grafton Racing and Recreation Reserve Trust. There are no fixed rate returns upon maturity of these assets.			

Clarence River Jockey Club Limited - ABN: 24 001 892 459
Notes to the Financial Statements
for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Note 10: Other Assets			
CURRENT			
Accrued income		308	308
Prepayments		<u>46,292</u>	<u>21,411</u>
		\$ 46,600	\$ 21,719
Note 11: Property, Plant & Equipment			
Land and Buildings (at cost)			
Freehold land		<u>200,000</u>	<u>200,000</u>
Buildings and improvements		307,162	195,783
Less: Accumulated depreciation		<u>(66,201)</u>	<u>(59,268)</u>
		<u>240,961</u>	<u>136,515</u>
Total Land and Buildings		<u>440,961</u>	<u>336,515</u>
Plant and Equipment (at cost)			
Plant and equipment		247,136	220,105
Less: Accumulated depreciation		<u>(104,699)</u>	<u>(81,309)</u>
		142,437	138,796
Office Furniture, Fixtures & Equipment		19,409	19,409
Less: Accumulated depreciation		<u>(15,566)</u>	<u>(13,993)</u>
		3,843	5,416
Machinery and motor vehicles		71,654	71,654
Less: Accumulated depreciation		<u>(30,280)</u>	<u>(18,103)</u>
		<u>41,374</u>	<u>53,551</u>
Total Plant and Equipment		<u>187,654</u>	<u>197,763</u>
Total Property, Plant and Equipment		\$ 628,615	\$ 534,278

(a) Movements in carrying amounts

	Land and Buildings	Plant and Equipment	Total
Balance at the beginning of the year	336,515	197,763	534,278
Additions	111,379	27,031	138,410
Disposals	-	-	-
Depreciation expense	<u>(6,933)</u>	<u>(37,140)</u>	<u>(44,073)</u>
Carrying amount at the end of the year	\$ 440,961	\$ 187,654	\$ 628,615

(b) No impairment has been recognised in respect of plant and equipment.

Notes to the Financial Statements for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Note 12: Trade and Other Payables			
CURRENT			
Unsecured liabilities;			
Trade payables		106,088	20,152
GST and PAYG payable		70,764	80,081
Sundry payables and accrued expenses		<u>31,883</u>	<u>29,201</u>
		<u>\$ 208,735</u>	<u>\$ 129,434</u>
Note 13: Financial Liabilities			
CURRENT			
Secured liabilities:			
Hire purchase liability		<u>14,893</u>	<u>14,893</u>
		<u>14,893</u>	<u>14,893</u>
NON-CURRENT			
Secured liabilities:			
Hire purchase liability		<u>14,745</u>	<u>29,637</u>
		<u>14,745</u>	<u>29,637</u>
Total Financial Liabilities		<u>\$ 29,638</u>	<u>\$ 44,530</u>
(a) Total current and non-current secured liabilities:			
Hire purchase liability		<u>29,638</u>	<u>44,530</u>
		<u>\$ 29,638</u>	<u>\$ 44,530</u>

Hire purchase liabilities are secured by the underlying leased assets.



Clarence River Jockey Club Limited - ABN: 24 001 892 459
Notes to the Financial Statements
for the year ended 30 June 2011

Note 14: Provisions

	Employee Benefits \$	Total \$
Opening balance at 1 July 2010	53,193	53,193
Additional provisions raised during the year	27,853	27,853
Amounts used	<u>(32,638)</u>	<u>(32,638)</u>
Balance at 30 June 2011	<u>\$ 48,408</u>	<u>\$ 48,408</u>

	Note 2011 \$	2010 \$
Analysis of total provisions		
Current	48,408	43,520
Non-current	<u>-</u>	<u>9,673</u>
	<u>\$ 48,408</u>	<u>\$ 53,193</u>

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in note 1 to this report.

Note 15: Other Liabilities

CURRENT

Income received in advance	61,757	71,366
Membership subscriptions received in advance	35,744	35,744
Sponsorship contributions received in advance	57,208	59,816
Unexpended grants	<u>-</u>	<u>100,000</u>
	<u>\$ 154,709</u>	<u>\$ 266,926</u>

Note 16: Capital and Leasing Commitments

(a) Finance Lease Commitments

Payable - minimum lease payments:

- not later than 12 months	17,297	17,297
- between 12 months and five years	16,440	33,737
- greater than five years	<u>-</u>	<u>-</u>

	<u>33,737</u>	51,034
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Less: Future finance charges	<u>(4,099)</u>	<u>(6,504)</u>
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Present value of minimum finance lease payments	<u>\$ 29,638</u>	<u>\$ 44,530</u>
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The company has a number of hire purchase arrangements in place.

(b) Capital Expenditure Commitments

As at 30 June 2011, the company had not engaged in any capital commitments.

Notes to the Financial Statements for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Note 17: Company's Activity as a Trustee			
The company is trustee of the Grafton Racecourse & Recreation Reserve. In its capacity as Trustee, the following net costs were incurred during the financial period and are disclosed in the Detailed Income Statement as Racecourse Occupancy Costs.			
Racecourse Occupancy Costs			
Cleaning		12,018	16,168
Course wages		337,269	282,766
Electricity and gas		54,681	38,681
Garbage disposal		4,358	3,408
Insurance		83,416	66,951
Trust asset charges		21,861	21,861
Other staff costs		8,116	5,269
Plant operating costs		48,805	35,673
Rates and excess water charges		30,372	59,637
Repairs and maintenance - grounds and buildings		87,358	48,907
Repairs and maintenance - track		117,401	101,171
Security		6,571	7,767
Superannuation		23,890	28,550
Total Race Course Costs Incurred		<u>836,116</u>	<u>716,809</u>
Less: Costs Recouped			
Excess water charges recouped		4,711	8,364
Stable rents		60,184	60,838
Track fees		83,363	68,150
		<u>148,258</u>	<u>137,352</u>
Total Race Course Costs	5	<u>\$ 687,858</u>	<u>\$ 579,457</u>
Trust Assets			
Buildings and improvements - at cost		2,873,957	2,873,957
Plant, equipment and furnishings - at cost		503,022	503,022
Total Trust Assets		<u>3,376,979</u>	<u>3,376,979</u>
Trust Liabilities			
Loan from Clarence River Jockey Club Limited		315,574	337,435
Total Trust Liabilities		<u>315,574</u>	<u>337,435</u>
Net Trust Assets		<u>\$ 3,061,405</u>	<u>\$ 3,039,544</u>



Clarence River Jockey Club Limited - ABN: 24 001 892 459
Notes to the Financial Statements
for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Note 18: Trust Liabilities and Right of Indemnity			
The company acts as trustee, and liabilities have been incurred on behalf of that trust in the company's capacity as corporate trustee.			
Liabilities incurred on behalf of the trust are not recognised in the financial statements when it is not probable that the company will have to meet any of those trust liabilities from its own resources. When it is probable that the company will have to meet some trust liabilities, a liability deficiency in trust right of indemnity is brought to account. Details of trust liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity are disclosed by way of note to the financial statements.			
Liabilities of Grafton Racecourse & Recreation Reserve Trust not recorded in the financial statements of the company were:			
Current Liabilities			
Financial Liabilities		<u>609,287</u>	<u>653,009</u>
Non-current Liabilities			
Financial Liabilities		<u>(293,713)</u>	<u>(315,574)</u>
Total Liabilities		<u>\$ 315,574</u>	<u>\$ 337,435</u>
Right of indemnity for liabilities incurred by the company on behalf of the Grafton Racecourse & Recreation Reserve Trust and not recorded in the financial statements of the company were:			
		<u>\$ 315,574</u>	<u>\$ 337,435</u>
The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the company acting in its own right. The assets of the trust were sufficient to discharge all the liabilities of the trust at 30 June 2011.			
Note 19: Events After the End of the Reporting Period			
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.			
Note 20: Financial Risk Management			
The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and leases.			
The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:			
Financial assets			
Cash and cash equivalents	6	467,408	586,935
Trade and other receivables	7	281,534	162,711
Held-to-maturity financial assets	9	63,458	59,577
Loans and receivables	9	<u>315,574</u>	<u>337,435</u>
		<u>\$ 1,127,974</u>	<u>\$ 1,146,658</u>
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	12	208,735	129,434
Borrowings	13	<u>29,638</u>	<u>44,530</u>
		<u>\$ 238,373</u>	<u>\$ 173,964</u>

Notes to the Financial Statements for the year ended 30 June 2011

Note	2011 \$	2010 \$
Note 21: Contingent Assets and liabilities		
Estimates of the potential financial effect of contingent liabilities that may become Claim:		
The company is in dispute with the construction company of the training track built in the 2007 financial year. The maximum contingent liability, subject to resolution, in respect of this action is as follows:		
	<u>\$ -</u>	<u>\$ 28,000</u>
Note 22: Related Party Transactions		
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties were:		
Director, R Wicks, has an interest in a steel and equipment hire business that provides services to the company	<u>\$ -</u>	<u>\$ 1,667</u>
Director, G Rickwood, has an interest in a clothing business that sells items to the company	<u>\$ 1,251</u>	<u>\$ 4,022</u>
Director, G McCormick, has an interest in a pest control business that provides services to the company	<u>\$ 1,419</u>	<u>\$ 616</u>
Chief Executive, Bradley de Martino Rosaroll has an immediate family member who has an interest in an art collection management business (Art Matters) that provides services to the company	<u>\$ 1,890</u>	<u>\$ -</u>
Note 23: Standby Arrangements and Credit Facilities		
The Company has access to:		
- Overdraft facility secured by equitable mortgage over Clubs assets and uncalled capital	<u>\$ 60,000</u>	<u>\$ 60,000</u>
- Amount of credit unused	<u>\$ 60,000</u>	<u>\$ 60,000</u>
Note 24: Company Details		
The registered office and principal place of business is:		
Grafton Race Course		
Powell Street		
Grafton NSW		

Directors' Declaration for the year ended 30 June 2011

The directors of the company declare that:

1. the financial statements and notes, as set out in pages 11 to 27, are in accordance with the Corporations Act 2001, and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Graeme E Green
Chairman

Stephen F Haines
Vice Chairman

Dated: 5 October 2011



Independent Auditors' Report to the Members of the CRJC



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLARENCE RIVER JOCKEY CLUB LIMITED

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WHK Camerons Audit Services Partnership
91 680 058 554

Report on the financial report

We have audited the accompanying financial report of Clarence River Jockey Club Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been provided to the directors of Clarence River Jockey Club Limited, would be in the same terms if given to the directors as at the time of this auditors' report.

Independent Auditors' Report to the Members of the CRJC



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLARENCE RIVER JOCKEY CLUB LIMITED

ABN 24 001 892 459

Audit Opinion

In our opinion the financial report of Clarence River Jockey Club Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2011 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards reduced disclosure requirements (including the Australian Accounting Interpretations) as described in Note 1 and the Corporations Regulations 2001.

WHK Camerons Audit Services.

WHK Camerons Audit Services

Neil Rushforth.

K N Rushforth
Audit Partner
24 Queen Street
GRAFTON NSW 2460

Dated: 12 October 2011

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Disclaimer to the Members of the CRJC



**DISCLAIMER
TO THE MEMBERS OF
CLARENCE RIVER JOCKEY CLUB LIMITED**

ABN 24 001 892 459

The additional financial data presented on pages 32 - 33 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 June 2011. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Clarence River Jockey Club Limited) in respect of such data, including any errors of omissions therein however caused.

WHK Camerons Audit Services.

WHK Camerons Audit Services

Neil Rushforth.

K N Rushforth
Audit Partner
24 Queen Street
GRAFTON NSW 2460

Dated: 12 October 2011

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Detailed Income Statement

for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Income			
Race Meetings			
Admission charges		148,340	183,722
Bookmakers stand fees and turnover tax		43,524	56,769
Racing NSW Distribution		2,663,904	2,386,844
Net proceeds - Bar trading		251,346	210,409
Net proceeds - Catering		14,375	14,182
Net proceeds - Race day packages		58,791	25,856
Nominations and acceptance fees		97,691	74,525
Sky Channel - Rights fees		57,511	68,564
Sundry income		5,619	1,511
Total Race Meeting Income		3,341,101	3,022,382
Other Income			
Distribution from Northern Rivers Racing Association		7,000	7,000
Grants received		123,750	119,709
Interest received		25,948	25,477
Member subscriptions		75,733	108,926
Less: Cost of badges		(4,560)	(3,468)
Net proceeds - Functions		24,652	23,459
Net proceeds - Promotional materials		10,400	9,936
Profit of rental operation		28,487	29,863
Profit on sale of non-current assets		727	(371)
Sponsorship contributions		199,798	191,409
Racing NSW - Track maintenance scheme		174,110	150,115
Total Other Income		666,045	662,055
Total Income		4,007,146	3,684,437
Expenditure			
Race Meetings			
Ambulance fees		33,530	31,224
Equipment hire		29,826	21,480
Jockeys riding fees		44,155	35,513
Loss on sale of race books		8,882	13,321
Other race day expenses		32,976	29,678
Public address operating costs		7,003	5,175
Racecourse occupancy costs	17	687,858	579,457
Raceday information services		1,364	2,000
Returns to owners (including prizemoney and trophies)		2,338,812	2,113,321
Security		48,183	68,295
Sponsors and special guests costs		15,463	12,193
Sundry expenses		11,882	5,473
Veterinary and farrier fees		5,700	9,150
Video hire, taping and photo finish		8,458	7,813
Wages - Bar		82,434	77,070
Wages - Other		125,318	103,725
Total Race Meeting expenses		3,481,844	3,114,888

This statement is to be read in conjunction with the attached disclaimer.



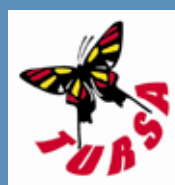
Detailed Income Statement for the year ended 30 June 2011

	Note	2011 \$	2010 \$
Administration and Promotion			
Advertising and promotion		51,528	59,977
Affiliation fees and subscriptions		3,186	1,196
Auditor's remuneration		9,940	13,230
Bad and doubtful debts		13,106	2,389
Bank charges		4,836	4,276
Depreciation - Building and stable improvements		6,933	6,084
Depreciation - Plant and equipment		33,660	29,482
Depreciation - Motor vehicles		3,480	4,640
Fringe benefits tax		1,336	700
General expenses		2,469	1,644
Hire purchase charges		2,405	2,404
Insurance		7,144	6,916
Interest paid		-	133
Legal expenses		516	-
Motor vehicle expenses		13,796	20,677
Office maintenance, cleaning and lighting		13,194	7,695
Payroll tax		-	2,003
Postage		3,745	3,035
Printing and stationery		10,427	14,502
Provision for annual leave		-	9,120
Provision for long service leave		(4,785)	162
Salary and wages		154,187	162,607
Staff training and welfare		3,406	3,337
Superannuation contributions		12,842	14,979
Telephone		24,268	19,599
Travelling, accommodation and conferences		10,789	6,271
Total Administration and Promotion Expenses		382,408	397,058
Total Expenses		3,864,252	3,511,946
Transfer to unexpended grants		-	100,000
Profit before Income Tax Expense		\$ 142,894	\$ 72,491

This statement is to be read in conjunction with the attached disclaimer.

CLARENCE RIVER JOCKEY CLUB SPONSORS

Please support the sponsors that support our club



Other Raceday Sponsors:

- AHA - Australian Hotels Association**
- Clarence Coast Motors**
- Diageo - Smirnoff Vodka**
- L.J.Hooker Real Estate**
- Tradelink Plumbing Centres**

Community Race Days:

- Brushgrove**
- Coutts Crossing**
- Iluka**
- Ulmarra**
- Wooli**
- Yamba**

Kensei Club Sponsors:

- Elders Real Estate Grafton**
- Grafton District Services Club**
- Grafton Gas & Plumbing**
- Hanks Kitchen**
- Maclean Bowling Club**
- Mark Bloomer Transport**
- Roches Family Hotel**
- Wykes Tyrepower**
- XXXX Gold**
- Yamba Shores Tavern**

Additionally, thank you to all of our other sponsors during the past financial year

