

Not-For-Profit - Association Report

Victorian Harness Racing Club Inc.
For the year ended 30 June 2022

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Committee's Report

Victorian Harness Racing Club Inc. For the year ended 30 June 2022

Committee's Report

Your committee members submit the financial report of Victorian Harness Racing Club Inc. for the financial year ended 30 June 2022.

Principal Activities

Social Club - Sports & Recreation

The VHRC belongs to the people of the Victorian Harness Racing industry.

Our culture is built on the love for our horses, our people & our industry!

Significant Changes

No significant changes except of the resignation of the General Manager Robert Auber as of the 30 June 2022.

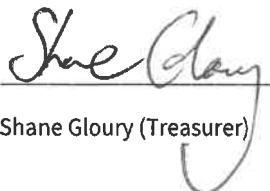
Operating Result

The loss for the financial year amounted to (260,624.97).

Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:



Shane Gloury (Treasurer)

Date 2 / 11 / 2022

Income and Expenditure Statement

Victorian Harness Racing Club Inc.

For the year ended 30 June 2022

	2022	2021
Income		
Membership Contributions		
Member Subscription	130,706.68	124,863.24
Total Membership Contributions	130,706.68	124,863.24
Sponsorship, Functions & Events Income		
Functions & Events	52,381.79	81,304.20
Sponsorship-Corporate Partners	115,454.55	78,000.00
Total Sponsorship, Functions & Events Income	167,836.34	159,304.20
Other Income		
Bonus Races	-	1,000.00
Donation	2,000.00	430.29
Government Grant	-	10,000.00
Merchandise Sales	3,384.61	-
JobKeeper Wage Subsidy	-	18,900.00
Total Other Income	5,384.61	30,330.29
Investment Income		
Dividends-Platforms	24,135.84	-
Interest	9,965.14	39,167.74
Rebates- Referral Fee La Trobe	-	1,828.47
Total Investment Income	34,100.98	40,996.21
Total Income	338,028.61	355,493.94
Gross Surplus	338,028.61	355,493.94
Expenditure		
Advertising	770.00	7,359.10
Audit Fees	2,040.00	2,000.00
Bank Charges	105.04	103.30
Bonus Race Payouts	204,000.00	104,000.00
Bookkeeping	10,500.00	9,850.00
Computer expenses	1,720.91	-
Freight	109.09	54.00
Functions & Events	142,249.13	159,873.20
Insurance-General	1,960.00	-
Interest Paid	3.93	17.42
Legal Fees	14,163.79	-
Licence & Fees	120.20	244.30
Marketing & Promotions	17,599.76	55,542.68
Merchandise Expenses	-	6,903.64
Merchant Fees	622.12	200.00
Postage	971.68	4,407.84

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

	2022	2021
Printing	11,306.41	13,563.50
Prizes/Giveaways/Complimentary	100.00	1,659.24
Project-2 Ferris Rd-Tabcorp Park	-	18,818.18
Software Maintenance & Support	3,028.85	2,648.34
Sponsorship Expenses	-	66,500.00
Stationery	415.85	511.81
Stripe Fees	3,201.56	2,376.75
Superannuation	13,623.09	14,873.26
Telephone	954.37	1,984.73
Travel Allowance	-	2,499.90
Trophies & Rugs	3,080.00	105.00
Wages & Salaries	160,911.37	147,789.56
Website Subscription & Hosting	3,373.00	3,007.45
Workcover	1,723.43	1,837.20
Total Expenditure	598,653.58	628,730.40
Current Year Surplus/ (Deficit) Before Income Tax Adjustments	(260,624.97)	(273,236.46)
Current Year Surplus/(Deficit) Before Income Tax	(260,624.97)	(273,236.46)
Net Current Year Deficit After Income Tax	(260,624.97)	(273,236.46)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Assets and Liabilities Statement

Victorian Harness Racing Club Inc.

As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Cash and Cash Equivalents			
Bank of Queensland Hub Account		301.22	300.71
Bendigo Savings Acc 178854311 - Membership		22,046.19	97,762.98
Bendigo Savings Acc 178854345 - Merchandise		37,251.48	105,166.55
Bendigo Trading Acc 161246988		43,059.02	4,438.79
Latrobe Financial-90 Day Notice Account		250,000.00	250,000.00
Latrobe Financial-Classic Notice Account		383,704.08	1,053,786.43
Petty Cash		44.60	144.60
Stripe Account		4,124.43	2,403.77
Total Cash and Cash Equivalents		740,531.02	1,514,003.83
Trade and Other Receivables			
Trade Debtors		7,647.27	8,977.27
Total Trade and Other Receivables		7,647.27	8,977.27
GST Receivable			
GST Collected/output tax		-	2,725.60
Total GST Receivable		-	2,725.60
Total Current Assets		748,178.29	1,525,706.70
Non-Current Assets			
Financial Assets			
iPartners Core Income Fund		500,000.00	-
Total Financial Assets		500,000.00	-
Total Non-Current Assets		500,000.00	-
Total Assets		1,248,178.29	1,525,706.70
Liabilities			
Current Liabilities			
Bank Liabilities			
Bendigo Credit Card 700166 283		580.26	521.18
Total Bank Liabilities		580.26	521.18
Trade and Other Payables			
Trade Creditors		1,018.92	18,890.03
Total Trade and Other Payables		1,018.92	18,890.03
GST Payable			
GST Collected/output tax		444.64	-
Total GST Payable		444.64	-
Provisions			

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

	NOTES	30 JUN 2022	30 JUN 2021
PAYG Tax Withholding		16,337.77	9,842.00
Superannuation Payable		1,765.53	1,537.54
Total Provisions		18,103.30	11,379.54
Employee Entitlements			
Leave Provisions		20,157.81	26,417.62
Total Employee Entitlements		20,157.81	26,417.62
Total Current Liabilities		40,304.93	57,208.37
Total Liabilities		40,304.93	57,208.37
Net Assets		1,207,873.36	1,468,498.33
Member's Funds			
Capital Reserve			
Contributed Capital		396,414.00	396,414.00
Retained Earnings		1,072,084.33	1,345,320.79
Current Year Earnings		(260,624.97)	(273,236.46)
Total Capital Reserve		1,207,873.36	1,468,498.33
Total Member's Funds		1,207,873.36	1,468,498.33

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Victorian Harness Racing Club Inc.

For the year ended 30 June 2022

1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 VIC. The committee has determined that the association is not a reporting entity.

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

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

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

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

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

Cash and Cash Equivalents

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

These notes should be read in conjunction with the attached compilation report.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

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

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

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Leases

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

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

These notes should be read in conjunction with the attached compilation report.

Accounts Payable and Other Payables

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

	2022	2021
2. Cash and Cash Equivalents		
Petty Cash	44.60	144.60
Stripe Account	4,124.43	2,403.77
Bank of Queensland Hub Account	301.22	300.71
Bendigo Trading Acc 161246988	43,059.02	4,438.79
Bendigo Savings Acc 178854311 - Membership	22,046.19	97,762.98
Bendigo Savings Acc 178854345 - Merchandise	37,251.48	105,166.55
Latrobe Financial-Classic Notice Account	383,704.08	1,053,786.43
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Total Cash and Cash Equivalents	740,531.02	1,514,003.83
	2022	2021
3. Trade and Other Receivables		
Trade Receivables	7,647.27	8,977.27
Total Trade and Other Receivables	7,647.27	8,977.27
	2022	2021
4. Financial Assets		
iPartners Core Income Fund	500,000.00	-
Total Financial Assets	500,000.00	-
	2022	2021
5. Trade and Other Payables		
Trade Payables		
Trade Creditors	1,018.92	18,890.03
Total Trade Payables	1,018.92	18,890.03
Total Trade and Other Payables	1,018.92	18,890.03
	2022	2021
6. Provisions		
PAYG Tax Withholding	16,337.77	9,842.00
Superannuation Payable	1,765.53	1,537.54
Total Provisions	18,103.30	11,379.54

These notes should be read in conjunction with the attached compilation report.

	2022	2021
7. Employee Entitlements		
Leave Provisions	20,157.81	26,417.62
Total Employee Entitlements	20,157.81	26,417.62

These notes should be read in conjunction with the attached compilation report.

Movements in Equity

Victorian Harness Racing Club Inc.
For the year ended 30 June 2022

	2022	2021
Equity		
Opening Balance	1,468,498.33	1,741,734.79
Increases		
Profit for the Period	(260,624.97)	(273,236.46)
Total Increases	(260,624.97)	(273,236.46)
Total Equity	1,207,873.36	1,468,498.33

Statement of Cash Flow - Indirect Method

Victorian Harness Racing Club Inc.

For the year ended 30 June 2022

			2022
Cash Flow from Operating Activities			
Net Income			(\$260,624.97)
	Trade Debtors	\$1,330.00	
	Trade Creditors	(\$17,871.11)	
	Bendigo Credit Card	\$59.08	
	GST Collected/output tax	\$9,763.11	
	GST Paid/input tax credits	(\$6,592.87)	
	PAYG Tax Withholding	\$6,495.77	
	Superannuation Payable	\$227.99	
	Leave Provisions	(\$6,259.81)	
Net Cash Flow from Operating Activities			
			(\$273,472.81)
Cash Flow from Investing Activities			
Net Cash Flow from Investing Activities			
			\$0.00
Cash Flow from Financing Activities			
Net Cash Flow from Financing Activities			
			\$0.00
Net Increase/Decrease for the period			
			(\$273,472.81)
Cash at the Beginning of the period			
			\$1,514,003.83
Cash at the End of the period			
			\$1,240,531.02

True and Fair Position

Victorian Harness Racing Club Inc.

For the year ended 30 June 2022

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

I, Shane Gloury, being a member of the committee of Victorian Harness Racing Club Inc., certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of Victorian Harness Racing Club Inc. during and at the end of the financial year of the association ending on 30 June 2022.

Signed: Shane Gloury

Shane Gloury - VHRC TREASURER

Dated: 21/11/2022

Auditor's Report

Victorian Harness Racing Club Inc.

For the year ended 30 June 2022

Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Victorian Harness Racing Club Inc. (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2022, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Committee's Responsibility for the Financial Report

The committee of Victorian Harness Racing Club Inc. is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 [VIC] and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 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 judgment, including the assessment of the 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 association's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

Opinion

In our opinion, the financial report gives a true and fair view of the financial position of Victorian Harness Racing Club Inc. as at 30 June 2022 and (of) its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the Associations Incorporation Reform Act 2012 [VIC].

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Victorian Harness Racing Club Inc. to meet the requirements of the Associations Incorporation Reform Act 2012 [VIC]. As a result, the financial report may not be suitable for another purpose.



Auditor's signature: Terence Maihi CPA

Auditor's address: 8 Wilson Ave Montmorency Victoria 3094

Dated: 03/11/2022

Certificate By Members of the Committee

Victorian Harness Racing Club Inc.

For the year ended 30 June 2022

I, Shane Gloury, certify that:

1. I attended the annual general meeting of the association held on / /2022
2. The financial statements for the year ended 30 June 2022 were submitted to the members of the association at its annual general meeting.

Dated: / /2022