2021 Annual Report

AUCKLAND TROTTING CLUB

ALEXANDRA PARK

Contents.

EXECUTIVE

RACING

PROPERTY

FINANCE

MEMBERS

ROD CROON

PRESIDENT

Rod has been either President or Vice-President for 13 out of the last 16 years. He has also recently served 7 years on the NZ Racing Board. Rod has bred, owned and raced many horses and is very determined to drive the success of the Auckland Trotting Club.

This year has seen ATC finally begin to turn the corner.

Significant debt and building challenges have dominated the Club over the past 3 years and while we are not quite there yet, we can now start looking forward and taking positive steps rather than looking backwards and dealing with the problems of the past. Our biggest achievement of the past 12 months has undoubtedly been the completion and settlement of the two apartment projects, a development that all members should be proud of, and this now gives us the opportunity to consider new investments and new decisions.

Our bank debt has been discussed in detail at previous AGMs, but the sale and soon to be settlement of the Greenlane properties (as approved by members at last year's AGM) together with additional strategies in place to pay the last residual debt means that our Club can look forward to a solid and secure future. We can see our future operating model deliver healthy annual cash surpluses and increases in stakes, making harness racing a more financially sustainable undertaking for owners and stakeholders. More information on these matters will be available at our upcoming AGM but the key message here is that we have worked hard and found the best way forward for the Club that retains control and decision-making in the hands of the members.

We now have 65% of our available retail leases unconditionally locked in with 4 currently trading, and another 4 at different stages of Fitout. At the time of writing the supermarket has opened, and the other major space is leased to a gym operator with an opening date in the next 2 to 3 months. We are working with a number of partners to secure additional leases that complement the development and this will be a particular focus for us in the new season.

The Club has been the subject of a number of legal matters in recent times and it has been difficult for us to speak publicly about them. We can now say that we were successful in our Arbitration with Canam and we are dealing with the subsequent liquidation of that company. We are also investigating actions to pursue this debt through legal avenues against directors. Finally, we can also say that we are considering actions against various consultants and their insurance companies. Once again, more detailed information will be available at our upcoming AGM.

With respect to infrastructure, the Club has been working it's way through a number of necessary decisions. Firstly, the rezoning and subsequent relocation of our Pukekohe training track has been something we have advanced this year. We have worked closely with the Council this year to obtain a Private Plan Change over the site, allowing us to secure the uplift in value that will result in a more residential or commercial use of the land. Any such sale is still some time in the future and would include a leaseback provision that results in our Franklin trainers still using our current facilities for the next 4 to 5 years. We will work closely with the local racing community to ensure that any such move is handled well, and again takes us out of the reach of residential encroachment for another 10-20 years. The board is also working on a carparking repositioning solution, to ensure a seamless parking experience once work has commenced on the recently sold Greenlane site.

President's Report.

That solution will need to be a carpark situated on the left side of our main entrance. Once our future parking needs are decided we will consider plans and a financial analysis before we come back to the members for consultation.

Once again lockdowns have impacted our cashflow, but this time we were in a much stronger financial position to cope with this setback. Also, our decision to contract out the function's business greatly reduced our overheads, including Head Office, with more than 50% less staff than when we entered last year's lockdown. Looking ahead for the Club, a major challenge for all members and on-course attendees will be how we propose 'living with COVID', for which the board will need to introduce strategies to keep everyone on-course healthy and safe, as well keeping the Club a welcoming place for racing and entertainment.

Finally I would like to thank all my fellow directors for their commitment and staying focused in what has been another challenging year. Also I would like to thank our under appreciated Stewards for another year of commitment to keeping our Club running smoothly on race nights. Last, but not least, my appreciation to Mauro and his team for once again navigating ATC through the many challenging issues dominated by the development debt and lockdowns.

In summary, the Club can now look forward to a bright and positive future, and a future we control ourselves.

Board of Dir

ROD CROON
President

Rod has been either President or Vice-President for 13 out of the last 16 years.

He has also recently served 7 years on the NZ Racing Board. Rod has bred, owned and raced many horses and is very determined to drive the success of the Auckland Trotting Club.

JAMIE MACKINNON
Vice President

Jamie is Managing Director of Olympic Swiss Watches.

He represents the Auckland Trotting Club on the Sires Stakes Board and has been actively involved in the Harness Racing industry for 40+ years.

He and his son Jack, a trainer and driver, are developing a breeding and racing business focusing on the square gaiters.

LEN OUGHTON
Director

Len is a Financial Adviser who was appointed to the Board in January 2020 following being a Race Night Steward for the previous 4 years.

Len is a longtime member of

the ATC and is very passionate about Harness Racing and the future of our Club.

Through his association with Barry Purdon, Len has raced the very good horses Sky Major, Maxim, Jack's Legend & Cheer The Lady.

SCOTT PLANT
Director

Scott is the former Managing Director of a Nationwide Freight company, Streamline Freight.

Five years ago his business was

sold and Scott retired. For the last five years, he has continued to breed and race pacers, supporting the Auckland Trotting Club and being re-elected to the Board last year. Scott has been actively attending Alexandra Park for over 50 years and appreciates the opportunity to help the Club through these challenging times.

GRAHAM HARFORD
Director

Graham was appointed to the Board in November 2018.

His appointment was primarily made to assist the Board Members with legal issues arising from the Development Project. Graham, Director of Dawson Harford Limited, Lawyers & Notary Public, specialises in Corporate & Commercial Law.

Dawson Harford Limited is a keen supporter of the Auckland Trotting Club and has sponsored the NZ Messenger Championship Group 1 Race for many years.

SHAUN BROOKS
Independent Director

Shaun is an experienced director and senior financial executive who has worked in CFO and general management positions across New Zealand, Australia and Asia.

Shaun was most recently the CFO of the Racing Industry Transition Authority (previously NZRB), a position he held for the past 5 years encompassing strategic, operational and financial leadership for the business.

Prior to this, Shaun was an advisory director for an e-commerce venture and CFO for Fonterra Brands where he provided strategic and financial leadership for the Consumer Brands Business.

Governing Statement.

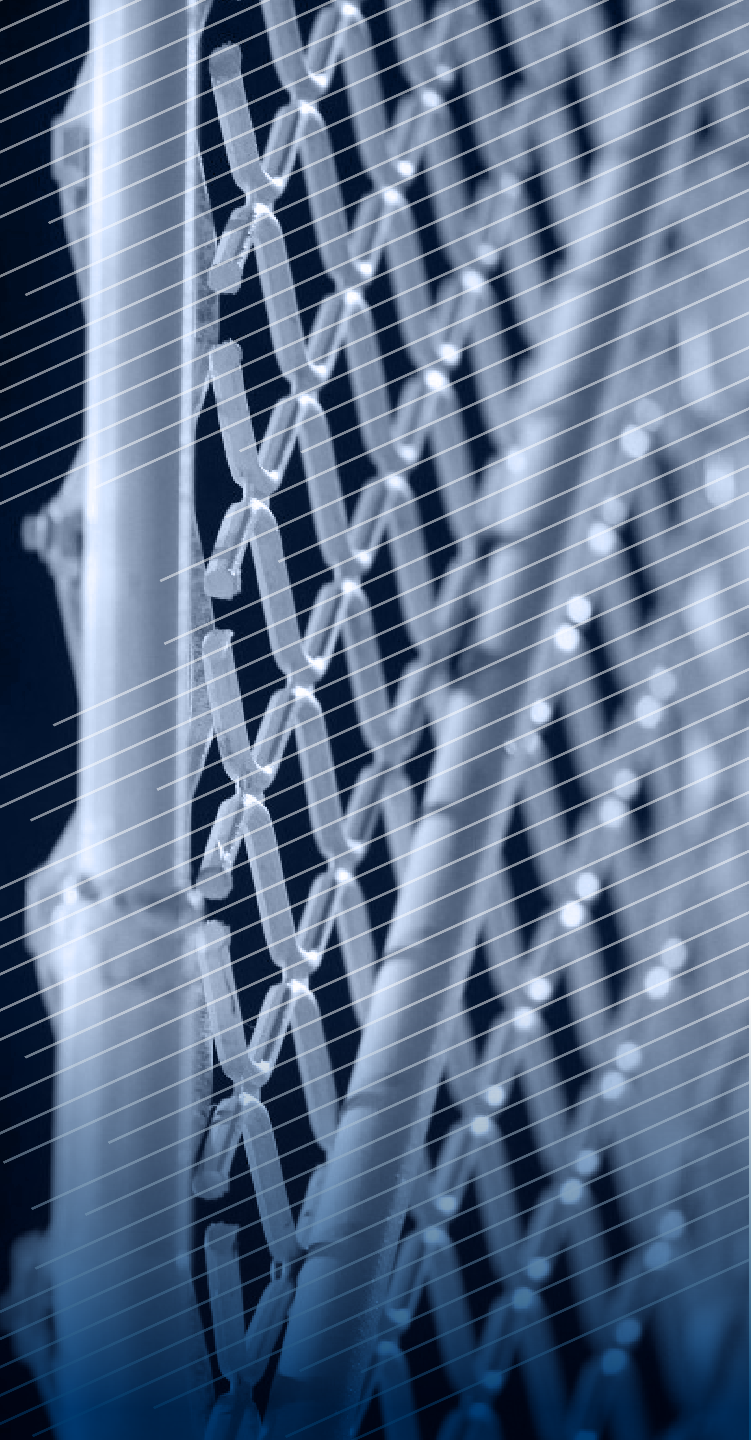
The Board plays a pivotal role in overseeing the strategic direction of the Auckland Trotting Club and ensuring the right strategic programmes are put in place and then implemented.

ROLE OF THE BOARD

The Board is the governing body of the club and is responsible for overseeing the club's operations, ensuring that its business is carried out in the best interests of the Members and other stakeholders.

ETHICAL STANDARDS

All Board members, Management and staff are required to adopt standards of conduct which are ethical and comply with all legislative requirements. The national Racing Integrity Board has set compliance standards with which the club's activities need to comply.



STRATEGY

The Board's specific responsibility is to approve strategic plans for the club and its business units and review and approve:

- Annual Budgets
- Major Capital Expenditure
- Acquisitions, divestments and funding
- Club's accounts
- Risk management decisions
- Health and Safety, internal and legal compliance
- Codes of conduct
- Appointment of the CEO
- Appointment of the CFO
- Remuneration for the CEO, management team and staff

STRATEGIC REVIEW

Each year the Board and Management develop and approve a Business Plan / Budget which identifies opportunities and challenges for development, risks associated with the club's operations, funding requirements and resources.

MANAGEMENT REPORTING

Management is required to report to each monthly Board meeting in sufficient detail to enable the Board to assess progress against Annual Budgets, strategic goals and major projects. In addition, Management reports detail of compliance with legislative requirements such as Health & Safety.

COMMITTEES

Members of the Board are allocated positions on the following committees:

- Racing Committee
- Audit & Finance Committee
- Property Committee
- Development Finance Committee
- Remuneration Committee

ATTENDANCE AT BOARD MEETINGS

Board Meetings (12 Meetings 2020-2021 Season) Messrs:

- R Croon (12)
- J Mackinnon (12)
- G Harford (12)
- S Brooks (12)
- S Plant (12)
- L Oughton (12)

MANAGEMENT LIMITS OF AUTHORITY

The Board has delegated the day to day management of the club to the Chief Executive Officer. There are in place specific limits on the ability of the Chief Executive Officer or Management to incur expenditure, enter contracts, or acquire or dispose of assets without Board approval. The club's rules also impose restrictions on the Management and Board which preclude the sale of freehold land and limit borrowings which are secured by mortgage over land owned by the club without the prior approval of Members. In addition, Harness Racing NZ Inc has the authority to impose certain national standards with which the club needs to comply.

MAURO BARSI

CHIEF EXECUTIVE OFFICER

The 2020/21 season has challenged the Club to think carefully about it's operating model, it's property holdings and it's role in the racing industry.

We have become a leaner and more targeted organisation, and we have chosen to focus more on core business and building on our strengths. Much hard work has been done this year to ensure resilience, focus and consistency – the season has seen us weather Covid lockdowns, the practical completion of our Building Projects, a new racing season model from HRNZ, and the integration of contract providers into some of our core services like food and beverage. The 2020/21 season has seen the Club change, learn and grow, all while ensuring we retain control of our decision-making and our assets. Overall, the Club is now on a much sounder footing, capable of managing it's current position and retaining enough potential to grow and shape itself as the members will see fit in the coming years.

Perhaps our most significant achievement is the completion of both Building Projects. While both Buildings finished their practical completion during the season, the final settlements for Building A were pushed into September as a result of Covid lockdowns. This work has taken longer than the Club ever expected and has meant we have been focused on development for longer than we would have liked. The 2021/22 season will be the first in some time that will allow us to focus the substantial portion of our attention on other matters of value to the Club.

We should, however, also take a moment and appreciate the success of the development. We now welcome approximately 250 apartments and 1,000 people into our precinct and we can introduce them to Harness Racing and our neighbourhood.

Equally as important, we have had to manage a complex and high-value property initiative - the sale of land alongside Greenlane Road. This undertaking was first put forward for approval at our last AGM and has since been the subject of much work and negotiation. Our thanks to the Member Committee who also worked on this matter and ultimately recommended the transaction by majority vote to the Board. The final outcome has been an agreement whereby the Club has secured:

1. an independently verified / valued market price
2. a design and layout that matches the quality and design of what we have already created
3. a series of conditions that will stay with the land, meaning that it's future development should not challenge or restrain the Club's activities
4. a process that ensures the developer has to seek approval from the Club at key times in the building process.

We believe that this sale will secure the ongoing future of the Club, de-risks us from the development challenges we have faced in the past, and retains the overall concept for an Alexandra Park precinct that is revitalised and relevant for a new audience.

Separately yet simultaneously, we have been at work in Pukekohe ensuring that the training track land is re-zoned for the benefit of the Club. We have seen residential and city style development reach out to our Franklin track and start the inevitable process of challenging our use: We are increasingly becoming an expensive and 'out of zone' activity. It is now time to rezone, take the benefit of the land's uplift and reposition ourselves into – again – a more rural and accommodating position. This cycle of development is one that we have seen

before, and one that we will see again. We will do this working with the members and ensuring the future of our long term industry participants – in a time frame that works for us. It will not be done quickly and it will not be done poorly.

Overall, the Club remains in a strong and positive net asset position despite the property development deficit and impairment of inventory under construction. Strategic and tactical interventions undertaken over the past 18 months have reoriented the business and made it more resilient in this new Covid environment. This restructuring activity has resulted in a significant improvement in the Club's underlying financial performance year on year, with an operating surplus before non-cash and property items (EBITDA) increasing to $694,073 in 2021, an increase of $328,909 or 90.1% compared to the previous year. Our overall net asset position has recovered to $129m in 2021, compared to $111m in 2020, following the revaluation of properties held by the Club in 2021 - this puts the Club in a good position to address the residual bank debt associated with the property development programme and consider new investment decisions moving forward. Over the course of the development – despite the setbacks – our net asset position has grown significantly from $51m in 2014 to $129m this year.

For completeness, we note that the new accounting standards require us to set out our financial position in a slightly different format from our usual hybrid approach - with respect to the consolidated statement of revenue and expenses. While this can give rise to significant figures – arising from property costs and settlements in particular working their way through our accounts – these are more instances of timing and asset categorisation. We address this in more detail in the finance section that follows.

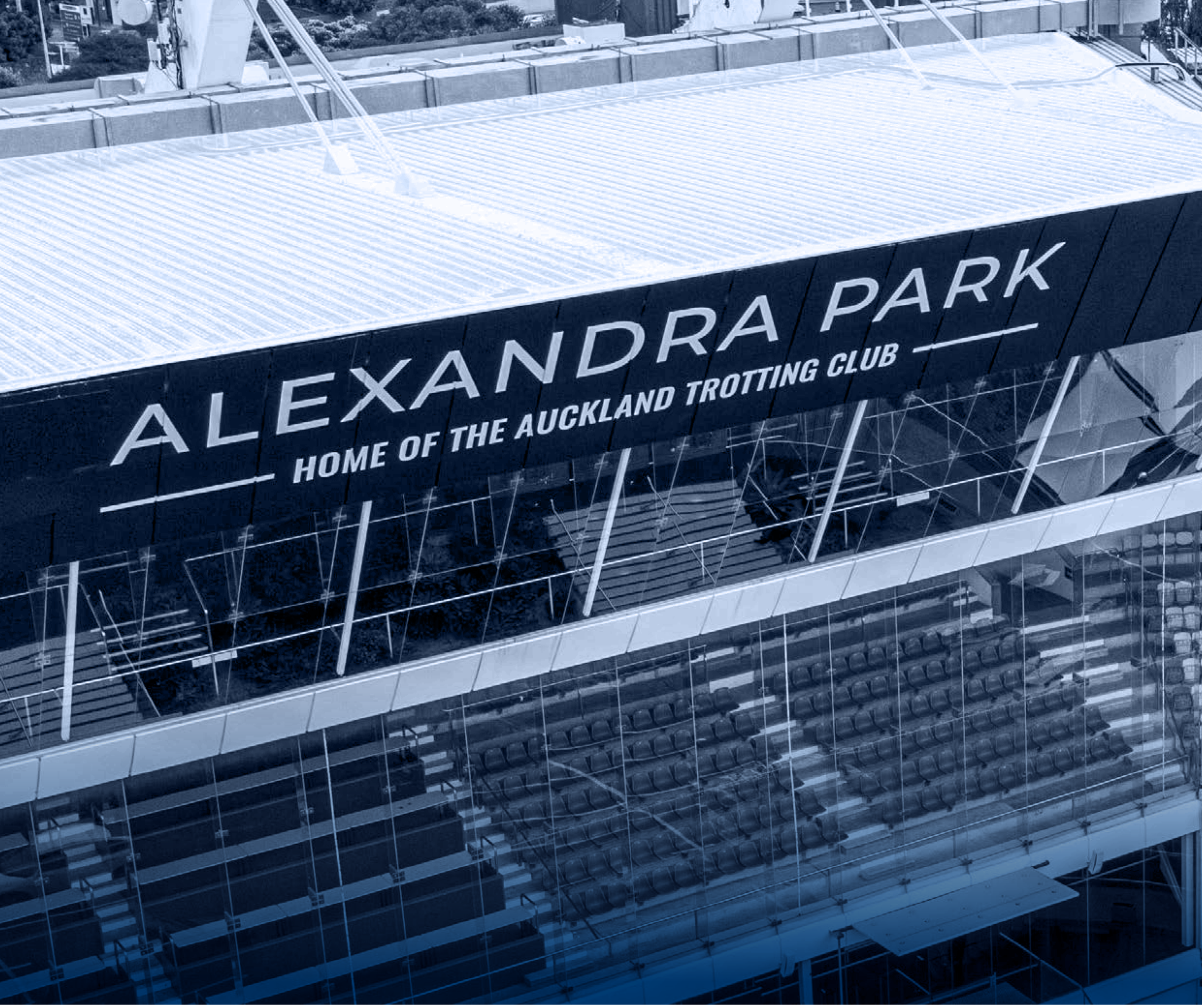
We address the impact of Covid-19 in a separate section of the Annual Report, but suffice it to say that government support, fast action on behalf of the Board and Management and the contracting out of our functions operation meant that while the effects of the Covid-19 were substantial, the Club was able to weather them effectively.

GRATITUDE

With Covid-19, extra pressure was put on the Board, Management and the team and I would like to personally thank all the ATC team for their efforts. I would also like to note that not all our operations or our team made it through this period unscathed.

I thank all our owners, trainers, drivers, race night stewards and everyone involved at Alexandra Park. Your time, effort and enthusiasm are very much appreciated – it's what makes this such a great place to be.

In closing, I wish to also express thanks to our board members for their efforts in such a challenging year, especially our President, Rod Croon. Rod was present at the Club on almost a weekly basis as he worked with all the team to get the development across the line.



Covid-19 has had, and will continue to have, a significant impact on the Club.

During Level 4 and Level 3 lockdowns, we have had to close our Food and Beverage, Raceday activity, TAB, and Gaming room offerings – essentially removing all of our revenue generating activity. Additionally, we have a number of sites leased to third parties – particularly food and beverage providers – that have also been unable to trade during these lockdown periods. This has seen a consequential lessening in our rental revenues also.

However, we are pleased to report that structural changes to the business model have meant we run at a much lower and sustainable cost, and that all our retail partners have weathered the Covid period with our support. The Club is much more resilient than it once was.

As a direct response to Covid-19, last year we put all our food and beverage operations into hibernation. To be clear, this meant the closing down of those business units as active units, the restructuring and redundancy of all the staff in those units and the mothballing of all plant and equipment. This year, we were able to begin these functions again but with a fundamentally different operating model.

Our initial response was to bring in a single outsourced catering partner, someone who had facilities off-site, and an ability to deliver an onsite service. We did this as we faced the prospect of catering much more quickly than we anticipated, as Covid was eliminated at that point and we were wanting to deliver for the next race meeting. We operated on this basis through until the Christmas period – where it became clear we needed a greater focus on our members and customers, and

COVID-19 Update.

that to do that we needed a dedicated partner based onsite. We selected previous supporters of the Club – FERNZ catering – to ensure a seamless transition from our offsite / outsource model to an onsite / partner model.

While we recognise that this was a difficult time for the ATC and members, we thank them for their continued support which meant the Club was able to step back into hosting within a matter of days and that, ultimately, the membership was satisfied with the end product. These were challenging times and we record our appreciation to the Board and to the team that worked hard on making such a difficult transition ultimately a success.

For completeness, the operating model through the Covid period changes has seen a reduction in staffing of over 100 people (part time and full time) as well as a saving in direct cost of over $1.5m.

With respect to racing, a summary of our stakes shows the non-premier meeting average for a 10-race programme totalling around $135,000. Our minimum stake remained at $12,000 and the majority of the racehorses in the north are in that low rated band. Our current stakes policy for the new year is $12,000, $14,500 and $17,500. We, much like the racing industry, are subject to the Code and TAB funding, and so stakes will remain 'subject to funding' and reviewed quarterly.

Overall, we are pleased with how funding and stakes were sustained during the turbulent 2020/21 season, but we know the industry and our people need increased stakes in the coming years.

KAREN BLANCHARD

RACING DIRECTOR

As the Racing Director it is my pleasure to share the Auckland Trotting Club's racing performance for the past season.

While writing this report in Covid-Delta Level 4 lockdown, we can be proud to say that we went right through the 2020/21 season with no race night abandonments from this pandemic.

At the start of the season the first three race nights were "Racing Behind Closed Doors" and then it was then business as usual until the first week in March when we were presented with a snap lockdown meaning no race night attendees and back to "Racing Behind Closed Doors" for the Derby and Oaks race night.

During September and October, the Auckland Trotting Club held various age group New Zealand Sires Stakes races that were due to be held at the end of the 2019/20 season however due to Covid lockdown they were rolled over to this period.

The ATC's flagship event of the year "New Year's Eve" which is a Family Fun Day was once again another achievement the club can be proud of. There was a large attendance of families all enjoying the entertainment as well as the running of the 2020 version of the Auckland Cup, National Trot and other Group and Listed races.

The 2020 Woodlands Stud Auckland Cup was won by Amazing Dream trained by Mark Purdon and Natalie Rasmussen this being a fitting result as they farewelled the training ranks at the end of the day's racing.

New Year's Eve with its beautiful summer skies was an awesome day of racing and entertainment which ended with a spectacular firework display just on dark and capped off the event perfectly. Racing at ATC for 2021 started in mid-January when we saw the first of the 2-year-olds racing aiming towards their Young Gun finals in March.

The first night of the Summer Carnival held in late February was run with a great crowd on course and with many of these horses preparing for an assault on Group 1 glory the following Friday.

A day or two later Auckland was back in snap lockdown which impacted all our plans for the much-awaited Oaks & Derby race night.

Close to race day the rest of the country were in Level 2 and Auckland in Level 3. This meant we were able to have horses trained in Level 2 on course however no drivers or staff from Level 2 were able to officiate at the meeting.

Through the season we saw some stunning performances by horses racing at Alexandra Park and none other than Krug in the Woodlands Stud Northern Derby. Krug who is trained in Christchurch by Cran & Chrissie Dalgety and was driven on this occasion by stand in driver Tony Herlihy.

It was unusual times having these top-class horses race in these prestigious races and having no owners and fans encouraging them on.

In April the Autumn Trotting Carnival returned, and having missed a year it was special to see the top trotters in New Zealand back racing at Alexandra Park. Sundees Son was star of the show trained by Robert Dunn and driven by son John he repeated his ANZAC and Rowe Cup double again as he had back in 2019.

The Uncut Gems were held in June. With a representation of horses competing from both the North and South Islands it was very even competition in all three of the Gem races which resulted in a great turnover for the Club on this night's racing.

The 2020/21 season wrapped up for Alexandra Park on 30 July and this "Friday Night Under Lights" featured the Auckland Trotting Club's two final races for their inaugural ATC Winter Series.

All of us at ATC are looking forward to what next season holds and I am sure there will be changes and challenges along the way now we are living in a Covid-Delta environment.

Racing Report.

2020–2021 Winners

GROUP ONE & TWO AND LISTED

GARRARDS SIRES STAKES FINAL 3YO C & G
AMERICAN DEALER
$130,000
GROUP ONE

HARAS DES TROTTEURS SIRES STAKES CHAMPIONSHIP TROT
BOLT FOR BRILLIANCE
$50,000
GROUP TWO

MAGNESS BENROW NZ SIRES STAKES CHAMPIONSHIP
BETTOR TWIST
$115,000
GROUP ONE

WOODLANDS STUD CADUCEUS CLUB 2YO FILLIES CLASSIC
BETTOR TWIST
$95,000
GROUP ONE

ROSSLANDS QUEEN OF HEARTS
BEYOND WORDS
$95,000
GROUP ONE

DUNSTAN SIRES STAKES 3YO FILLIES FINAL
ENJOY ME
$120,000
GROUP ONE

SIMS PACIFIC METALS NATIONAL TROT
SUNDEES SON
$95,000
GROUP ONE

NZB STANDARDBRED HARNESS MILLION 1 C & G 3YO
ALADDIN
$200,000
LISTED

WOODLANDS STUD AUCKLAND CUP
AMAZING DREAM
$200,000
GROUP ONE

AUCKLAND CO-OP TAXIS 300-3000 CITY OF AUCKLAND FFA
COPY THAT
$47,500
GROUP TWO

BRECKON FARMS YOUNG GUN CARDIGAN BAY STAKES
MONTANA DJ
$95,000
GROUP ONE

CROMBIE LOCKWOOD BLOODSTOCK DELIGHTFUL LADY CLASSIC
MR KAPLAN
$60,000
GROUP TWO

WOODLANDS STUD NORTHERN DERBY
KRUG
$200,000
GROUP ONE

DAWSON HARFORD LTD TAYLOR MILE
COPY THAT
$95,000
GROUP ONE

LONE STAR SIES STAKES TROTTERS CHAMPIONSHIP
FIVE WISE MEN
$60,000
GROUP TWO

MAGNESS BENROW NZ SIRES STAKES CHAMPIONSHIP
TRUE FANTASY
$119,600
GROUP ONE

BRECKON FARMS NORTHERN TROTTING DERBY
FIVE WISE MEN
$95,000
GROUP ONE

NZB STANDARDBRED HARNESS MILLION 1C & G 3YO
KRUG
$200,000
LISTED

PGG WRIGHTSON NZ YEARLING SALES **FINAL TROT**
BOLT FOR BRILLIANCE
$85,000
LISTED

ALABAR CLASSIC
AMERICAN DEALER
$47,500
GROUP TWO

LONE STAR LYELL CREEK STAKES
SUNDEES SON
$47,500
GROUP TWO

PETER BRECKON MEMORIAL CADUCEUS CLUB LADYSHIP STAKES
BETTOR TWIST
$70,000
GROUP TWO

PASCOES THE JEWELLERS NORTHERN OAKS
BETTOR TWIST
$120,000
GROUP ONE

WOODLANDS STUD CADUCEUS CLUB 2YO FILLIES CLASSIC
TRUE FANTASY
$95,000
GROUP ONE

HR FISKEN & SONS ANZAC CUP
SUNDEES SON
$95,000
GROUP ONE

'WHAT THE HILL' ROWE CUP
SUNDEES SON
$150,000
GROUP ONE

DAWSON HARFORD LTD NZ MESSENGER CHAMPIONSHIP
COPY THAT
$95,000
GROUP ONE

OVERALL PERFORMANCE

In the Covid affected 2020/21 which saw racing behind closed doors but no abandonment of ATC meetings we hosted 36 race nights. There were 343 races run featuring 3169 starters for an average field size of 9.2 runners. This saw the club's average turnover per starter sitting at $8761.66.

Zachary Butcher was the most successful driver of the season with 43 wins, while Tony Herlihy was awarded the Roy Purdon Trophy for Leading Trainer at AP with 36 wins.

The Junior driver title was taken out by Andrew Drake with 5 wins by winning a race on the last meeting of the season to take the title.

The Club returned $7.55m in prizemoney to

the industry participants and had a wagering turnover of $27,551,780 at the ATC race meetings through the year.

TRACK REPORT

Through the 2020/21 season we had 11 new track records set by 2 pacers and 7 trotters with 4 of these also being National records.

These records are a testament to the work Track Manager David Cunneen and his team have done for the 36 meetings held at Alexandra Park this past year.

The track records were lowered right through the season with 8 new track marks and 4 national marks made by horses from the trotting ranks.

PACERS

BETTOR TWIST

LAST TANGO IN HEA

TROTTERS

KAY CEE

KIMKAR DASH

I SEE FIRE

TIME UP THE HILL

SUNDEES SON

BOLT FOR BRILLIAN

MONKIE SELFIE

SUNDEES SON

LEADING TRAINER 2020/21

Tony **Herlihy**

Awarded Roy Purdon Trophy

Alexandra Park's Top Trainer with 36 during the 2020/21 season. Horses r out of the Strike Won Stables had 1 starts for 36 wins 28 seconds and 27 for a UDR of .3121. From all of us at A congratulations to Tony and his tea another great season and we wish the best for the coming season.

Track Records.

	30/10/20	TRACK (3YO FILLY, 3YO OPEN, OPEN F&M)	1609M	MOBILE	1.52.1
AVEN	18/06/21	TRACK (3YO)	2200M	STAND	2.45.2

	30/10/20	TRACK (OPEN)	1609M	MOBILE	1.56.2
	30/10/20	TRACK (4YO+ MARE)	1609M	MOBILE	1.57.2
	18/06/21	TRACK (3YO)	2200M	STAND	2.46.2
	21/05/21	TRACK & NATIONAL (3YO FILLY)	2200M	STAND	2.48.6
	11/12/20	TRACK & NATIONAL OVERALL (OPEN)	2200M	MOBILE	2.39.1
CE	28/05/21	TRACK & NATIONAL OVERALL (OPEN)	2200M	STAND	2.44.0
	12/03/21	TRACK (4YO+ MARE)	2200M	STAND	2.46.9
	31/12/20	TRACK & NATIONAL OVERALL (OPEN)	2700M	MOBILE	3.20.3

Premierships.

wins
racing
94
7 thirds
ATC
m for
you all

LEADING DRIVER 2020/21

Zachary **Butcher**

Awarded Peter Wolfenden Trophy

Zachary drove 232 times at Alexandra Park for 43 wins 33 seconds and 31 thirds finishing the season with a UDR of .3089. As was the case for last season this UDR means for every 5 drives Zachary has it will be a winner. Congratulations to Zachary on the back-to-back titles and we are sure he will be in for another great season for 2021-22.

LEADING JUNIOR DRIVER 2020/21

Andrew **Drake**

Awarded Herlihy-McKendry Trophy

Andrew had 55 drives at Alexandra Park through the season and ended up with 5 wins 2 seconds and 5 thirds and a UDR of .1414. Andrew drove Superfast Ninja, whom he also trains to win on 30 July to take out this title. We congratulate Andrew for this achievement and look forward to watching him have further success in the seasons to come.

36 MEETINGS

3169 STARTERS

7.55 PRIZE

GROUP ONE 17

GROUP TWO 7

GROUP THREE 5

8.7K TUR PER

27.55M WAGERING TURN

$13M EXPORT TURNOVER

Business Overview.

Franklin Park

FRANKLIN PARK

Franklin Park Training Centre is a 96-acre harness racing training complex in Pukekohe. There are three training tracks and various barns around the site which homes approximately 150 horses.

With Alexandra Park being the Premier Harness track in the North Island this is a vital cog in the Auckland Trotting Club's daily operation. Trained on the track each day are around 200 horses and this complex is where several South Island trainers set up base when they bring their horses to Auckland to race.

Franklin Park also has weekly trials and workouts for all the horses trained in greater Auckland area as well as often there is a presence by Waikato trainers depending on the racing schedules.

Though Covid has been a part of the 2020-21 season it has not impacted on the training site at all. With procedures and protocols in place for the varying levels we have been at the trainers and their staff have been able to continue training the horses through the lockdowns.

ACKNOWLEDGEMENT

Thank you to Track Manager Graham Bayley and his team who are dedicated in their preparation of the three tracks to ensure the best possible surfaces for the horses to work on each day as well as for those horses attending the weekly trials and workouts. The team also take care of all the grounds and repairs and maintenance of the site.

With the weekly workouts and trials numbers averaging around 50 horses a big thank you to the volunteers and staff that contribute to them running so efficiently. This past season and moving forward there will be a mixture of Friday's and Saturday's when the trials & workouts will be held to work in alongside the racing calendar.

SPONSORSHIP

Auckland Trotting Club is proud of the ongoing support it receives from its sponsors year -on-year. With this past season impacted by Covid lockdowns at various times we thank these sponsors and corporate partners for staying on the journey with the Club through these challenging times.

As one Premier night with several Group races were run under Level 3 meaning only the horses, trainers & drivers in attendance we are looking forward to when we can welcome back sponsors to every race night so they too can have their "day in the sun".

With this uncertainty in our lives, it has taken most of the year for the race night attendees and corporate group sponsors to get back to the track.

However, for the last four months from the Autumn Carnival in April until Mid-winter Christmas wrapping up on 30 July the Club had awesome support for these race night events.

No matter how big or small your involvement we thank you for your continued participation and enjoy the business relationships we have built that ensures our Club's continued growth. You are all an important component of what makes the Auckland Trotting Club one of the Premier racing club's in New Zealand of any code.

I would like to thank and acknowledge the below who contributed through the 2020-21 season at Alexandra Park.

& Sponsorship.

THANK YOU TO OUR SPONSORS

- Alabar (NZ) Ltd
- Ali-Frame Windows & Doors
- Alliance Services
- Aotea Electric
- Ashcroft Homes
- Asphaltech -
- Auckland Co-op Taxis 300-3000
- Bell Scaffolding
- Belmont Linen Hire
- Betavet
- Bodman Fencing
- Breckon Farms
- Brenden Stuart
- Caduceus Club
- Chemfeed
- Coca Cola
- Crombie Lockwood Bloodstock
- Daily Freight
- Dawson Harford Limited
- Dayaveg
- Downright Construction
- DMI Plumbing Ltd
- Dunstan Horse Feeds
- Empire Stallions (NZ)
- Franklin Long Roofing
- Fresher Foods
- Garrards Horse and Hound
- Grand Park Restaurant
- Grove Mega Mitre 10
- Haras des Trotteurs
- Healey Buiders
- HR Fiskens & Sons Ltd
- HRNZ
- Hydroflow Distributors
- IRT
- Jacobsen Headstones
- Jeremy Young
- Johnson Trading
- Lincoln Farms
- Lion Nathan
- Lonestar Alexandra Park
- Magness Benrow
- Majestic Horse Floats
- McGregor Bailey Chartered Accountants
- McMillan Equine Feeds
- Metal Craft
- Mico Plumbing
- Navigation Homes
- Nevele R Stud
- New Zealand Bloodstock Standardbreds
- New Zealand Standardbred Breeders Association
- North Island Standardbred Breeders Association
- NI Amatuer Drivers Assn
- NRM
- NZ Onion Co.
- Olympic Swiss Watches
- OnRoad Transport Ltd
- Pascoes The Jewellers
- Pernod Ricard
- PGG Wrightson
- Pipe and Infrastructure
- Powell Transport Ltd
- Primor Produce
- Resimac
- Rodewald Consulting
- Rosslands Stud
- Ross Dallimore
- Sims Pacific Metals
- Southern Bred Southern Reared
- Southern Cross Partners
- The Darby Family
- The Cahill Family
- The Club Room
- The Green Family
- The Omah Group
- TYCAB
- United Cleaning Services
- VDB Poultry
- Woodlands Stud

JOHN FARRIER

PROPERTY MANAGER

Alexandra Park provides for a diverse combination of uses with the track as the central unifying feature. Not unexpectedly, development introduces new focuses, relationships and challenges where the Property Team remains committed to providing a quality environment in association with revenue contribution.

Revenue is achieved through tenancy rentals and parking, both annual lease parking and show receipts. Property generated $2.3M in revenue, marginally up on the year prior. The Property Team offers a broad spectrum of services in relation to buildings, grounds and activities. Maintenance of existing buildings and hard-standing areas present constant challenge with the decision taken to defer some remedial works in the knowledge of sale and demolition.

ATC's Track Manager, David Cunneen, has maintained the surface to a consistent and high standard. Four national records and ten track records were achieved over the past twelve months. Adherence to protocols and independent responsibility without interference are key contributors to this performance. The NZ Racing Safety Development grant enabling a stockpile of shell was also hugely beneficial this year.

Renewed applications will be made for RSDF and other grants to facilitate relocation of the Swab Box inside the Stables. This has functional and Health & Safety advantages.

Containment of horses is fundamental particularly given progressive development of the property. Relocation creates opportunity to rationalise ATC's workshop and refuse area in association with reconfiguration of landscaped areas adjacent to the Administration Offices and Stables.

Negotiations with ADHB early in 2021 resulted in opportunity to provide parking for the Vaccination Centre established at 382 Manukau Road. This arrangement is secured through to the end of the year. The Stables offer 110 undercover spaces with potential for future advantage on expiry of the current term. Separate existing lease of spaces to Greenlane Clinical Centre is unaltered in the Campbell Crescent car park.

Remediation of the Blues High Performance Facility resulted in Blues administration staff being accommodated in the ATC's offices. This was logical from perspective of proximity and off-season timing of works. Similarly Auckland Rugby has been temporarily accommodated in the Rutherford Room with gymnasium in Delightful Lady for duration of the NPC season.

Third party management of the Function Centre brought about operational changes and disbandment of the House-keeping team. Core ATC staff were retained to cover the Alex, Elsu Lounge, TAB and Gaming Room however a contract cleaner is now responsible for all Function Centre areas.

Head of Grounds, Stewart Ashworth, resigned during the August Lockdown. Stewart will continue horse ambulance and mobile start roles but his work ethic and commitment to high standard of grounds presentation will be missed. ATC's Parking Manager, Brian Quinn remains a standout performer despite the Covid-19 impact on parking earnings due to the closure of ASB Showgrounds. However, the return of the Hutchwilco Boat Show in May resulted in 8,200 cars being parked over four days, this is a fifteen percent increase on the record set in 2018.

Property Report.

Property Development.

MARK ALLAN

PROPERTY DEVELOPMENT DIRECTOR

During 2020/21 Covid-19 impacts and challengers continued unabated, and have required multiple and ongoing operational changes to adapt to this 'new norm'. Notwithstanding this, ATC continued to execute the key pillars of our business growth and development strategy:

1 - MASTER DEVELOPMENT PLAN

Extension and enhancement activities at our site are actively progressing and supporting the execution of our development pathway or roadmap. The opportunity referred to in the President's report will allow for the optimal sale and 'controlled' development of three remaining titles on Greenlane West adjacent to the new Building B development (incorporating approximately 1.5 hectares). Mixed use zoning and other related conditions will facilitate the development of another series of premier residential and ground floor retail buildings and structures.

This 'unlocking' or activation of Stage Two of the long- term development plan is another milestone achieved towards the long-term vision of the Auckland Trotting Club. Additionally, it sees us build out the Alexandra Park precinct concept without development risk, and retaining design controls that will best fit the concept with the vision.

The development roadmap provides for further opportunities beyond Stage Two and a range of alternative development models remain open to the Club to pursue preferred developments planned for the future.

2 - ALEXANDRA PARK LIVING (APL)

Over the last two years in particular, our highest priority has been "the completion of construction works / contracts to enable the earliest possible settlement and then occupation of APL developments at A and B as well as the letting of the remaining retail tenancies on the ground floor of the developments and the completion of the fitouts for those already signed up"

During the first quarter of the year, a range of post Covid19 adverse lockdown effects flowed through to the contracts and added costs and delay impacts. Both Contractors submitted multiple EOT's and disruption claims. These in turn caused further disruptions or delays to existing retail fitouts underway or those due to commence.

However, ATC is very pleased to report as at balance date, the Practical Completion (PC) of both developments.

Building A

Practical Completion was finally awarded on 30th July 2021. Code of Compliance certificate was issued on the 10th August 2021. The completion of this construction contract followed no less than 8 separate EOT's claims over a 26 month period, 5 in the last 6 months.

Post the end of July

Settlements commenced on 11th August and by Wednesday 18th they were 90% completed. Unfortunately, Residents moving in was/has been delayed by the most recent August/September Level 4 Covid lockdown.

Building B

Practical Completion for SP1 was awarded on 20th September 2020 and SP3 followed on 16th November 2020.

Residents began to move in from late November 2020 and many enjoyed their first Christmas and New Year in their new home and, also enjoyed ATC hospitality and racing over the festive season before the re emergence of further Covid19 impacts in early 2021.

Feedback from Residents and relationships with the Building B Body Corporate are overwhelmingly positive.

Retail Leasing – Building B

As reported last year our initial 4 tenants completed their fitouts and commenced trading under CPU's which have since been converted to fully code compliant CCC's. Lone Star, Joe's Garage, Physio Connect and 5 Star Nails have weathered multiple Covid disruptions and lockdowns. They have all shown adaptability and resilience to trade through some unprecedented challenges for hospitality, food and beverages, and services retail.

These same impacts caused delays to the commencement of the Daruma Ramen Japanese restaurant fitout. Completion is expected for end of January 2022.

After some very protracted negotiations, it emerged that Madam Woo was unable to complete the required Agreement to Lease obligations and as a result, a cancellation settlement was reached.

Retail Leasing Building A

Fresh Choice Supermarket commenced it's 18 week fitout in early May 2021. As at balance date, Fresh Choice advised they were expecting to open during November 2021. ATC can now advise we have signed up the O2 Gym Brand and their fitout commencement is scheduled for January 2022.

The Unichem lease is the subject of further delay/ dispute negotiations.

John Farrier and his property team continue to prioritise the Expansion of the life of the existing asset strategy.

In addition, the Team is constantly looking for ways to leverage any potential synergies or infrastructure upgrades arising from the new APL developments. Similarly, liaison and close relationships with the new development's Building Managers (ABM) allows for collaboration around security, parking, landscaping general infrastructure planning.

The ongoing stop/start/open-close Covid environment along with the related need to relay/reinvent facilities continues to be challenging. Significant progress has been made around the optimisation of costs and maintenance regimes required for 'on standby' scale up or down essential systems, equipment or services.

Finance Rep

The Club remains in a solid financial position with net assets of $129m in 2021 despite the property development deficit and impairment of inventory under construction. Our Reported Operating Deficit (before net financing costs) comes to $27.6m. This result was driven by property development costs and impairment charges relating to Buildings A&B totalling $28.9m. With both developments now completed we do not expect development related costs to adversely impact future results. The financial performance of the Club's underlying activities remains strong, resulting in a trading surplus before non-cash and property items of $694k, up $328k or 90% on 2020. Note 30 provides a detailed reconciliation between Profit from Operations to the Operating Deficit listed in the Statement of Revenue and Expense.

The trading year has however been a challenging one. Significant restructuring activity and cost management, along with continued support from our banking partners, enabled the club to weather this period and improve its resilience. In particular, the Club undertook a significant review of its food and beverage business – ultimately settling on FERNZ Catering as a preferred partner for the management of the Alex Bar and Grill and the delivery of Catering on site for race days, functions and events. This partnership is demonstrating strong potential and we look forward to a longer-term relationship in due course.

This year also saw the completion of the Building A and B property development programme – known as the Alexandra Park Living Precinct. There was the successful conclusion and sale of the Building B development and practical completion of the Building A development, including the retail / commercial properties that will generate a significant income stream for the Club. For Building A, this meant that the building was largely completed with the development costs recognised in the current fiscal year – however the apartment settlements and funds from the sale will technically be recognised in the following year as they occurred shortly after July.

This year the appearance of the P&L / Consolidated Statement of revenue and expenditure will differ slightly. In prior periods, the Club has been permitted to present revenues and expenses using a 'hybrid' approach of nature (type of expense) and function (department e.g. racing, property etc).

This hybrid approach does not meet the requirements of the new PBE IPSAS 1 and will no longer be permitted. As such the Club has adopted the "functional" P&L presentation to align with the operating functions of the business.

I provide below an update on a selection of our key departments and further detail on the main adjustments in the financial statements.

OPERATIONS & ADMINISTRATION

Our operations and administration departments consist of the following support services - Management, Human Resources, Finance, Information Technology and Health & Safety. The bulk of our non-direct costs are held in these business units as we do not internally re-allocate them to our trading business units. Utility costs, rates, insurance, technology, repairs, maintenance, membership, audit, legal, valuation costs, other professional fees and the labour costs associated with these departments are all similarly held in this area. These costs are challenged continuously and tenders are run for larger commitments to ensure the most efficient outcome from the market. Council rates on our owned properties remain outside our control and make up a large proportion of spend on an annual basis.

GAMING & TAB

Our gaming room continues to perform well – when unaffected by Covid 19 – and we remain committed to providing a safe and secure form of entertainment for our patrons. Gaming staff are trained to identify and approach people that may evidence signs of problem gambling and then steps are taken to deal with these issues in a proactive but sensitive manner. Gaming revenue grew by +8% year on year, notwithstanding the impact of Covid-19 restrictions that negatively affected turnover during the year. Patrons in this space continue to respond to new products and ongoing machine upgrades are required to remain relevant. The TAB also performed strongly under the guidance of Graham Payne (TAB Manager), although it also experienced a revenue setback as a result of Covid-19.

PROPERTY ADJUSTMENTS

The key adjustment in the audited financial statements for 2021 is the $24m impairment of inventory under construction relating to the property developments. This brings the total impairment of inventory under construction to $115m. We note that this adjustment is a book entry for accounting purposes and should not be compared with the projected net debt position. The impairment must factor in cost of land held on the balance sheet

ort.

which was owned and not purchased, and an adjustment to apportion the total spend on the retail units i.e. cost to build. This development cost to build the retail sites will be the base off which any future market valuations are adjusted from with both retail developments in Building A and B now carried at fair market value.

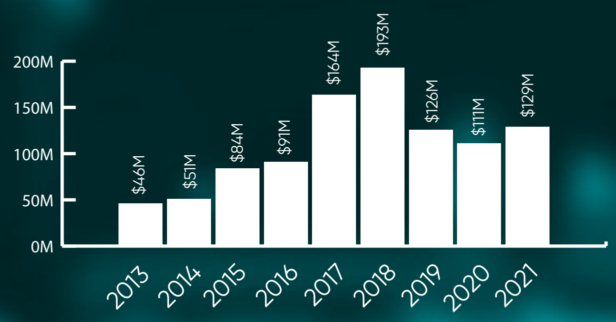
Net debt at completion of the development is the more relevant consideration for the Club. Current projections using the same set of assumptions in booking the impairment would likely see this position amounting to approximately $100m post settlement of the apartments. The movement in this figure comes from a range of factors primarily associated with the ongoing remediation works required to complete the building A development, and with delays to the project overall in the fiscal year, including the impact of Covid-19. In respect of this, the Club remains in a strong and positive net asset position which, in conjunction with an underlying cashflow positive business and ongoing support from our banking partners, allows it to support its operations, land and property holdings despite the development deficit and the impairment of inventory under construction.

It is important to highlight that following the successful conclusion of arbitration proceedings, a range of legal recovery options are now being pursued by the Club involving a variety of parties associated with the development.

At year end, the Club technically finds itself in a negative working capital position with current liabilities exceeding current assets by $76m. This is in most part due to the fact that our borrowings are treated as current liabilities while the assets these loans relate to are split between current and non-current. This situation does not impact the ability of the club to finance its immediate operational needs, rather it reflects the timing and duration of the Club's property borrowings that are expected to be restructured in 2022.

Finally, we note a significant property revaluation of $45m was recognised this year reflecting the gain back on Covid-19 write-downs incurred last year and the increased activity seen in the Auckland property market over the past 12 months. Our overall net asset position has recovered to $129m in 2021, compared to $111m in 2020, following the revaluation of properties held by the Club in 2021 - this puts the Club in a good position to address the residual bank debt associated with the property development programme and consider new investment decisions moving forward.

NET ASSETS FIGURES PER YEAR:



LOOKING AHEAD

The key focus for us this year from a financial perspective will be to address our net debt position associated with the property development programme and the Club has a 3 pronged strategy to maximise our future cashflows:

1. Clear Debt - The apartment settlements from Building A and the sale of the Greenlane Road adjacent property currently under contract are positive steps towards achieving this and other development options will also be considered by the Board.

2. Maximise Commercial Leasing – Ensuring all new Commercial Properties from our retail development are tenanted, in addition to pursuing other retail / office development opportunities, which will deliver in excess of $2m in incremental revenue per year that will provide an important mechanism for servicing our residual debt.

3. Establish Future Cash Inflows – There are currently a number of options actively being pursued by the Board, including the rezoning of our Pukekohe land, that would enable the Club to maximise the value of our assets and continue with its debt reduction strategy. The Board will also be considering other investment decisions aimed at improving the Club's future operating cashflow.

GRATITUDE

I wish to recognise the efforts of all our support staff through the year, these roles are often the least visible externally but nonetheless provide an integral service to the business and ensure smooth operations. To our Gaming and TAB staff keep up the good work and well done on a successful year in trying circumstances. Also, a big thank you to our external advisors that support us, namely BDO, CBRE Limited and LVC Limited for our property valuations and Aon as the Clubs primary insurance broker.

CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
for the year ended 31 July 2021

	NOTE	2021	2020
REVENUE		$	$
Revenue - Exchange			
Racing Revenue	3	8,905,166	7,142,183
Trading Revenue	4	6,774,713	8,962,570
Property Rental Revenue	5	4,184,194	8,135,230
Property Development Revenue	6	120,455,822	-
Other Revenue	7	326,189	1,896,191
Revenue - Non-Exchange			
Racing Revenue	3	181,163	185,000
Other Revenue	7	208,918	747,912
TOTAL REVENUE		**141,036,165**	**27,069,086**
EXPENDITURE			
Racing Expenditure	3	8,444,261	7,587,856
Trading Expenditure	4	4,138,459	6,333,830
Property Rental Expenditure	5	516,634	148,889
Property Development Expenditure	6	149,355,597	30,814,787
Operations and Administration	8	6,139,245	6,250,222
		168,594,196	**51,135,584**
OPERATING SURPLUS/(DEFICIT) BEFORE NET FINANCING COSTS		**(27,558,031)**	**(24,066,498)**
Interest Income		4,540	597
Interest Expense		(731,820)	(161,128)
		(727,280)	**(160,531)**
OPERATING SURPLUS/(DEFICIT) FROM CONTINUING OPERATIONS		**(28,285,311)**	**(24,227,029)**
NET SURPLUS (DEFICIT) FOR THE YEAR		**(28,285,311)**	**(24,227,029)**
OTHER COMPREHENSIVE INCOME			
Items that will not be recycled to surplus or deficit			
Gain on Revaluation of Land	23, 25	45,647,035	9,617,000
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		**$17,361,724**	**$(14,610,029)**

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS / EQUITY
for the year ended 31 July 2021

	NOTE	PPE Revaluation Surplus Reserve	Accumulated Revenue & Expenses	Total Net Assets
For the year ended 31 July 2021		$	$	$
OPENING EQUITY		113,946,080	(2,715,484)	111,230,596
Net Surplus (Deficit) for the year		-	(28,285,311)	(28,285,311)
Gain on Revaluation of Land	23	45,647,035	-	45,647,035
Total Comprehensive Revenue & Expense		**45,647,035**	**(28,285,311)**	**17,361,724**
CLOSING EQUITY		**$159,593,115**	**$(31,000,795)**	**$128,592,320**
For the year ended 31 July 2020		$	$	$
OPENING EQUITY		104,329,080	21,511,545	125,840,625
Net Surplus (Deficit) for the year		-	(24,227,029)	(24,227,029)
Gain on Revaluation of Land	23	9,617,000	-	9,617,000
Total Comprehensive Revenue & Expense		**9,617,000**	**(24,227,029)**	**(14,610,029)**
CLOSING EQUITY		**$113,946,080**	**$(2,715,484)**	**$111,230,596**

CONSOLIDATED BALANCE SHEET
for the year ended 31 July 2021

	NOTE	2021	2020
		$	$
EQUITY			
Accumulated Revenue & Expense		(31,000,795)	(2,715,484)
Revaluation Surplus Reserve	11	159,593,115	113,946,080
TOTAL EQUITY		**$128,592,320**	**$111,230,596**
Represented by:			
CURRENT ASSETS			
Cash and Cash Equivalents	15,21	680,932	1,693,532
Inventories		50,732	109,899
Trade and Other Receivables	17,21	2,830,090	2,212,528
Inventory Under Construction	27	133,175,660	208,971,309
		136,737,414	212,987,268
Property Held for Sale	25	39,777,084	13,550,000
TOTAL CURRENT ASSETS		**176,514,498**	**226,537,268**
NON CURRENT ASSETS			
Property, Plant and Equipment	23	159,682,273	133,565,008
Investment Property	24	45,225,000	63,550,527
Intangible Assets	22	26,244	67,479
TOTAL NON CURRENT ASSETS		**204,933,517**	**197,183,014**
TOTAL ASSETS		**381,448,016**	**423,720,282**
CURRENT LIABILITIES			
Bank overdraft	15,21	1,050,575	836,670
Trade and Other Payables	18,21	7,628,521	14,782,230
Borrowings	26	243,748,972	296,420,686
Employee Entitlements	16	292,328	314,800
TOTAL CURRENT LIABILITIES		**252,720,396**	**312,354,386**
NON CURRENT LIABILITIES			
Borrowings	26	135,300	135,300
TOTAL NON CURRENT LIABILITIES		**135,300**	**135,300**
TOTAL LIABILITIES		**252,855,696**	**312,489,686**
NET ASSETS		**128,592,320**	**$111,230,596**

Authorised for issue on behalf of the Board

R. Croon, President
22 November 2021

J. A. Mackinnon, Vice President
22 November 2021

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2021

	NOTE	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		**$**	**$**
Cash was received from:			
Members and Customers		17,334,431	19,235,199
Settlement Proceeds - Insurance		-	1,805,201
Sale of Apartments	6	120,455,822	-
Interest Earned		4,540	597
		137,794,793	**21,040,997**
Cash was paid out to:			
Suppliers and Employees		21,631,541	18,903,011
Development Costs		69,284,663	82,978,721
Goods and Services Tax (net)		(1,638,611)	(120,391)
Interest Incurred		96,305	155,282
NET CASH FLOW FROM OPERATIONS	**19**	**89,373,899**	**101,916,623**
		48,420,895	**(80,875,626)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of PPE	23	(51,990)	(623,745)
Purchase of Intangible Assets		-	(7,575)
Development of Investment Property	24	(2,784,891)	(8,112,711)
Sale of Investment Property Held for Sale	25	15,150,000	-
NET CASH FLOW FROM OPERATIONS		**12,313,119**	**(8,744,031)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		56,401,531	88,462,515
Repayment of borrowings		(118,362,050)	(300,000)
NET CASH FLOW FROM (USED FOR) FINANCING		**(61,960,519)**	**88,162,515**
NET (DECREASES) IN CASH AND CASH EQUIVALENTS		(1,226,505)	(1,457,141)
Cash and cash equivalents at Start of Year		856,862	2,314,003
CASH AND CASH EQUIVALENTS AT END OF YEAR		**$(369,643)**	**$856,862**
CASH AND CASH EQUIVALENTS COMPRISE			
Cash on Hand		181,167	113,344
Cash at bank - Operating accounts		234,816	1,389,867
Bank Overdraft - Development accounts		(1,050,575)	(836,670)
Cash at bank - Gaming account		264,949	190,321
CASH RESOURCES AT END OF YEAR	**15**	**$(369,643)**	**$856,862**

1 STATEMENT OF ACCOUNTING POLICIES

Reporting entity
Auckland Trotting Club is an incorporated society registered under the Incorporated Societies Act 1908. The Group consists of Auckland Trotting Club Incorporated (the parent), Epsom Functions GP Limited, The Epsom Functions Limited Partnership, Hospitality GP Limited, The Hospitality Limited Partnership (together referred to as the subsidiaries), the limited companies are registered under the Companies Act 1993, in which the Club has ownership of all of the shares. The limited partnerships are registered under the Limited Partnerships Act 2008, with the Club being the sole limited partner. These limited partnerships were deregistered in January 2021. All entities are incorporated and domiciled in New Zealand and have their principal place of business situated at Alexandra Park, Green Lane West, Epsom, Auckland. This Group is a public benefit entity for the purposes of financial reporting.

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand. They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable financial reporting standards as appropriate for Tier 1 public benefit entities.

Measurement base
The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis have been adopted with the exception that land has been revalued and investment property is reported at fair value. Reliance is placed on the fact that the entities are going concerns.

Consolidated group financial statements
These are prepared by combining the financial statements of the Club and the subsidiaries on a line by line basis. Equity in the subsidiaries and all intragroup balances, transactions, income and expense, are eliminated in full.

Operations and principal activities
The principal activity of the Club is to hold and promote harness racing meetings on the Club's course at Alexandra Park. The principal activity is supported by revenue derived from property development and investment, TAB and gaming operations. The subsidiary entities provide catering to the Club and operate a Function Centre and Sports Bar/Cafe utilising Club facilities at Alexandra Park.

Functional and presentation currency
The financial statements are presented in New Zealand dollars and all values are rounded to the nearest whole dollar. The functional currency of the group is New Zealand dollars.

SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies adopted in the financial statements which have a significant effect on the results and financial position are:

Revenue is measured at the fair value of consideration received or receivable. Revenue is disclosed separately as either exchange or non-exchange revenue to comply with the PBE reporting standards, for the Group non-exchange revenue has been identified as grants received and wage subsidies with all other revenue classified as exchange.

Interest income is recognised using the effective interest method.

Income from operating leases is recognised as revenue on a straight line basis, over the term of the lease.

Non Exchange Revenue - Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions are not met. If there is such an obligation, grants are initially recorded as received in advance, and recognised as revenue when conditions of the grant are satisfied.

Exchange Revenue - Race Meeting Revenue
Race meeting revenue comprises the amounts received or receivable for services provided and goods sold that directly relate to race meeting events conducted by the Club during the financial year. These primarily include industry distributions from the New Zealand Racing Board (NZRB) and other receipts that directly relate to the Club's race meeting activities from members of the Club.

Exchange Revenue - Revenue from rendering of services
The Club performed various services including course and venue rental to members of the Club and other third parties. Revenue from rendering of services is recorded as revenue when the service is provided.

Sale of Apartments
The Club is involved in a project to develop 223 Green Lane West. A portion of the development are apartments intended for sale. Revenue from the sales are recognised when the significant risks and rewards of ownership of the apartments has been transferred to the purchaser, as determined by each contract and the amount of the revenue can be reliably measured.

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

Inventories held for sale or use on a commercial basis are valued at the lower of cost, on a first in first out basis, or net realisable value. Inventories held for consumption in the provision of services are measured at cost, adjusted when applicable for any loss of service potential.

Inventory under construction represents the portion of the development that is intended to be apartments for sale, which is carried at the lower of cost or net realisable value.

Developments in progress include all costs (including interest costs on borrowings related to the development) directly related to the development of 223 Green Lane West. Project costs not related directly to the construction of the assets, such as marketing, advertising and selling costs, are expensed in the year in which they are incurred.

Variations to the contract price are submitted by the contractors as a normal part of the development process, these claims are assessed against the contract by the engineer to the contract and approved or rejected accordingly with variation costs only recognised when approved. The cash flows related to all the project development costs including indirect costs, have been separately disclosed in the Statement of Cash Flows.

Developments in progress are measured at cost. Costs incurred on each development are reviewed for impairment at each balance date, with any impairment being recognised in the Statement of Revenue and Expense.

Development costs for properties intended to be held as investment properties, are allocated to investment property when a reliable estimate can be determined.

Trade and other receivables are initially measured at fair value plus directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Creditors and other payables, including any borrowings are initially measured at fair value plus directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method.

Employee entitlements are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. Entitlements will include unpaid salary, wages or other remuneration due at balance date, including deductions held on employees behalf, annual leave earned but not taken and sick leave to the extent that management anticipates unused sick leave entitlement at balance date will be used by staff to cover future absences. Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are treated as expense in the period in which they are incurred.

Investment property is land and or buildings for which the present use is solely or predominantly to derive rental income or the property has the potential to realise capital appreciation. Property will be recognised as investment property only when it is probable that future economic benefits associated with the property will flow to the Group, the cost of the investment property can be measured reliably, and the investment property in its current condition is able to be sold separately or leased out under a lease.

Investment property is initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use.
Investment properties are subsequently measured at fair value based on a valuation by an independent valuer.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

Reclassifications arise when there is a change in use of a property that was previously classified as property, plant and equipment, any related amount included in the revaluation reserve is transferred to retained earnings. When the use of an investment property changes to owner occupied, such that it results in a reclassification to property, plant and equipment, the property's fair value at the date of reclassification becomes its cost for subsequent accounting.

For a transfer from inventories to investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognised in surplus or deficit.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in surplus or deficit in the year of retirement or disposal.

Property, plant and equipment asset classes consist of land, land improvements, buildings and grandstands, plant machinery and vehicles, flood and security lighting, and furniture fittings and other. Property plant and equipment does not include land and buildings recognised as investment property nor any non current asset classified as held for sale.

Land assets are revalued to fair value periodically, based on a valuation by an independent valuer, holding a recognised and relevant professional qualification, and with relevant experience. New valuations are obtained at least every three years, which is considered adequate to maintain the fair value of land in service use.

Other asset classes are measured at cost less accumulated depreciation and impairment cost. Depreciation is applied on a straight line basis to recover the cost of the asset, less any residual value, over its estimated useful life.

The estimated economic lives in use for asset classes are:

Buildings and Grandstands	20-40 years
Land Improvements	5-20 years
Plant, Machinery & Vehicles	5-10 years
Flood & Security Lighting	20 years
Furniture, Fittings & Other	2-20 years

When the use of a property changes such as a change from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property.
Any gain arising on remeasurement is recognised in surplus or deficit to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive revenue and expense and presented in the revaluation reserve in net assets/equity. Any loss is recognised immediately in surplus or deficit.

Non-current assets held for sale are recognised if the carrying value of the asset will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except when transferred from investment property which will be at fair value.

Intangible assets consist of the costs to bring to use acquired computer software licences and initial development cost of the Club website. The cost of computer software that is an integral part of the operation and function of an asset is recognised as part of the cost of the particular item of property, plant and equipment, and is not recognised as an intangible asset.

Intangible assets are considered to have a finite life and are measured at cost less amortisation and impairment cost. Amortisation is applied on a straight line basis to recover the cost of the asset over its estimated useful life.

The estimated economic lives in use for asset classes are:

Computer Software Licenses	5 years
Website Development	5 years

Goods & services tax (GST) is excluded in the preparation of the Consolidated Statement of Revenue and Expense and Balance Sheet, except trade receivables and trade payables, which are recorded as GST inclusive. GST is returned on an individual basis for the Club, and the subsidiary entities file a group return. GST payable or refundable at balance date is recorded as either a payable or receivable in the Club's Balance Sheet.

Income tax is not applicable to the Club, which is exempt from income tax pursuant to section CW47 of the Income Tax Act 2007.

The Club is the only limited partner of The Epsom Functions Limited Partnership and The Hospitality Limited Partnership. The limited partnerships are not subject to income tax and any income and expenditure of the partnerships is attributable to the Club under Section HG 2 of the Income Tax Act 2007. All partnership income attributable to the Club is exempt income of the Club pursuant to section CW47 of the Income Tax Act 2007.

Financial instruments. The Club initially recognises financial instruments when the Club becomes a party to the contractual provisions of the instrument.
The Club derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Club is recognised as a separate asset or liability.

The Club derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Club also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Club has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Club's financial assets are classified under the category of loans and receivables. The Club's financial liabilities are classified under the category of amortised cost. (The Club has no financial instruments that would come under the categories: fair value through surplus or deficit, held-to-maturity and available for sale).

Financial instruments are initially measured at fair value, plus transaction costs that are directly attributable to the acquisition of the financial instrument. Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise of cash and cash equivalents, receivables, and monetary recoverables.

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise of cash and cash equivalents (bank overdrafts), payables, borrowings.

Impairment of non-derivative financial assets
A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Club on terms that the Club would not consider otherwise, indications that a counterparty will enter bankruptcy, adverse changes in the payment status of borrowers in the Club, economic conditions that correlate with defaults.

Financial assets classified as loans and receivables
The Club considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Club uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against loans and receivables financial assets. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

Individual trade receivables that are known to be uncollectible are written off when identified, along with associated allowances. Loans, together with associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Club.

Standards not yet in effect, PBE FRS 48 effective 1 January 2022 will require the Club to select and present service performance information. PBE IPSAS 41 Financial Instruments is also effective from 1 January 2022. The board has not fully evaluated the impact of this standard at this point in time. These two standards are expected to be adopted by the Club in the 31 July 2023 financial statements.

Changes in accounting policies, During the period, an amendment to PBE IPSAS 1 in relation to going concern disclosures was adopted by the Club. The amendment introduced more specific disclosures about going concern assessments to provide more relevant and transparent information about the matters considered when making such assessments. The amendments have been incorporated into note 2.

2 CRITICAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements involve the application of judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions are believed to be reasonable based on the most current set of circumstances available. The areas subject to judgements, estimates or assumptions that can have a material impact on reporting are:

Depreciation of property, plant and equipment (Note 23) and the amortisation of intangible assets (Note 22) is subject to an assessment of the economic life of each asset based on past experience or available information from other sources.

The valuation of land and investment properties is obtained from independent valuation by a qualified person exercising their professional judgement to assess the fair value at the date of valuation. (Notes 23,24,25). As a result of the COVID-19 pandemic which had an unprecedented and significant impact on property market valuations, Property, Plant and Equipment was revalued this year. The valuations of the Club's land and properties were obtained by qualified independent valuers CBRE Limited and LVC Limited.

2a. Impairment of Inventory under Construction has been recorded in the current financial year as a result of increased construction costs and the termination and replacement of one of the two lead contractors. Total costs now exceed the net selling price and an allowance for impairment has been recorded (Note 29) to reflect the expected loss on the development. In reaching the impairment adjustment some assumptions were required, these included an assessment of future cost increases from known construction variations and an allowance for committed and uncommitted contingencies. These cost estimates are based on quantity surveyor estimates. The apartment revenue reflects the increase in market value of apartment sales contracts that were cancelled and subsequently resold on the open market at prices based on the latest market appraisals of real estate agents.

Development project costs within inventory under construction are accumulated on the assumption that projects will continue to completion and realise economic benefit for the Group. Should circumstances be such that costs incurred to date will no longer realise future economic benefit the costs are written off, the costs are written off (Note 27).

2b. Going concern assumptions have been tested and applied when preparing these financial statements.

Like most New Zealand businesses, the COVID-19 pandemic continues to have a substantial impact on the Club's profitability and operating cashflow. In 2020/21 we continued to work with suppliers, leasees and contractors to ensure the success and viability of the Club during these challenging times. The Club carried out a second round of restructuring in it's operating model across food & beverage – introducing an in-house catering contracting partner and gaining management support from them for our Alex Bar and Grill. Additionally, the Club was eligible to receive government fiscal support packages, managed the retention of major retail tenancy and sponsorship agreements, and secured extended bank facilities from our banking partners. These strategic and tactical interventions were cumulatively sufficient to ensure the Club maintained liquidity, funding capacity and the confidence of our business and banking partners.

The year also saw the completion of Building B and the practical completion of Building A – effectively bringing our major property development activity to a final conclusion. We note that as a result of timing, the Club had a liability assessment of approximately $252m, most comprising of borrowings, as at the end of the financial year, though this is substantially offset by the actual income to be received in the immediate months of the following year by the settlement of apartment funds from Building A. The actual net position being a development shortfall – including significant litigation costs – of approximately $100m. In respect of this, the Club remains in a strong and positive net asset position which, in conjunction with an underlying cashflow positive business (excluding development costs) and ongoing support from our banking partners, allows it to sustain its operations, land and property holdings despite the development deficit and the impairment of inventory under construction. ATC's land valuations increased by $45m this year and our net asset position sits at $129m, net of borrowings.

Further, the Club would like to acknowledge that there was a net deficit of approximately $28m and a negative cashflow of approximately $1.2m recognised this year – after taking into account significant one off litigation and prolonged building development costs. These matters have largely been concluded and will not have the same impact in the new fiscal year.

Moving forward, the Club has now entered into a conditional Sale and Purchase Agreement with respect to land adjacent to our Greenlane road frontage, for a market value of over $50m (note 25). This sale will have the benefit of continuing to revitalise our campus, maintaining the ATC precincts' unique value and experience, and allowing us to significantly reduce debt and risk. The sale of this property, combined with future rental income from the Club's new retail investment property, will reduce and service any residual debt position and are important elements of the Club's plan to manage its fiscal obligations. Additionally, the Club is actively engaged in legal recovery action against Canam (former construction contractor) and other related third parties and will explore options to rezone and sell / lease back land held in Pukekohe which would realise funds to further reduce any residual debt, as well as support the potential re-siting of track and training facilities.

In the event the Club does not realise adequate funds from these sales, and /or does not retain the support of our banking partners, then it will need to consider additional or alternative property strategies to meet it's obligations as and when they fall due. Technically, this gives rise to material uncertainty as to Going Concern as under these circumstances it is possible that if assets were required to be realised they may be realised at less than carrying value and additional liabilities may need to be recognised. At that point it may be that the Club is unable to realise it's assets and discharge its liabilities in the normal course of business. The Club remains confident in it's plan to deal with the current position and it's banking partners.

	NOTE	2021	2020
		$	$
3 RACING REVENUE AND EXPENDITURE			
Revenue - Exchange			
Acceptance fees		137,113	88,804
Industry funding		6,940,524	5,538,787
Subsidies received		1,055,252	927,150
Sponsorship		403,685	377,240
Trials and Workouts		368,592	210,202
Total Racing Revenue - Exchange		**$8,905,166**	**$7,142,183**
Revenue - Non-Exchange			
Grants received		181,163	185,000
Total Racing Revenue - Non-Exchange		**$181,163**	**$185,000**
Total Racing Revenue		**9,086,329**	**7,327,183**
Expenditure			
Depreciation Expense		15,840	16,958
Stakes and trophies		7,543,960	6,375,004
Totalisator expenses		143,205	394,797
Salaries and wages		294,608	344,334
Kiwisaver		5,866	7,027
Sponsorship expenses		101,603	21,558
Other racing expenses		339,179	428,178
		8,444,261	**7,587,856**
Contribution from (to) Racing		**$642,068**	**$(260,673)**
4 TRADING REVENUE AND EXPENDITURE			
Revenue			
Food and beverage revenue		2,521,033	5,140,756
Gaming revenue		3,553,312	3,285,135
TAB revenue		700,368	536,679
		6,774,713	**8,962,570**
Expenditure			
Food and beverage cost of sales		1,307,428	1,852,036
Food and beverage salaries and wages		938, 945	2,533,805
Kiwisaver		21,717	58,605
Marketing expenses		37,411	275,713
Gaming and TAB expenses		1,510,959	1,355,583
Administration expenses		215,852	144,450
Depreciation expenses		106,147	113,638
		4,138,459	**6,333,830**
Contribution from (to) Trading		**$2,636,254**	**$2,628,740**

	NOTE	2021	2020
		$	$
5 PROPERTY RENTAL REVENUE AND EXPENDITURE			
Revenue			
Property Rents		2,092,147	2,009,118
Parking revenue		172,412	183,175
Gain on sale of investment property	25	1,600,000	-
Fair value movement on investment property	24,25	319,635	5,942,937
		4,184,194	**8,135,230**
Expenditure			
Depreciation expense		18,964	20,303
Rental property expenses		385,917	(1,506)
Parking expenses		111,753	130,092
		516,634	**148,889**
Contribution from Property Rentals		**$3,667,560**	**$7,986,341**
6 PROPERTY DEVELOPMENT REVENUE AND EXPENDITURE			
Revenue			
Sale of apartments		120,455,822	-
		120,455,822	-
Expenditure			
Cost of sales		123,177,165	-
Impairment of inventory under construction		23,552,237	25,073,534
Legal costs		2,340,006	3,765,312
Marketing, sales and leasing costs		188,935	276,190
Apartment expenses		53,033	-
Remediation expenses		44,221	1,494,550
Planning expenses		-	205,201
		149,355,597	**30,814,787**
Contribution from Property Development		**$(28,899,775)**	**$(30,814,787)**
7 OTHER REVENUE			
Revenue Exchange			
Members Subscriptions		2,602	41,704
Other sundry revenue		323,587	49,286
Settlement proceeds - insurance		-	1,805,201
Total Other Revenue - Exchange		**$326,189**	**$1,896,191**
Revenue Non-Exchange			
Grants received - other		46,839	453,321
Wages subsidy		162,079	294,591
Total Other Revenue - Non-Exchange		**$208,918**	**$747,912**

The year on year movement in 'Other sundry revenue' is driven primarily by a $302,171 cost recovery relating to the Gleneagle Securities property deal (note 29). Revenue on the 'Grants received - other' line decreased compared to 2020 which benefitted from a one off Racing NZ grant to purchase the Big Screen.

	NOTE	2021	2020
		$	$
8 OPERATIONS AND ADMINISTRATION EXPENDITURE			
Administration salaries and wages		1,209,924	1,128,760
Administration kiwisaver		34,877	28,943
Amortisation expense	22	41,235	44,912
Audit and related services	9	72,000	74,360
Board remuneration	10,20	175,500	104,375
Community donations		3,411	2,011
Depreciation expense		1,088,399	1,165,208
Gains (losses) on disposal		1,380	3,994
Property services salaries and wages		938,369	1,017,096
Property services kiwisaver		13,353	15,489
Marketing expenses		23,747	43,650
Membership expenses		588	16,013
Utilities, rates and insurance		1,209,832	1,262,465
Receivables written off	17	16,737	1,323
Repairs and maintenance		461,979	626,295
Administration and other expenses		847,914	715,328
Total Operations and Administration Expenditure		**$6,139,245**	**$6,250,222**

9 AUDIT AND RELATED SERVICES

BDO Auckland provide audit services and agreed upon procedures in relation to the clubs gaming licence (2020 RSM Hayes Audit).
The fee paid and/or accrued for the year is detailed as follows:

		2021	2020
Group financial statement audit		70,000	69,860
Club gaming account audit		2,000	4,500
Total Audit and Related Services		**$72,000**	**$74,360**

10 EMPLOYEE BENEFITS EXPENSE

Employee benefits expense is included in the functional expenditure analysis provided in notes 3 to 8.
The total employee benefits expense for the year is made up as follows:

	NOTE	2021	2020
Racing expenditure		300,474	351,361
Trading expenditure		1,573,624	3,107,336
Property rental expenditure		111,753	130,092
Administration expenditure		1,244,801	1,157,702
Property services expenditure		951,722	1,032,585
Board remuneration	8,20	175,500	104,375
Total Employee Benefits Expense		**$4,357,874**	**$5,883,451**

11 REVALUATION SURPLUS RESERVE

The Revaluation Surplus Reserve is that portion of equity that has been recognised by the periodic revaluation of land holdings, being an asset class within property, plant and equipment (Note 23). Gains or losses in fair value are measured by independent valuation and are disclosed within Other Comprehensive Revenue and Expense. No income tax effect is incurred. Land holdings have been revalued at 31 July 2021, refer to Note 23.

Fair value movements on investment property are not part of the Revaluation Surplus Reserve. Gains or losses arising on the measurement of fair value of investment property (Note 24,25) are recognised in the surplus for the year and form part of Accumulated Revenue and Expense.

	NOTE	2021	2020
		$	$
Balance as at 1 August		113,946,080	104,329,080
Revaluation - Alexandra Park - Epsom	23	42,424,035	2,690,000
Revaluation - Franklin Park - Pukekohe	23	3,223,000	6,927,000
Balance as at 31 July		**$159,593,115**	**$113,946,080**
The Reserve balance represents the revaluation of land as follows:			
Alexandra Park, Epsom		136,370,838	93,946,803
Franklin Park, Pukekohe		23,222,277	19,999,277
		$159,593,115	**$113,946,080**

12 OPERATING LEASES

The Club had no operating lease commitments as at 31 July 2021. In the previous year the Club had rental agreements for photocopy and EFTPOS equipment.

The minimum future payments to be incurred under operating leases are as follows:

	2021	2020
Current Year	-	9,760
Total Future Commitments	**-**	**$9,760**

13 LEASES AS A LESSOR

The Club has future non-cancellable minimum operating lease payments as a lessor at 31 July 2021 as detailed in the table below:

	2021	2020
Less than 1 Year	2,242,304	1,573,279
2 - 5 Years	7,466,890	5,136,166
Greater than 5 years	5,727,334	2,764,537
Total non-cancellable operating lease payments	**$15,436,528**	**$9,473,982**

These balances represent the minimum rental payments receivable on leases of Club properties.

14 GAMING DISTRIBUTION TO AUTHORISED PURPOSES

The Club's licence to operate gaming machines provides that the proceeds of gaming be applied to provide for the conduct of race meetings for the benefit of the public and to promote and control those meetings, including the provision and maintenance of facilities and the payment of stake money.

Grants to authorised purposes of $2,078,349 (2020: $2,359,100) have been applied as follows:

$267,268 applied to stake money (2020: $1,854,000)
$1,811,081 applied to club racing expenses (2020: $505,000)

	NOTE	2021	2020
		$	$
15 CASH AND CASH EQUIVALENTS			
The balance in the Balance Sheet is made up as follows:			
Cash on hand		181,167	113,344
Cash at bank - Operating accounts		234,816	1,389,867
Cash at bank - Gaming account		264,949	190,321
		680,932	1,693,532
Bank Overdraft - Development accounts		(1,050,575)	(836,670)
Total Cash and Cash Equivalents		**$(369,643)**	**$856,862**

The Gaming account is subject to restriction on use whereby the application of funds is limited to meeting approved items of gaming expenditure and appropriation to the authorised purposes contained in the Club's current licence to operate gaming machines. An overdraft facility of $1,500,000 is also available for the purpose of assisting in the timing of GST refunds, the overdraft will incur interest at Westpac's commercial variable lending rate plus 2.0%. During the financial year this overdraft facility has been periodically utilised, as at the balance date of 31 July 2021 the current value drawn was $1,050,575.

16 EMPLOYEE ENTITLEMENTS

The liability for employee entitlements recorded in the Balance Sheet is made up as follows:

	2021	2020
Accrued salaries and wages	104,162	111,737
Liability for annual leave	176,266	188,089
Liability for sick leave	9,600	11,350
Kiwisaver contributions on hand	2,300	3,624
Total Employee Entitlements	**$292,328**	**$314,800**

17 TRADE AND OTHER RECEIVABLES

The balances in the Balance Sheet are made up as follows:

	2021	2020
Trade receivables	1,552,685	591,118
Prepayments	71,687	78,882
GST receivable	251,864	1,156,924
Other receivables	353,855	2,136
Development funds held in escrow	600,000	383,468
Total Trade and Other Receivables	**$2,830,090**	**$2,212,528**

The carrying value of receivables approximates their fair value after making due allowance for impairment losses based on an assessment of the credit risk attached to the receivables. Credit risk is determined based on an analysis of the Group's losses in previous periods and review of specific debtors having regard to past payment performance and knowledge of their current circumstances. All receivables past due for 90 days or more are subject to an impairment assessment. A receivable will be considered to be impaired if there is an unresolved dispute, no effort is being made to reduce the debt, the debtor is the subject of receivership, liquidation or bankruptcy, or there are other known circumstances that indicate full recovery may be doubtful.

The balances in the Balance Sheet are made up as follows:

	2021	2020
Past due 1-30 days	32,914	88,971
Past due 31-60 days	28,659	35,090
Past due 61-90 days	53,853	56,562
Past due > 90 days	112,773	11,016
Total Receivables Past Due	**$228,199**	**$191,639**

	NOTE	2021	2020
		$	$
Movement in the provision for impairment of receivables is as follows:			
Balance as at 31 July 2020		-	-
Provisions made (reversed) during the year		-	-
Receivables written off		-	-
Increase (Decrease) for the year		-	-
Balance as at 31 July 2021		-	-

The impairment provision is net of Goods and Services Tax which is recoverable in the event a debt is written off.

18 TRADE AND OTHER PAYABLES

The balances in the Balance Sheet are made up as follows:

	2021	2020
Trade payables	1,096,079	1,098,330
Development project payables	4,339,731	12,008,340
Development retentions payable	701,716	672,822
Deposits and receipts in advance	28,633	482,626
Other payables	1,462,362	520,112
Total Trade and Other Payables	**$7,628,521**	**$14,782,230**

19 RECONCILIATION OF NET CASH FROM OPERATIONS

The reconciliation of Net Surplus / (Deficit) for the year to Net Cash from Operating Activities is as follows:

	2021	2020
Net Surplus / (Deficit) for the year	(28,285,314)	(24,227,029)
Adjust for Non Cash Items:		
Amortisation expense	41,235	44,912
Depreciation and adjustments on disposal	1,234,730	1,320,101
Fair value movements on investment property	(319,632)	(5,942,937)
Impairment of inventory under construction	23,552,237	25,073,534
Gain on sale of investment property held for sale	(1,600,000)	-
Net Changes in Working Capital:		
Trade and other receivables	(617,563)	(170,977)
Inventories	59,165	72,919
Trade and other payables	(7,153,708)	266,485
Employee entitlements	(22,472)	(240,687)
Receipts in advance	-	165,521
Capitalised Development Costs Classified within Operating Cash Flow	61,532,217	(77,237,468)
Net Cash flow from Operations	**$48,420,895**	**(80,875,626)**

20 RELATED PARTY DISCLOSURES

Remuneration paid to members of the board for the current term of office is

			2021	2020
R Croon	President		46,000	37,500
J A MacKinnon	Vice President		28,000	22,500
D Balle	Elected Director	(Retired 21 Oct 2020)	-	15,000
S Plant	Elected Director		19,000	15,000
L Oughton	Elected Director	(Elected 18 Dec 2019)	19,000	15,000
G Harford	Elected Director	(Elected 21 Oct 2020)	19,000	15,000
S Brooks	Appointed Director	(Appointed 30 October 2019)	19,000	15,000
			$150,000	**$135,000**

*There is a $25,500 timing difference relating to 2020 directors fees recognised in 2021

Board members are actively engaged in the sport of harness racing and may transact with the Club on normal terms in pursuing their interest and involvement therein.

During the year and in accordance with the constitution of the Club, board member R.Croon was appointed as President. J.A.MacKinnon was appointed as Vice President. S.Plant, L.Oughton and G.Harford were appointed as Elected Directors and S.Brooks was appointed as an Independent Appointed Director.

Board member G.Harford has been engaged as a lawyer and advisor to the club through Dawson Harford Limited for legal advice and Harford Consulting Limited for consultancy services. Fees of $362,270 and $27,571 were paid respectively to these entities for the year, subject to board resolution and the usual processes of the Club.

Board member S.Brooks has been engaged as a senior financial executive and advisor to the Club as an independent consultant following the departure of the Chief Financial Officer and Financial Controller in 2020/2021 year. Fees of $211,118 were paid for the year.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group, compensation paid to key management personnel is comprised of short-term employee benefits only. Total key management personnel compensation paid for the year is $988,685 for 5 full time equivalent employees, including changes in personnel (2020: $965,285, 5 full time equivalent employees).

	NOTE	2021	2020
		$	$
21 FINANCIAL INSTRUMENTS			
The carrying amounts of financial assets and liabilities within each category are as follows:			
Loans and Receivables			
Cash and cash equivalents	15	680,932	1,693,532
Trade and other receivables	17	2,506,539	2,212,528
		$3,187,471	**$3,906,060**
Financial Liabilities (measured at amortised cost)			
Overdraft Facility on Development Accounts	15	$1,050,575	$836,670
Trade and other payables	18	$7,628,521	$14,782,230
Borrowings	26	$243,884,272	$296,555,986
		$252,563,368	**$312,174,886**

Loans and receivables expose the Group to credit risk. The maximum exposure to credit risk is the total for Loans and Receivables disclosed above. Credit risk is managed by regular monitoring and pursuit of receivables that are past due. Loans and receivables are recognised as amortised cost less provision for any impairment where the estimated recoverable amount is less than carrying value. Credit risk also arises from cash and cash equivalents and deposits with banks . For banks, only independently rated parties with minimum rating "A" are accepted

Financial liabilities expose the Group to liquidity risk. Liquidity risk is managed by the regular monitoring and forecasting of cash flow on a daily, monthly and long term basis to ensure adequate cash resources are maintained to meet obligations as they fall due. The contractual maturity analysis for all other financial liabilities is as follows:

	2021	2020
Due 1-30 days	3,761,271	1,404,126
Due 31-90 days	-	78,600
Due 91-365 days	248,950,105	301,861,763
Due > 365 days	135,300	135,300
	$252,846,675	**$313,479,789**

The Club's developments are being funded by bank facilities that have been negotiated with ANZ and Westpac. Drawdowns on these facilities are made as the construction cost obligations arise on a monthly basis. Interest payments are rolled into the total debt facility. These facilities expire within the next year around the expected completion date of the development (Note 26). Currently facilities are in place to ensure that construction costs continue to be paid on a timely basis, any extension or increase to these facilities will be negotiated with the banks when required. All Building B apartments have been sold and settled during the year. Unconditional contracts are signed on all Building A apartments with settlement completed at the end of October 2021. At settlement on the completion of construction the Club repaid its debt facilities and re-arranged residual debt as ongoing business loans to be serviced through operational cash flow.

The Club is exposed to interest rate risk on bank borrowings for the funding of developments in progress, all borrowings are held on floating rates of interest (Note 26) and will be reviewed regularly for options to fix interest rates to minimise exposure to market movements. Interest capitalised into inventory under construction is subject to a change in interest rates ($1,202,682) per 0.5% fluctuation in interest rates) that will impact the profit on sale of apartments under construction. Actual apartment sales proceeds for Building B of $120.5 million were received in the 2021 financial year and deducted from borrowings. Apartment net sales proceeds for Building A were realised by October 31 2021. Combined, these sales proceeds reduced the current development debt by 70%. The sale of investment properties during the year combined with the conditional agreement entered into by the Club in August 2021, for the sale of 1.6 hectares of the Club's land to Gleneagle Securities (Note 29), is also expected to provide the Club with significant cashflow to reduce debt. The Club is considering other possible sale and redevelopment options for its land and properties where that will further reduce any debt and improve the value and experience of the ATC precinct. There is no exposure to any significant currency or market risks at balance date.

The following table illustrates the sensitivity of surplus / (deficit) and net assets to a reasonably possible change in interest rates of +/- 0.50%, these changes are considered to be reasonably possible based on observation of market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates.

	SURPLUS / (DEFICIT) FOR THE YEAR		NET ASSETS	
	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%
31 July 2021	(16,063)	16,063	(16,063)	16,063
31 July 2020	(22,063)	22,063	(22,063)	22,063

22 INTANGIBLE ASSETS

Movements in the cost of each class of intangible asset are as follows:

2021	Opening Cost	Additions at Cost	Disposals at Cost	Transfer to Assets Held For Sale	Closing Cost
Computer Software Licenses	161,281	-	-	-	161,281
Website Development	122,756	-	-	-	122,755
	$284,037	**-**	**-**	**-**	**$284,036**

2020	Opening Cost	Additions at Cost	Disposals at Cost	Transfer to Assets Held For Sale	Closing Cost
Computer Software Licenses	201,951	**-**	**(40,670)**	-	161,281
Website Development	115,181	**7,575**	**-**	-	122,756
	$317,132	**$7,575**	**$(40,670)**	**-**	**$284,037**

Movements in the accumulated amortisation and impairment losses of each class of intangible asset are as follows:

2021	Opening Balance	Amortisation Expense	Impairment Losses	Eliminated on Disposal	Closing Balance
Computer Software Licenses	122,147	26,361	-	-	148,508
Website Development	94,410	14,874	-	-	109,284
	$216,557	**$41,235**	**-**	**-**	**$257,792**

2020	Opening Balance	Amortisation Expense	Impairment Losses	Eliminated on Disposal	Closing Balance
Computer Software Licenses	132,163	**29,555**	**-**	(39,571)	122,147
Website Development	79,053	**15,357**	**-**	-	94,410
	$211,216	**$44,912**	**-**	**$(39,571)**	**$216,557**

The carrying value of each class of intangible asset is made up as follows:

	2021			2020		
	Cost	Accumulated Amortisation /Impairment	Carrying Value	Cost	Accumulated Amortisation /Impairment	Carrying Value
Computer Software Licenses	161,281	148,508	12,773	161,281	122,147	39,134
Website Development	122,755	109,284	13,471	122,756	94,410	28,346
	$284,036	**$257,792**	**$26,244**	**$284,037**	**$216,557**	**$67,480**

The following additional disclosures are made in respect of intangible assets:

No intangible assets are pledged as security for liabilities. There are no restrictions on title to intangible assets other than those that may arise from retention of title clauses for purchased additions for which payment remains due under normal credit terms.

There are no contractual commitments for the acquisition of intangible assets.

23 PROPERTY PLANT AND EQUIPMENT

Movements in the cost or valuation of each class of property, plant and equipment are as follows:

	2021					
	Opening Cost or valuation	Additions at Cost	Revaluation	Disposals at Cost	Transfers to Investment Property	Closing Cost or valuation
At Valuation						
Land Alexandra Park	94,300,000	-	42,424,035	-	(18,347,031)	118,377,004
Land Pukekohe	25,777,000	-	3,223,000	-	-	29,000,000
At Cost						
Land Improvements	1,302,944	-	-	-	-	1,302,944
Buildings & Grandstands	34,077,792	-	-	-	-	34,077,792
Plant, Machinery & Vehicles	5,815,466	51,990	-	(34,768)	-	5,832,688
Flood & Security Lighting	1,406,754	-	-	-	-	1,406,754
Furniture, Fittings & Other	1,142,817	-	-	-	-	1,142,817
	$163,822,773	**$51,990**	**$45,647,035**	**$(34,768)**	**$(18,347,031)**	**$191,139,999**

	2020					
	Opening Cost or valuation	Additions at Cost	Revaluation	Disposals at Cost	Transfers to Investment Property	Closing Cost or valuation
At Valuation						
Land Alexandra Park	91,610,000	-	2,690,000	-	-	94,300,000
Land Pukekohe	18,850,000	-	6,927,000	-	-	25,777,000
At Cost						
Land Improvements	1,302,944	-	-	-	-	1,302,944
Buildings & Grandstands	33,604,898	472,894	-	-	-	34,077,792
Plant, Machinery & Vehicles	5,687,659	143,510		(15,703)	-	5,815,466
Flood & Security Lighting	1,406,754		-	-	-	1,406,754
Furniture, Fittings & Other	1,135,476	7,341	-	-	-	1,142,817
	$153,597,731	**$623,745**	**$9,617,000**	**$(15,703)**	-	**$163,822,773**

Movements in the accumulated amortisation and impairment losses of each class of intangible asset are as follows:

	2021				
	Opening Balance	Depreciation Expense	Impairment Losses	Eliminated on Disposal	Closing Balance
Land Alexandra Park	-	-	-	-	-
Land Pukekohe	-	-	-	-	-
Land Improvements	894,678	40,195	-	-	934,873
Buildings & Grandstands	21,975,809	957,667	-	-	22,933,476
Plant, Machinery & Vehicles	5,123,288	175,803	-	(29,388)	5,269,703
Flood & Security Lighting	1,357,440	10,572	-	-	1,368,012
Furniture, Fittings & Other	906,550	45,112	-	-	951,662
	$30,257,765	**$1,229,349**	-	**$(29,388)**	**$31,457,726**

	2020				
	Opening Balance	Depreciation Expense	Impairment Losses	Eliminated on Disposal	Closing Balance
Land Alexandra Park	-	-	-	-	-
Land Pukekohe	-	-	-	-	-
Land Improvements	852,029	42,649	-	-	894,678
Buildings & Grandstands	21,004,007	971,802	-	-	21,975,809
Plant, Machinery & Vehicles	4,890,822	245,275	-	(12,809)	5,123,288
Flood & Security Lighting	1,346,862	10,578	-	-	1,357,440
Furniture, Fittings & Other	860,747	45,803	-	-	906,550
	$28,954,467	**$1,316,107**	-	**$(12,809)**	**$30,257,765**

The carrying value of each class of property, plant and equipment is made up as follows:

	2021			2020		
	Cost or valuation	Accumulated Depreciation/ Impariment	Carrying Value	Cost or valuation	Accumulated Depreciation/ Impariment	Carrying Value
Land Alexandra Park	118,377,004	-	118,377,004	94,300,000	-	94,300,000
Land Pukekohe	29,000,000	-	29,000,000	25,777,000	-	25,777,000
Land Improvements	1,302,944	934,873	368,071	1,302,944	894,678	408,266
Buildings & Grandstands	34,077,792	22,933,476	11,144,316	34,077,792	21,975,809	12,101,983
Plant, Machinery & Vehicles	5,832,688	5,269,703	562,985	5,815,466	5,123,288	692,178
Flood & Security Lighting	1,406,754	1,368,012	38,742	1,406,754	1,357,440	49,314
Furniture, Fittings & Other	1,142,817	951,662	191,155	1,142,817	906,550	236,267
	$191,139,999	**$31,457,726**	**$159,682,273**	**$163,822,773**	**$30,257,765**	**133,565,008**

The following additional disclosures are made in respect of property, plant and equipment:

There were restrictions on title to property, plant and equipment (Note 26).

Property was revalued during the financial year given the uncertainty and changes in market conditions created by the consecutive COVID-19 pandemic lockdowns that have occurred in 2020 and 2021. Independent valuers, CBRE and LVC, were engaged by the Club to assess the valuation of its land and properties in response to these significant events in addition to the conditional agreement for the sale of 1.6 hectares of the Club's land to Gleneagle Securities (Note 29) that required a separate valuation.

Land at Alexandra Park and Franklin Park, Pukekohe is carried at independent valuation as at 31 July 2021 prepared by K Beckett (ANZIV, SPINZ), Director, CBRE Limited, Registered Valuers.

A portion of land at Alexandra Park is carried at independent valuation as at 30 May 2021 prepared by A Long (BPA, ANZIV, SPINZ), Director, LVC Limited, Registered Valuers. This was prepared in relation to the conditional agreement for the sale of 1.6 hectares of the Club's land to Gleneagle Securities that was entered into by the Club in August 2021. This portion of land at Alexandra Park was reclassified to investment property held for sale on the basis of the Clubs intention to dispose of these properties (Note 25).

The sales comparison method was used to arrive at the fair value of land at Alexandra Park and Franklin Park, taking into consideration the general market perception of this type of asset. The valuation of Alexandra Park includes the potential opportunity to rezone the entire property to Mixed Use/Terrace House and Apartment Building, allowing for planning risks, costs and timing associated with rezoning land of this scale.

Land carried as part of property, plant and equipment does not include those areas of land recognised as investment property and reported at fair value in accordance with the requirements of PBE IPSAS 16 (Note 24,25).

The original cost of land carried at valuation is $6,130,920. The surplus due to revaluation is $159,593,115 (Note 11) and is carried as a separate line item in equity.

	2021					
	Opening Balance	**Additions at Cost**	**Disposal at Cost**	**Fair Value Gain**	**Transfers to Properties Held for Sale**	**Closing Balance**
223A/B Green Lane West, Epsom	32,500,527	2,784,891	-	1,164,582	-	36,450,000
223C Green Lane West, Epsom	15,100,000	-	-	511,997	(15,611,997)	-
225 Green Lane West, Epsom	7,350,000	-	-	(1,531,944)	(5,818,056)	-
32 Campbell Crescent, Epsom	8,600,000	-	-	175,000	-	8,775,000
	$63,550,527	**$2,784,891**	-	**$319,635**	**$(21,430,053)**	**$45,225,000**

	2020					
	Opening Balance	**Additions at Cost**	**Disposal at Cost**	**Fair Value Gain**	**Transfers to Properties Held for Sale**	**Closing Balance**
223A/B Green Lane West, Epsom	16,368,095	8,154,495	-	7,977,937	-	32,500,527
223C Green Lane West, Epsom	15,840,000	-	-	(740,000)	-	15,100,000
225 Green Lane West, Epsom	7,720,000	-	-	(370,000)	-	7,350,000
32 Campbell Crescent, Epsom	8,600,000	-	-	-	-	8,600,000
	$48,528,095	**$8,154,495**	-	**$6,867,937**	**-**	**$63,550,527**

24 INVESTMENT PROPERTY

Movements in the carrying value of investment property are as follows:
The following additional disclosures are made in respect of investment property:

Investment Property is subject to revaluation on an annual basis. Independent valuers, CBRE and LVC, were engaged by the Club to assess the valuation of its land and properties in response to these significant events in addition to the conditional agreement for the sale of 1.6 hectares of the Club's land to Gleneagle Securities (Note 29) that required a separate valuation.

During the year the investment property at 223C and 225 Green Lane West Road were reclassified to investment property held for sale on the basis of the Clubs intention to dispose of these properties (Note 25).

In August 2021, the Club entered into a conditional agreement for the sale of 1.6 hectares of the Club's land to Gleneagle Securities, for a sale price in line with current market valuation. The conditional agreement is expected to settle in February 2022, with the net sale proceeds intended to reduce debt. This sale will have the benefit of continuing to revitalise our campus, maintaining the ATC precincts' unique value and experience, and allowing us to significantly reduce debt and risk.

The Club engaged K Beckett (ANZIV, SPINZ), Director, CBRE Limited, Registered Valuers, to provide an independent assessment of the fair value of investment property as at 31 July 2021.

The Club engaged A Long (BPA, ANZIV, SPINZ), Director, LVC Limited, Registered Valuers, to provide an independent assessment of the fair value of Greenlane West and Manukau Road investment property held at Alexandra Park. This was prepared in relation to the conditional agreement for the sale of 1.6 hectares of the Club's land to Gleneagle Securities that was entered into by the Club in August 2021.

The 3 Retail Strata Units at property 223A Greenlane Road have been revalued to fair value, which has been determined using the direct capitalisation approach, having regard to the estimated net effective market rental, adjusted to reflect anticipated operating costs to produce a net income on a fully leased basis. The direct capitalisation method adopts a capitalisation rate for each retail unit ranging between 4.75% - 5.50%.

The 11 Retail Strata Units at property 223B Greenlane Road have been revalued to fair value, which has been determined using the direct capitalisation approach, having regard to the estimated net effective market rental, adjusted to reflect anticipated operating costs to produce a net income on a fully leased basis. The direct capitalisation method adopts a capitalisation rate for each retail unit ranging between 4.50% - 5.50%.

The fair value of property at 32 Campbell Crescent has been determined using both the direct capitalisation and discounted cash flow approaches, having regard to the existing lease to a good quality tenant. The rent is considered to lie at or around market levels with a further 4.5 years to run on the lease. The direct capitalisation method adopts a capitalisation rate of 6.0%, while the discounted cashflow calculation adopts an internal rate of return of 7.00% and a cashflow period of 10 years.

The fair value of land at 223C and 225 Green Lane West has been determined using a sales comparison approach factoring in recent comparative sales in the market. The land is valued subject to vacant possession having regard to the good locational attributes of the property, the mixed use zoning under the Auckland unitary plan, along with reasonable market conditions for a development asset of this nature as at the date of valuation.

Investment properties situated at 32 Campbell Crescent and 223A, 223B, 223C and 225 Green Lane West are subject to mortgages in favour of Westpac New Zealand Limited and/or ANZ Bank New Zealand Limited (Note 26). Following the successful settlement of the 32 Campbell Crescent Blues building mediation in 2020, the Club has entered into a contractual agreement in 2021 to remediate the building related design issues and defects, for a total contractual amount of up to $1,437,655 including contingency. At balance date, $23,765 was paid under this contract that is on track for completion by December 2021, a one month delay due to COVID lockdown restrictions.

The Club has no contractual obligations to purchase, construct or develop the existing investment properties situated at 32 Campbell Crescent, 223C and 225 Green Lane West or for repairs, maintenance or enhancements.

25 PROPERTY HELD FOR SALE

Movements in the carrying value of property held for sale are as follows:

		2021				
	Note	Opening Balance	Transfers	Disposals	Fair Value Gain/(Loss)	Closing Balance
350 Manukau Rd, Epsom (Investment)		5,150,000	-	(5,150,000)	-	-
352 Manukau Rd, Epsom (Investment)		8,400,000	-	(8,400,000)	-	-
223c Green Ln West, Epsom (Investment)	24	-	15,611,997	-	-	15,611,997
225 Green Lane West, Epsom (Investment)	24	-	5,818,056	-	-	5,818,056
Land Alexandra Park (Portion Held for Sale)	23	-	18,347,031	-	-	18,347,031
		$13,550,000	**$39,777,084**	**$(13,550,000)**	**-**	**$39,777,084**

	2020				
	Opening Balance	Transfers	Disposals	Fair Value Gain/(Loss)	Closing Balance
350 Manukau Rd, Epsom (Investment)	5,300,000	-	-	(150,000)	5,150,000
352 Manukau Rd, Epsom (Investment)	9,175,000	-	-	(775,000)	8,400,000
	$14,475,000	**-**	**-**	**$(925,000)**	**$13,550,000**

The Club notes that the investment properties held for sale (350-352 Manukau Road, Epsom) were sold in November 2020, generating a gain on sale of $1.6 million in 2021 and total net sale proceeds of $14.8 million were used to reduce debt.

The 2021 Property held for sale note discloses $39.8m in Property Assets valued under the "carrying value" methodology in line with PBE IFRS 5 requirements. A $11.8m fair value adjustment will be made in the 2022 accounting period to take the assets to the sale price per conditional Gleneagle Securities agreement (note 29).

	NOTE	2021	2020
		$	$
26 BORROWINGS			
Bank loans		243,958,972	296,875,896
Government Loan		135,300	135,300
Deferred finance expense		(210,000)	(455,210)
		$243,884,272	**$296,555,986**

The Club has bank loans for the development of key projects, the loans have been classified as current or non-current liabilities per the documented expiration date on the term of each loan. The loans will be repaid on completion of the projects once settlement has been achieved, the banks are aware of all project matters including expected date of completion through regular independent monthly reporting.

At 31 July 2021 a loan facility for $202,500,000 with a current value drawn of $199,386,023 was provided by Westpac New Zealand Limited (Westpac) with a maturity date of 31 October 2021 on an interest only basis with repayment due on completion and settlement of apartment sales in October 2021. The interest rate applicable is floating based on Westpac's 30 day bank bill bid rate plus margin. On 31st October 2021, post settlement of apartment sales, a loan facility for $74,424,210 with a current value drawn of $71,674,210 was provided by Westpac New Zealand Limited (Westpac) with a maturity date of 31 March 2022.

A loan facility for $10,000,000 that is fully drawn as at balance date is provided with a maturity date of 31 March 2022, interest is capitalised into the loan and repayment due on completion of the project and the expected expiry of the facility. The interest rate applicable is floating based on Westpac's 30 day bank bill bid rate plus margin.

A loan facility for $4,500,000 with a current value drawn of $3,212,629 is provided with a maturity date of 31 March 2022 with interest payable monthly and repayment due on completion of the project and the expected expiry of the facility. The interest rate applicable is floating based on Westpac's 90 day bank bill bid rate plus a margin of 2.00%.

All loans to Westpac are secured by first and exclusive mortgages over the properties at 350 and 352 Manukau Road, 32 Campbell Crescent, 223C, 225, 229 and 223A Green Lane West, and a registered first and exclusive deed of assignment and Specific Security Agreement covering sale and purchase contracts, deposits, construction contracts and contractors performance bond and all building and local authority permits and resource consents related to the development. Westpac and ANZ also have a shared security arrangement over the race track land and buildings located at 354-378 Manukau Road.

Following the completion and settlement of Building B in November 2020, a restructured loan facility for $37,692,797, including retentions, with a current value drawn of $31,360,320 is provided by ANZ Bank New Zealand Limited (ANZ) with a maturity date of 10 December 2021 on an interest only basis with repayment due on settlement of future property sales. The interest rate applicable is floating based on ANZ's 30 day bank bill bid rate plus margin.

The loan to ANZ is secured by first and exclusive mortgages over the properties at 223B and 239 Green Lane West, 240 Station Road, and a registered first ranking Specific Security Agreement over rights in respect of sale and purchase contracts, deposits, construction contracts, plans/specification and performance bonds related to the development, plus the shared security arrangement over the race track land and buildings located at 354-378 Manukau Road.

Interest of $7,621,426 was capitalised into the cost of developments and the loan value during the year. The average rate across the development loans held with ANZ and Westpac is 2.93%. Line fees are charged in addition to the interest charge.

The Club has received a Government loan of $135,300 in 2020 pertaining to the COVID-19 pandemic, with a maturity date of May 2025. The loan is interest free for the first 12 months and 3% p.a. interest charged thereafter.

	NOTE	2021	2020
		$	$
27 INVENTORY UNDER CONSTRUCTION			
Inventory under construction costs		336,952,362	300,192,986
Less costs of Building B sold - transferred to COS in surplus & deficit		(123,177,165)	-
Closing costs of inventory under construction		**213,775,197**	**300,192,986**
Impairment of inventory under construction		(114,773,914)	(91,221,677)
Less impairment relating to Building B sold		34,174,377	-
Closing impairment of inventory under construction		**(80,599,537)**	**(91,221,677)**
Inventory under construction		**$133,175,660**	**$208,971,309**

The impairment for the year was calculated based on total projected cost and contingency (from reports provided by a registered quantity surveyor with appropriate qualification and experience) to complete the development against the total projected consideration on settlement of the apartments. The impairment recognised for the year resulted from an increase in the construction costs for both buildings including the impact of the COVID-19 pandemic lockdown, and the termination and replacement of the previous lead contractor on the 223A Green Lane site. The 223B Green Lane West site was sold during the year for $120,455,822, resulting in a final loss on sale of $2,721,343. The 223B Green Lane West site also suffered cost increases through variation claims brought by the site contractor. The delay in completion for both sites has also resulted in prolongation costs for professional services and finance. Borrowing costs capitalised during the year amounted to $9,345,234 (2020: $12,701,261).

The Club notes that the 2021 financial year saw the final completion and sale of Building B property development in November 2020 and practical completion was achieved for Building A in July 2021. We have seen the successful stage 1 completion of the Club's original concept plan for the development of Alexandra Park Living Precinct in October 2021 which represents a significant milestone for the Club.

28 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Club has engaged professional service consultants and contractors for the development of 223A Green Lane West into a mix of commercial and residential property that achieved Practical Completion in July 2021. Code of Compliance was successfully received in August 2021 that has resulted in apartments beginning to settle in the same month. At balance date the Club is committed to the balance of the construction contract and related professional services of $5,694,253. Bank funding has been approved for the development and the facility is being drawn down monthly to settle progress payments.

As part of the completion and settlement of Building B in November 2020 and subsequent finance restructuring with ANZ, there is a total of $600,000 held as retentions in trust with Dawson Harford and by ANZ (note 17) as part of the development warranty period. Bank funding has been approved and includes these retention funds.

During 2018 a construction contractor, Canam Construction, issued proceedings against the Club in the arbitral tribunal seeking damages for wrongful termination. The Club filed its defence and counterclaim for its losses arising from the termination of the contractor. The Club received the Arbitrators Interim Award on 18 May 2021, which significantly favoured the Club. The Interim Award makes it clear that the ATC was lawfully entitled to terminate the contract on the basis of specific defaults and that Canam is liable for loss and damage arising from certain workmanship. Most importantly, it further makes clear that the Canam contract was not wrongfully terminated and that its claims for damages and other losses have failed. Whilst Canam Construction has since gone into liquidation, the Club has lodged an unsecured creditors claim with the liquidators and will potentially be pursuing claims against other entities in the Canam group and the directors of Canam. The Club is also taking legal advice in relation to potential claims against a variety of parties in relation to the property developments undertaken.

As a result of design issues there are outstanding defects that require remediation on the Blues training facility (32 Campbell Crescent, Epsom) which was a design and build contract. This matter was successfully resolved through an arbitration hearing by way of settlement in 2020 with the related insurance parties with insurance proceeds to cover the estimated remediation costs. The Club has subsequently entered into a contractual agreement in 2021 to remediate the building related design issues and defects, for a total contractual amount of up to $1,437,655 including contingency. At balance date, $23,765 was paid under this contract that is on track for completion by December 2021, a one month delay due to COVID lockdown restrictions.

In 2019/20, a retail tenant in the 223A commercial development raised a dispute against the Club centring around the delay in gaining access to premises for which an Agreement to Lease had been entered into. The tenant originally requested an arbitration on the matter. During 2021, no formal appointment of an arbitrator has been made nor proceedings issued by the tenant. Both parties have attempted to engage in commercial correspondence to settle the matter and it is likely this matter will reach agreement early in the new financial year (Note 29).

The Club has indemnified Westpac New Zealand Limited in respect of a $258,750 bank guarantee in favour of the Auckland Council. The guarantee was required as a condition of the Club obtaining resource consent for the subdivision of land as a commitment to ensure required infrastructure in water and wastewater services were completed.

The Club has indemnified Westpac New Zealand Limited in respect of a $30,000 bank guarantee in favour of the New Zealand Racing Board. The guarantee was required as a condition of the Club being able to operate a social TAB agency at Alexandra Park.

There are no other material capital commitments or contingent liabilities as at 31 July 2021.

29 EVENTS SUBSEQUENT TO BALANCE DATE

On 13 August 2021, the Club entered into a conditional agreement for the sale of 1.6 hectares of the Club's land to Gleneagle Securities, for a sale price in line with market valuation. The conditional agreement is expected to settle in February 2022, with the sale proceeds intended to reduce debt.

On 31st October 2021, post settlement of apartment sales, a loan facility for $74,424,210 with a current value drawn of $71,674,210 was provided by Westpac New Zealand Limited (Westpac) with a maturity date of 31 March 2022. The interest rate applicable is floating based on Westpac's 30 day bank bill bid rate plus margin.

On 18 August 2021 the government announced a nationwide lockdown which saw level 3 restrictions imposed on Auckland until December 2021. The COVID-19 pandemic continues to have a substantial impact on the Club's profitability and operating cashflow but steps undertaken during previous lockdowns ensure the ongoing success and viability of the Club during these challenging times. The Club was eligible to receive government fiscal support packages, managed the retention of major retail tenancy and sponsorship agreements, and secured extended bank facilities from our banking partners. These strategic and tactical interventions were cumulatively sufficient to ensure the Club maintained liquidity, funding capacity and the confidence of our business and banking partners.

Terms were agreed with a retail tenant in the 223A Commercial Development with whom the Club had been in dispute since 2019/20. The commercial settlement was reached on 15th of October. The 1st instalment of settlement payment has been made with the final payment due 28 April 2022.

There have been no other subsequent events that occurred from balance date through to the signing of the financial statements that would require adjustment to or disclosure in the financial statements as of and for the year ended 31 July 2021.

	NOTE	2021	2020
		$	$
30 RECONCILIATION OF PROFIT FROM OPERATIONS			
OPERATING SURPLUS/(DEFICIT) BEFORE NET FINANCING COSTS		**(27,558,031)**	**(24,066,498)**
Amortisation Expense		41,235	44,912
Depreciation Expense		1,229,349	1,316,107
Gains (Losses) on Disposal		1,380	3,994
Fair Value Movement on Investment Property		(319,632)	(5,942,937)
Gain on sale on Investment Property		(1,600,000)	-
Settlement Proceeds - Insurance		-	(1,805,201)
Impairment of Inventory Under Construction		23,552,237	25,073,534
Development Costs Expensed		2,626,195	5,741,253
Loss on sale of inventory under construction		2,721,343	-
OPERATING SURPLUS BEFORE NON CASH & PROPERTY ITEMS		**694,073**	**365,164**

BDO Auckland

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUCKLAND TROTTING CLUB INCORPORATED

Opinion

We have audited the consolidated financial statements of Auckland Trotting Club Incorporated ("the Club") and its controlled entities (together, "the Group"), which comprise the consolidated balance sheet as at 31 July 2021, and the consolidated statement of revenue and expense, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 July 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards ("PBE Standards") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm carries out other assignments for the Group in the area of Agreed Upon Procedures in relation to the Club's Class 4 Gaming Licence. The firm has no other relationship with, or interests in, the Club or any of its controlled entities.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(b) to the financial statements, which indicates that the Group incurred a net deficit of $28,285,311 during the year ended 31 July 2021 and, as of that date, the Group's current liabilities exceeded its current assets by $76,205,898. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements of the Group for the year ended 31 July 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 7 October 2020.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report includes pages 4 to 31 and pages 58 to 63 of the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the Consolidated Financial Statements
The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) 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 decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/.

This description forms part of our auditor's report.

Who we Report to
This report is made solely to the Club's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Club and the Club's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Auckland

BDO Auckland
Auckland
New Zealand
22 November 2021

2020–21

Members.

J	ABERNETHY	2013
P	ABERNETHY	2007
T C	ALCOCK	1980
J D	ALEXANDER	2004
L	ALLEN	2016
G M	ANDREW	1976
D L	ARCHER	1972
B J	ARCHER	2014
P G	ARGUS	2015
S	ARMSTRONG	2020
S P	ARNET	2006
GK	ASHBY	1973
S A	ASHWORTH	2021
D R	AUGUSTINE	2012
P G	BAILLIE	1987
NN	BAKER	1981
G S	BAKER	1995
M F	BALLE	1982
D M	BALLE	2017
R	BALLE	1997
C L	BALLE	2017
KR	BALLE	1984
C	BANTON	1996
K J	BARNES	1980
RC	BARNES	1981
C	BARRADALE	1980
J O	BARRETT	1993
P R	BARRY	1967
E J	BAX	1984
M	BENNETT	2020
L	BERTAUT	2004
R S	BEST	2009
I C	BESWICK	2010
A G	BILISH	1979
N R	BILLINGTON	2009
J M	BOLAND	1982
R	BOLTON	2010
	BOSCH	1997
IG	BOYD	1992
GWS	BOYD	1998
	BRADLEY	2019
T	BRADY	2012
K D	BRECKON	2014
A K	BRECKON	2012
G P	BRECKON	2012
G K	BRECKON	1969
KG	BRECKON	1995
J O	BRENAN	2017
R A	BRIDGFORD	1976
A	BRIERLEY	2011
N V	BROWN	1997
J P	BROWNLEE	1989
J S	BRYANT	2008
P C	BULT	1985
P C	BURLEY	1973
B	BURTON DEW	2013
P	BUTCHER	2017
J	BUTCHER	2017
IE	CALDERWOOD	1984
H	CALLAGHER	2019
D	CAMPBELL	2017
SJ	CAMPBELL	1964
R J	CAMPION	2012
T M	CARGILL	2003
R G	CARR	1984
M R	CARTER	2014
B K	CARTER	1995
R W	CARTER	1984
GV	CASTLES	1985
J R	CHARLESWORTH	1975
P	CHARLTON	2008
S K H	CHIA	2000
LG	CHRISTENSEN	1990
S	CHURCHES	2010
P	CLARK	2014
G W	COLE	1992
M C	COLE	2013
J H	COLE	2014
J A	COLLINS	2008
C D	COLSON	2004
F M	COMMONS	1962
D	CONROY	1953
C	CONWELL	2013
P M	COOK	1986
O M	COOK	2019
A J	COOPER	2013
M T	CORBOY	2014
PM	CORNER	1992
S J	CORNWALL	1998
L O	COZENS	1976
H J	CRAIG	1984
P A	CRONIN	2017
K T	CROOKE	1977
G M	CROOKES	2016
R S	CROON	2002
JP	CROUTH	1989
N M	CULPAN	1972
W D	CUMMINGS	2021
G P	CURACH	1981
P F	CURRAN	2019
P G	CURSON	1999
J D	CURTIN	1988
W P	DALZIEL	1981
L	DARBY	2016
G	DATSON	2008
K	DAVIDSON	1984
J B	DAVIES	2015
E E	DAVIES	2018
TA	DAVIS	2004
S	DAVISON	2017
B L	DAVISON	1998
C O	DE JONGH	2018
D	DE SILVA	2018
A	DEAN	2013
G	DELL	1956
AP	DELL'ISOLA	1979
R	DEMPSEY	2002
D R	DENNING	1968
J R	DIAS	2017
R C	DICKIE	2009

C	DICKIE	2014
A M	DIVICH	1969
L D	DONALDSON	2018
D I	DONALDSON	2018
P	DONOVAN	2020
G R	DORMER	1989
A	DORMER	2011
GC	DOUGHTY	1995
W	DOUGHTY	1995
K F	DOW	2017
J R	DOW	2009
A B	DOWNEY	1973
R C	DOWNEY	2014
L C	DRIVER	1988
MJ	DUDLEY	1988
P	DUNELL	2006
M D	DUNFORD	2010
D M	DUNFORD	2007
I L	DUNN	1987
R J	DUNN	2017
P W	EAGLES	1963
R B	EAST	2015
C R	EDMONDS	2018
PJ	EDMUNDS	1979
E J	EDWARDS	2006
E G	ELFLEET	2013
E	EMERSON	2020
C W	ERB	2016
A F C	EUSTACE	2012
J G	EVANS	1979
R H	EWINGTON	2015
H A R	EYRE	1984
D C	FAIRLIE	2009
R	FAMULARO	1999
B	FARRELL	2009
M W	FEEK	1987
K	FERGUSON	1970
M R	FILE	1989
S	FISSENDEN	2016
S J K	FLAY	2011
G E	FLEETWOOD	1989
K J	FOLEY	2011
W	FOLEY	1986
J P W	FORBES	1993
M	FORD	1984
G E	FOSTER	1996
D K	FRENCH	1987
A S	GAIN	2010
A R	GALBRAITH	1964
C D	GALLAGHER	1972
T G	GARELJA	1979
W J	GIANOTTI	1985
N P	GIBBONS	1972
N H	GIBBONS	1970
P	GIBBONS	1972
M K	GLENN	1965
M J	GOLDSWORTHY	1991
D V	GOLDSWORTHY	1998
MF	GOLDSWORTHY	1991
A	GORDON	2020
N R	GORDON	1998
A	GORYL	1989
T	GRANT	2019
R J	GRAY	1976
A S	GRAYLING	2006
B R	GREEN	1983
M E	GREEN	1984
P C	GREEN	2014
P	GREEN	2017
T A	GREEN	1967
C	GREGORY	2017
MST. O	GREGORY	2017
A R	GRIERSON	1996
S R	GRIFFITHS	1969
L A	GRIMMOND-REICHEL	1977
W P	GUBB	2004
H J	HABRAKEN	1983
B P	HACKETT	2008
S	HADDAD	2017
K G	HADDOCK	1962
B J	HADLEY	2018
S A	HADLOW	1996
P	HAILES	2012
J W	HALL	1989
S	HALLIGAN	2018
R E	HAMLEY	2003
V	HANNA	2010
P V	HANSEN	1985
GW	HARDING	1991
C J	HARRIS	2007
H	HARRIS	1969
B	HARRISON	1954
K	HARRISON	1963
J B	HART	1989
P J	HASLAM	1981
G A	HEASLIP	2004
M P	HECK	2005
B A	HEDGER	1989
J	HEIGHWAY	1969
G R	HENLEY	1994
A G	HERLIHY	1995
S	HERLIHY	1995
I M	HERON	2003
B D	HEWES	1990
J D	HICKEY	1979
R	HIGH	1998
B R	HOBMAN	1983
M J	HODGKINS	1994
M J V	HOGGARD	2013
S	HOLLOWAY	1985
L R	HOOPER	1968
W R	HOPE	2010
B R	HORNBLOW	1964
M	HOYLE	1982
W C	HOYTE	1969
BJ	HUGHES	1977
B	HUGHES	2006
G	HULST	2009
R L	HUNT	2017
F	HUNTER	2017

2020–21 Members.

M B	HUNTER	1995
D	INGOE	2020
B A	IRONMONGER	1992
L	IRWIN-PARSONS	2005
B	JAMES	2010
C	JEFFERIES	1976
B	JELICICH	2017
D N	JENKINS	2006
R C	JOHNSON	1987
B	JOHNSON	1985
G A	JOHNSON	2014
C	JOHNSON	2013
M	JOHNSON	2013
T	JOHNSON	2013
J J	JONES	1989
G	JONES	2019
P R	JONES	1967
L C	JURY	1989
G J	KEEGAN	1975
G W	KELLY	1984
P C	KELLY	2017
R B	KENNEDY	1988
R L	KENNEDY	2007
J	KENNEDY	1964
P G	KENNY	2018
A R	KERR	2012
G R	KERR	1967
T	KETTLE	2015
B	KILGOUR	2008
P	KIRK	2016
D G	KIRKBRIDE	1975
D B	KLAASSEN	2017
AJ	KNOX	1994
D	KNOX	2015
S	KNOX	2015
H R	KOEFOED	1983
S A	KUSABS	2012
P J	LAHOOD	1989
C C	LANDON	1974
P R	LASCELLES	1985
D	LATIMER	2013
S D	LEAN	2017
B	LEE	2013
M D	LEE	2004
M J	LESLIE	1968
P J	LEWIS	2019
G	LIEFTING	2017
W	LIGHTBOURNE	2014
B Y	LIM	1994
	LINDSAY	2019
JS	LIPA	1977
S	LITTLE	2017
M	LITTLE	2017
M D J	LITTLE	2018
M B	LLOYD	1978
N	LLOYD	2017
J	LOCHEAD	2018
G F	LOGAN	2010
P M	LOGAN	2019
E J	LONG	1991
J A	LOOMB	1968
J B	LOVEDAY	2005
R G	LOVETT	2005
P	LOWTHER	1980
LS	LUM	1969
R J	LYNCH	1989
W K	MABEY	1992
D S	MACDONALD	1983
C	MACKIE	1998
J A	MACKINNON	1989
O	MACKINNON	2012
J	MACKINNON	2012
C	MACKINNON	2012
R J	MAGNESS	1968
J F	MAHER	1985
D	MAKAN	2003
D A	MANN	1969
K D	MARR	1990
G P	MARTINOVICH	1990
G P	MASON	2009
A G	MASON	2011
SA	MATTHEWS	1983
D A	MATUSCHKA	2013
T G	MAXWELL	1990
P J	MAY	2013
R G	MCAULEY	1993
R J H	MCCARTHY	2009
D M	MCCASLIN	2013
G J	MCCLINTOCK	1985
B M	MCDONALD	2000
B J	MCGEACHIE	2016
R	MCGLYNN	2015
D H	MCILRAITH	1986
A J	MCINTOSH	1969
V C	MCISAAC	1969
K D	MCKAY	2011
J	MCKEARNEY	2000
M	MCKENDRY	2001
K J	MCKERROW	1985
A N	MCLELLAN	1998
M	MCLEOD	2013
K	MCLEOD	2013
B D	MCMATH	1987
G W	MCMURTRIE	1986
J I	MCRAE	1972
J H	MCRAE	1972
A S	MEADOWS	1978
B	MEALE	1980
D	MEDCALFE	1981
F D	MENDE	1998
N J	MEREDITH	1981
IAN	MIDDLETON	2015
J	MILLAR	1980
I A	MILLER	2006
GD	MILLIER	1999
B K	MILWARD	2015
J A	MOFFIT	1962
J	MOHANAKRISHNAN	2011
C	MONTAGNA	2019
T	MOORE	1988

F R	MOORE	2007
D G	MOORE	2003
J	MOORE	2007
K I	MORRIS	2005
P R	MORRON	1993
GG	MRKUSICH	1990
Z D	MRKUSICH	1953
P J	MULLINS	2018
I	MUNRO	2017
C H	MURRAY	1988
P W	MUSSON	1965
G C	MYLES	1984
A R	NADEN	2016
A G	NADEN	1968
D T	NEAL	2011
B W	NEBEN	2003
B	NEEDHAM	2006
K F	NEVILLE	1997
M	NG	1997
A H	NICOLSON	1981
M J	NIEPER	1972
JV	NIGRO	1984
G J	NOAKES	2016
M R	NOTMAN	1984
S G	O'CONNOR	2019
H G	O'DONNELL	1979
A	O'SULLIVAN	2020
M	OAKLEY	2020
W	OLIVER	1968
L J	OUGHTON	1975
F	OUGHTON	2014
S V	OUGHTON	2017
S W	OUTTRIM	1988
W H	OUTTRIM	1984
D	PALMER	2018
AJ	PARKER	1984
P R A	PARKER	2014
A R	PARKINSON	1998
L A	PARRIS	2004
R	PATON	1999
K G	PAUL	1960
G N	PEART	2017
W R	PENGELLY	1966
L D	PETTIFER	1975
S D T	PHELAN	2019
S B	PHILLIPS	1972
JS	PHILPOTT	1985
R W	PILKINGTON	2018
B J	PLANT	2005
S R	PLANT	2005
K M	POLLOCK	2017
R F	POWELL	1980
A M	POWELL	2018
A	PRATT	2007
H	PRESTON	1969
K	PURDON	2014
B	PURDON	2001
R C	PURDON	1984
L K	PYE	1976
R J	PYKE	2001
T A	QUINN	1977
G J	RACK	2001
	RASMUSSEN	2019
G L	READ	2015
MR	REEVE	1993
T	REID	2016
J	REYNOLDS	2001
M A	RINGROSE	2002
R A	RITCHIE	2012
GI	ROBERTSON	1976
G D	ROBERTSON	1967
M	ROBERTSON	1964
W A	ROBINSON	1997
PA	ROBINSON	1982
G A	ROBINSON	1967
M	ROGERS	1979
J	ROGERS	2019
G A	ROGERSON	2009
J G	ROSS	1992
G F	ROUSE	1965
C M	ROWE	1995
C	RUPP	2005
G A	RYAN	2012
R G	SADLER	1983
J F	SADLER	1997
MF	SAMPSON	1993
A	SCHATZDORFER	2018
C	SCHNEIDER	2017
WH	SCOLTOCK	1966
J S	SCOTT	1986
A	SCOTT	2017
B J	SCOTT	1965
T C	SCREEN	2015
J A	SCREEN	2015
P S	SCREEN	2003
H D	SEFONTE	2017
MJ	SELWYN	1964
G	SHAND	2005
R B	SHAW	2013
CAM.	SHAW	2013
C	SHAW	2013
ET	SHAW	1988
IG	SHAW	1988
G D	SHEARING	1992
C	SHEEHAN	2017
D T	SHEEHAN	2017
S H	SHEW	1965
HJ	SHIU	1997
D E	SHORTER	1980
D J	SHORTER	2004
L	SHORTT	2015
R B	SILCOCK	2020
C R	SIMICH	1973
A	SINGH	2020
R J	SISSONS	1999
C D S	SIXTON	1994
D H	SIXTON	1990
M B	SKINNER	1977
K D	SKINNER	1977
DH	SLATER	2018

2020–21 Members.

DJ	SMITH	1989
C	SMITH	2012
M	SMITH	2019
P W	SMITH	1996
P H B	SMITH	1995
D J	SMITH	1999
R M	SOUTHEY	1983
B	SPARROW	1980
E	ST JOHN	2016
JF	STEINER	1989
I E	STEWART	2004
R I J	STEWART	1975
G	STOCKMAN	1994
SJ	STOCKMAN	1981
EC	STORCK	1992
C E	STRAWBRIDGE	2006
L	STREET	2017
J F	STREET	1984
C	STUART	2005
M A	SUMICH	1984
G	SYKES	1973
M G	TANSLEY	1976
S P	TAPPER	1984
B H	TARRY	1986
B E	TAYLOR	1977
D	TAYLOR	2013
A	TAYLOR	2016
J	TAYLOR	2016
B N	TAYLOR	2005
J	TAYLOR	2005
T	TAYLOR	2010
GR	THOMAS	1989
A S	THOMPSON	2020
S	THOMPSON	2013
N R	TILSLEY	2017
F	TONG	1982
G F	TOOMAN	1972
F	TRAPSKI	2011
M	TREADWAY	1988
R	TREVENEN	1995
V	TRILLO	1976
P	TURNER	2017
D M	TURNER	1995
W J	VALENTINE	2015
L A	VALENTINE	2015
M	VEACOCK	2018
W G	VERRENKAMP	2011
S	VIDOVICH	1985
T R	VINCE	2017
P J	WACKROW	2004
R	WAIDE	1979
T N	WALKER	1977
D	WALKER	2015
D	WAPP	2007
A	WAPP	2007
K	WARNEFORD	2008
P	WARNOCK	1960
S W	WATERS	1975
R J	WATT	1969
L E	WATTS	2017
D W	WATTS	2017
J A K	WAYMOUTH	2018
L J	WEAVER	2015
J D	WEBSTER	2010
P V	WELLS	2011
M R	WERNER	2009
R J	WETHERILL	1990
M J	WETHERILL	1975
G A	WHARFE	1998
B	WHITE	2017
D	WHITE	2017
BR	WHITING	1985
O R	WHYTE	2007
W G	WHYTE	2003
G	WILLIAMS	2013
J	WILLIAMS	2020
M R	WILLIAMS	1970
B J	WILLIAMSON	1984
A L	WILLY	1967
J R	WILSON	1984
W L	WILSON	2013
L M	WILSON	2018
K A	WOOLLAMS	1968
G M	WOOLSTON	1991
M G	WRIGLEY	1977
J	YARDLEY	1994
LM	YEE	1986
RC	YEE	1965
V S	YEE	1965
K T L	YONG	1997
R	YOUNG	1984
K Q	YOUNG	2003
D H	YOUNG	2013
RL	ZALOUM	1969