



Annual Report

Season 2016/2017



Directory and Notice of Meeting

Directory 2016/2017

Registered Office:

2-48 Ash Street
Avondale, Auckland
New Zealand

Bankers:

ASB Bank Ltd
12 Jellicoe Street
Auckland Central, Auckland

Auditors:

Staples Rodway
Tower Centre, Level 9
45 Queen Street, Auckland

Secretary:

T.A. Berkahn

Solicitors:

Wynyard Wood
PO Box 2217
Auckland

Accountants:

Campbell Tyson Ltd
1 Wesley Street
Pukekohe, Auckland

Notice of Meeting

Notice is hereby given that the 127th Annual General Meeting of Members of the Avondale Jockey Club will be held on the First Floor, Owners' & Trainers' Stand, Avondale Racecourse on Thursday 26th October 2017 at 4:30pm.

Business:

1. Confirmation of Minutes of Annual General Meeting held on Thursday 27th October 2016.
2. To receive the report of the Committee, Financial Statements and Auditor's Report for the year ended 31st July 2017.
3. To elect Office Bearers.
The following nominations have been received for Office Bearers.
President: (One seat) A.M. Boyle. Vice-President: (One seat) J.A. Skinner.
Committee: (Seven seats) J Clark, J McLeod, V Middeldorp
As the nominations do not exceed the number of vacancies for positions for the offices of president, vice president and committee an election will not be necessary.
4. General Business.

COMMITTEE	STEWARDS	LIFE MEMBERS
Allan Boyle (President) Jan Skinner (Vice President) Tracey Berkahn (Hon Treasurer) Jim Clark John Clydesdale Jan McLeod Vince Middeldorp Chris Ryan	Bryan Jackson Sam Malcolmson Terry Skinner Warren Strand Denise West	E Doherty, T Green, D Gurney, C Jillings, R McElroy, T McKee, J McLeod, J O'Connor, J Patterson, R Payne, S Penny, P Sapich, J Skinner and G Wakefield

AVONDALE RACE DATES

August 2017 – July 2018

WED	27 September 17
WED	1 November 17
FRI	10 November 17
THU	30 November 17
WED	24 January 18
WED	21 February 18
WED	7 March 18
FRI	23 March 18
WED	25 April 18 (ANZAC Day)
WED	23 May 18
MON	4 June 18 (Queen's Birthday)
WED	11 July 18

To assist the Waipa RC, Avondale JC swapped out its August date and instead ran on 27 September.

Initially allocated 11 race dates for 2017/18 (none a Saturday meeting), the Club has agreed to assist with the alternative dates arrangements for the Auckland RC track renovation project to take place at Ellerslie, resulting in 12 race meetings this season. In particular -

- Avondale JC has picked up the Counties RC Industry Day of 23 May so that Counties can run a Saturday for Auckland RC
- Avondale JC has agreed to run Auckland's Queen's Birthday meeting on 4 June. On a one-off basis NZTR has agreed to assist the Club with the increased costs of conducting this meeting due to extra public holiday staffing costs.

PRESIDENT'S REPORT

Introduction

I am very pleased to present to you the AJC Annual Report 2017. It summarises our main activities in the 2016/17 racing season and contains the Club's financial performance in the IPSAS-prescribed form for Tier 2-organisation reporting.

Our operating surplus this year (\$33,000) is a sound result, although well off last season's very large surplus (\$375,400). The Treasurer in her report describes the factors that have seen 2016/17 come back to more traditional levels. In keeping with the signal given at the last AGM, we have recognised opportunities to improve: (1) the appearance of parts of the racing facilities; (2) effort and expenditure relating to deferred maintenance and to the grounds themselves; and (3) track security. The quality of the food and beverage offering is another deficient area we are working on. During the season we moved from using an on-site caterer to running our own bars and using contract catering.

Three years ago when Avondale's "Stakeholder Satisfaction Survey" under the Racing Club Partnership Programme was reported, relevant performance indicators were:

- facilities 2.3 / 5 (somewhat dissatisfied)
- race days & events 3.1 (somewhat satisfied)
- club administration 4.2 (satisfied).

Naturally the Committee recognises the overall quality of the Club's facilities has a detrimental impact on participants and racegoers and there is a way to go.

However, it is worth noting – in my view – that a number of initiatives the Club could be taking to improve customer satisfaction, are not suited to the dismal dates situation the Club finds itself in. Industry Day racing (I.E. weekday race meetings) has no viable connection with the provision of on-course entertainment or a family-friendly race day environment, or Avondale as an event destination.

A racetrack located in a city suffers especially when it functions as a weekday venue. Ten years ago at our 2007 AGM, then-President, Graham Morgan, said "Our opportunities to involve sponsors or the racing

public in [Industry Day] programmes are diminishing, and I fear these days may harm clubs in the long term and not have the desired benefit for racing".

Racing

In the 2016/17 season we held 12 race meetings [compare 15 (2016) and 13 (2015)].

Our 2YO fillies race was run as the Avondale Sunday Markets Fillies Classic on 25 April 2017. We saw an easy win to So Far Sokool (Showcasing(GB)) ridden by M Du Plessis for Peter & Dawn Williams. The filly is owned by Mrs V G Healey, Mrs G N and G R Webb.



This season there have been no major issues with the track although we have to investigate a winter problem at the 1400m – 1600m chute, where there is some variation in the going and excessive wetness following heavy rain. The Development Manager's report provides more detail.

The biggest project undertaken this season was the Perimeter Fencing Project. The RIU had indicated safety concerns about our track perimeter. The Club has spent \$129,500 on 900 metres of new and replacement security fencing. The Racing Safety Development Fund provided a grant of \$45,000 resulting in a net cost of \$84,500 for this project.

Training

Following the November 2015 NZB Ready To Run Sale there was a reduction in the level of training activity at Avondale and by about mid-2016 there was every

indication the number of horses in training at the centre could continue to weaken, and might not recover. I invited the Committee to evaluate the viability of the Avondale training centre and in February 2017 the Committee resolved (unanimously) to permanently close the AJC training operation. At the time there was little use of the training tracks with fewer than 10 horses per month using the site. Affected trainers were given five months' notice: close-down occurred on 29 July.

It has been suggested that we were tough on the "little guys" by declaring the closedown. In my view that remark overlooks the fact that over a period of about 18 months local trainers "voted with their feet", by leaving the industry or leaving the venue, or by using alternatives such as beach training.



Strategic Planning

In 2017 the Club decided to adopt certain non-negotiables as part of its strategic planning work. The Club's basic aims are "to promote horse racing and assist the sport of horse racing". With such broad objectives the Committee wanted to settle a guideline that will govern all strategic decision making. On the inside back cover this organisational vision is recorded.

The current AJC constitution is over 25 years old. The Committee intends to produce and present to members a new, modern constitution in 2018.

Non-racing operations

In May 2017 the Club undertook a tender process for the sale of the land known as the Elm Street subdivision. Following a second round of offers an agreement for sale and purchase was signed in June. The agreement is subject to a number of conditions including reverse sensitivity clauses and a covenant relating to a public easement for pedestrians and cyclists, contiguous to the outer boundary of the Course Proper at the exit of the home straight. These are being worked through by the parties. The public easement involves Auckland Council in the agreement, as well. The Club expects to go unconditional prior to Christmas with settlement in March 2018. Other aspects of the deal are commercially sensitive at this stage.

Members Stand Lift

Since June 2017 our race meetings (as well as a tenant) have been affected by a major malfunction of the Members Stand lift. The lift is old and was the last of its generation operational in New Zealand. We have had ongoing issues with the machine room electrical and weather tightness over the years but now there are no parts across the Otis network. The lift has to be replaced or a new motor manufactured for a refit. Getting the old motor out and a new one in will require demolition and a re-build of the machine room. The refit option is a similar price to competitor bids for full replacement. With the costing exercise done we have applied for a grant under the Racing Safety Development Fund (September round).

The inconvenience to patrons and others will continue through the current season: estimated time to complete a replacement is 26 weeks including offshore fabrication, installation and commissioning.

Participants

The Club wishes to thank various groups: all owners, trainers and riders who participated at Avondale races through the season and all our race sponsors,

particularly West Brook Wines, Avondale Sunday Markets, IRT, Friends of Football and NZB Insurance Pearl Series.

Over the course of the last season we encouraged members to attend the races, by re-opening the Members Club Bar. We subsidise the drinks prices and provide light food. This and other membership-related work has shown a surprising number of AJC members remain on the database but do not keep up their membership subscriptions. I intend to encourage the Committee to tighten up on this during the current season.

Obituaries

On a sad note the season saw the passing of members D W Hetherington, R J L'Amie and Mrs S M Starkie. Our sympathy to family and friends.

Thanks

In closing I would like to thank those who have been supporting AJC activities: members of our Committee, Stewards, staff, our main tenants and Club members who regularly attend our races. In addition, I would like to thank the NZTR Deputy CEO, Campbell Moncur, who leaves NZTR next month. Campbell assisted us with a number of issues over recent years.

A M Boyle
President

AJC 2YO FILLIES CLASSIC

Year	Filly	Sire	Dam	Trainer	Jockey
2007	Mirandola	O'Reilly	Paolino	Richard Yuill	Sam Spratt
2008	Juice	Bertolini	Call Minder	John Wheeler	Leith Innes
2009	Asphinal	Pins	Clermont Rose	Tony Pike and Mark Donoghue	Craig Grylls
2010	Twilight Savings	Secret Savings	Ghemashah	Murray and Bjorn Baker	Michael Coleman
2012	A Touch Of Ruby	Pins	Syrah	Stephen Autridge	Craig Grylls
2013	Gateway	Coats Choice	Gilligate	Stephen McKee	Sam Spratt
2014	De Kensington Oval	Red Giant	De World Cup	Lance O'Sullivan and Andrew Scott	Michael Coleman
2015	High Class	Shocking	Mill Duckie	Jenna Mahoney	Brendan Hutton
2016	Mystery Show	Sakhee's Secret	Showstra	James Bridge	Leith Innes
2017	So Far Sokool	Showcasing	Sokool	Peter and Dawn Williams	Mark Du Plessis

DEVELOPMENT MANAGER'S REPORT

Introduction

Since my appointment in February most of my work has been on what was known as the 'Turnberry Consulting Blueprint' (now the Racing Facilities Redevelopment(below)). However, there are many other projects on the go. For today's purposes I will outline four projects I am leading for the Club.

Racing Facilities Redevelopment

With the completion of the Auckland Unitary Plan and issues around the Elm St subdivision now largely resolved, the Club has been in a stronger position to focus on the redevelopment project adopted in 2015, and move the concept into a developed design.

To this end the Club appointed architects Collingridge and Smith and re-engaged Turnberry Consulting to refine the racing footprint into a fully realisable design that can be progressed through the consenting phases to construction.

We are fleshing out the scheme in light of an industry-focussed stakeholder survey which has been completed. The survey added valuable input by detailing racing and trial queuing statistics, race data, current zoning and road reserve considerations, topographical survey, initial infrastructure assessment, Australian course survey, occupancy and building design survey.

A revised scheme will be presented to the rest of the stakeholders for feedback soon.

Master Plan

During the stakeholder survey process the Club is taking the opportunity to consider the redevelopment of equine facilities in light of an overall Masterplan for the whole of the Ash Street frontage.

Regardless of the master plan requirements of Council for consenting the racing redevelopment project, there is a need to create efficiency and flexibility around any future potential development in the vicinity of Ash Street. This involves Master planning the linkages across the site, staging development to take advantage of changes in the market and phasing stages to allow best design practice, maximum commercial efficiency, maximising usable build area, Council zoning and linking typologies for users and occupants. Furthermore, critical elements like the entrance to the racing facilities, parking, roading and transport linkages will influence planning design when considering any reconfiguration along Ash Street.

Wingate Street

A number of years ago the Committee noted the redundancy of an unused area of land off Wingate Street and behind the 800m chute that is wasteland. In 2016 the old derelict judicial tower was removed from the area. In May 2017, we obtained permission

Key Projects	Start
Racing Facilities Redevelopment	November 2015
2-48 Ash St Masterplan	August 2017
Wingate Street Subdivision	March 2017
1600m Chute Issues	June 2017
Elm St Subdivision	July 2014

from NZTR to reconfigure the start point in the 800m chute.

Now attention has turned to the potential subdivision and sale of the former 800m chute point plus the scrub land that bounds Wingate Street. Our topographical survey sets out a new CP outer rail position, tower placement and security fencing. A geotechnical survey and report has been done. There are no significant issues anticipated, however delays have been experienced due to detailed investigation of a cesspit and storm water pipe on the site. As we go to print an application for subdivision has been lodged. If no delays are encountered during this process the Club could have this property on the market in Q1 2018.

1600m Chute

At the Avondale race meeting on 9 June 2017 it was noted that at the mouth of the 1600m chute onto the back straight there was a much softer surface than the rest of the track and potentially a danger to horse and rider, due to the depth of the divots or variation in surface conditions.

Subsequent racing has abandoned 1600m starts in favour of a 1370m starts.

Following an assessment of this part of the CP we investigated the public storm water network known to cross the area. An inspection of the drain network via underground CCTV and a series of detections to find pipes that were not showing on the Council GIS, have been done. We found pipes not known to exist and some incorrectly described on public records. Recent investigation reveals a significant displacement in a pipe and the formation of a large tomo at the breach. This could be the source of the issue that exists at the 1600-1400m in extremely wet conditions.

E F Boyack
Development Manager

TREASURER'S REPORT

I am pleased to present the financial statements for Avondale Jockey Club ("AJC") for the financial year ended 31 July 2017.

After a high performing year in 2015/16 in which AJC recorded a surplus of \$375,400, 2016/17 has been a year of consolidation in an environment where the Club has static income and carries no debt. The surplus after depreciation for the year ended 31 July 2017 was \$33,027.

Emphasis this year has been on development planning, a move toward addressing the lack of deferred maintenance in previous years (including upgrading plumbing and electrical infrastructure) and making some aesthetic improvements to the site like landscaping and painting.

Revenue from race-related activities and grants was down approximately \$180,000 mainly due to the lower race meeting income (three fewer dates and no Saturday racing) and fewer capital grants this year. Grants were received for the Perimeter Fencing Project and demolition of two old judicial towers,

whereas last year we received grants to purchase the new starting gates and for the construction of a new judicial tower in the members car park. Rental from tenancies and other income remained stable.

Racing-Related Profit and Loss

The Surplus for 2016/17 from racing-related activities was \$90,700 (race meetings \$45,500 plus a trials surplus of \$55,500, minus a training loss of \$10,300). This compares unfavourably to last year due to fewer race days and a loss from the AJC horse training activities.

Significant Spending

Operational spending was up this financial year. The increased expenditure can be summed up into the following:

- A new development manager (part-time)
- Proactive and reactive expenditure on repairs and maintenance for buildings and grounds – including improvements to some of the tenants' spaces and some work to ensure the longevity of the main

Profit And Loss

	2016/2017			2015/2016		
	Revenue	Expenditure	Surplus/(Loss)	Revenue	Expenditure	Surplus/(Loss)
Race Meetings	1,323,800	1,278,300	45,500	2,202,400	2,039,300	163,100
Trials	114,700	59,200	55,500	87,900	36,400	51,500
Training	6,400	16,700	(10,300)	14,500	13,000	1,500
Total	1,444,900	1,354,200	90,700	2,304,800	2,088,700	216,100

Race-meeting Statistics

	16/17	15/16	14/15	13/14	12/13
Number of Race Meetings	12	15	13	14	9
Number of Races	98	123	107	117	70
Average Starters per Race	10.7	10.9	11.6	9.9	10.1
On-Course Turnover \$	427,300	667,100	646,200	662,600	384,600
Race Meeting Surplus/ (Loss) \$	45,500	163,100	58,700	73,700	35,100

specimen trees on the site;

- A small uplift in property and water rates;
- The disposal/write off of two old judicial towers at the 400m and 800m points. This item is offset by a grant from the Racing Safety Development Fund (RSDF) and a contribution received from the Sandy Lane lot developer recorded in revenue (see capital expenditure note below).

Balance Sheet

Members' equity has increased for the third year in a row. Property, Plant and Equipment (fixed assets) is flat year-on-year but in real terms this is an increase (after reduction for accumulated depreciation of

\$192,600), due to the Perimeter Fencing Project and other small capital works.

Capital Expenditure Programme

The 2016/17 capital expenditure programme included the installation of new fencing and the demolition of old judicial towers as noted. We received a grant from the RSDF of \$11,900 for the demolition of the towers and \$45,000 towards the Perimeter Fencing Project.

T A Berkahn
Treasurer

Financials At A Glance

	16/17	15/16	14/15	13/14
Surplus per Financials	33,000	375,400	31,300	(117,700)
Depreciation	192,600	175,700	173,200	173,800
Less: Grants	60,200	112,600	0	78,800
Operatings Surplus (excludes above items)	285,800	438,460	204,500	(22,700)
\$ Improvement / (Decrease)	(152,660)	233,960	227,200	(58,200)
% Increase / (Decrease)	(35%)	114%	1,000%	(164%)
Gain /(Loss) on sales of Assets	(27,400)	0	2,584,800	0
Members' Funds	4,659,100	4,626,100	4,250,800	1,634,600

* Please note the numbers in the Treasurer's and President's Reports have been rounded to the nearest \$100.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVONDALE JOCKEY CLUB INCORPORATED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Avondale Jockey Club Incorporated ('the Incorporated Society') on pages 13 to 29, which comprise the statement of financial position as at 31 July 2017, and the statement of comprehensive revenue and expense, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 31 July 2017, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR').

Our report is made solely to the Members of Avondale Jockey Club Incorporated. 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 Avondale Jockey Club Incorporated and the Members of Avondale Jockey Club Incorporated, for our audit work, for this report or for the opinions we have formed.

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 Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor and provider of other assurance services we have no relationship with, or interests in, Avondale Jockey Club Incorporated. The provision of these other assurance services has not impaired our independence.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVONDALE JOCKEY CLUB INCORPORATED

Report on the Audit of the Financial Statements

Responsibilities of the Committee for the Financial Statements

The Committee is responsible on behalf of the Society for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, and for such internal control as the Committee determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee is responsible on behalf of the Society for assessing the Society'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 Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>



STAPLES RODWAY AUCKLAND
AUCKLAND

6 October 2017

Statement of Comprehensive Revenue and Expense For the Year ended 31 July 2017

	Notes	2017 \$	2016 \$
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Grant revenue		60,151	112,600
Racing compliance fees		-	10,000
Race meeting subsidies		397,952	557,000
Total revenue from non-exchange transactions		458,103	679,600
REVENUE FROM EXCHANGE TRANSACTIONS			
Race meeting revenues	12.1	925,854	1,635,353
Rendering of services	12.2	1,006,375	988,689
Other operating revenue	12.3	9,238	7,488
Finance revenue	13	16,029	12,229
Total revenue form exchange transactions		1,957,496	2,643,759
TOTAL REVENUE		2,415,599	3,323,359
EXPENSES			
Race meeting costs and expenses	12.1	1,278,266	2,039,282
Direct cost of services	12.2	168,790	128,240
Other operating expenses	14	934,123	778,992
Finance expense	13	1,393	1,482
Total expenses		2,382,572	2,947,996
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR		33,027	375,363

Statement of Changes in Net Assets

	Capital Reserve	Accumulated Comprehensive Revenue and Expense	Total Equity
Opening Balance 1 August 2016	6,106,310	(1,480,169)	4,626,141
Surplus/(deficit) for the year	-	33,027	33,027
Closing Equity 31 July 2017	6,106,310	(1,447,142)	4,659,168
Opening Balance 1 August 2015	6,106,310	(1,855,532)	4,250,778
Surplus/(deficit) for the year	-	375,363	375,363
Closing Equity 31 July 2016	6,106,310	(1,480,169)	4,626,141

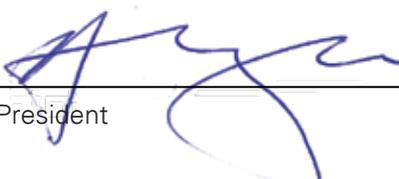
NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position

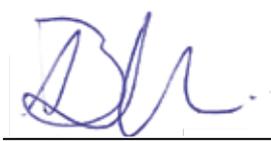
For the Year ended 31 July 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current assets			
Cash and cash equivalents	15	662,741	579,129
Receivables from exchange transactions	16	42,326	60,820
Inventories	17	4,802	4,862
Other current financial assets	18	-	100,773
Other current assets	19	37,784	117,772
Prepayments		18,068	3,468
Total current assets		765,721	866,824
Non-current assets			
Other non-current assets	19	112,851	56,573
Property, plant and equipment	20	3,975,343	3,949,594
Total non-current assets		4,088,194	4,006,167
TOTAL ASSETS		4,853,915	4,872,991
LIABILITIES			
Current liabilities			
Employee entitlements	21	18,592	17,072
Other current liabilities	21	59,509	147,850
Payables under exchange transactions	21	116,646	81,928
Total current liabilities		194,747	246,850
TOTAL LIABILITIES		194,747	246,850
NET ASSETS		4,659,168	4,626,141
EQUITY			
Accumulated comprehensive revenue and expenses		(1,447,142)	(1,480,169)
Capital reserve		6,106,310	6,106,310
TOTAL EQUITY		4,659,168	4,626,141

Signed on 6 October 2017 for and on behalf of the Committee who authorised these financial statements for issue on 28 September 2017.



 President



 Treasurer

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Cash Flow Statement

For the Year ended 31 July 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts			
Industry profit distribution		901,325	1,523,478
Other race meeting receipts		-	52,405
Donations, fundraising and other similar receipts		411,102	619,621
Receipts from providing goods or services		1,118,982	1,034,606
Total Receipts		2,431,409	3,230,110
Payments			
Payments to suppliers and employees		1,179,015	1,106,248
NZRB charges		1,010,943	1,666,013
Total Payments		2,189,958	2,772,261
Net cash flows from operating activities		241,451	457,849
Cash flows from investing activities			
Receipts			
Maturity of term deposits greater than three months		100,773	-
Total Receipts		100,773	-
Payments			
Investment into term deposits greater than three months		-	100,773
Purchase of property, plant and equipment		274,641	326,917
Total Payments		274,641	427,690
Net cash flows from investing activities		(173,868)	(427,690)
Cash flows from financing activities			
Receipts			
Interest and dividends received		16,029	8,200
Total Receipts		16,029	8,200
Payments			
Interest Paid		-	36
Total Payments		-	36
Net cash flows from financing activities		16,029	8,164
Net increase / (decrease in cash and cash equivalents)		83,612	38,323
Cash and cash equivalents at 1 August		579,129	540,806
Cash and cash equivalents at 31 July	15	662,741	579,129

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Statements of Accounting Policies

For the Year ended 31 July 2017

1. Basis Of Preparation

Reporting entity

Avondale Jockey Club Incorporated ("the Club") is incorporated under the Incorporated Societies Act 1908. The primary objective of the Club is to promote, conduct and control thoroughbred racing and is registered with the New Zealand Thoroughbred Racing Code ("the Code") consistent with the Code's constitution. The Club is a recognised industry organisation in accordance with the Racing Act 2003.

The financial statements presented are for the Club for the year ended 31 July 2017 and were authorised for issue by the President on 28 September 2017.

Statement of compliance

The financial statements have been prepared in accordance with the Racing Act 2003, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP").

As the primary objective of the Club is not towards making financial returns but the promotion, conduct and control of thoroughbred racing, it has designated itself as a not-for-profit public benefit entity (PBE) for financial reporting purposes.

The Club has elected to report in accordance with the Tier 2 Racing PBE accounting standards on the basis that it is not publicly accountable and not considered large for financial reporting purposes.

The financial statements of the Club comply with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) as appropriate for Tier 2 Racing not-for-profit entities and disclosure concessions have been applied.

Measurement basis

The financial statements have been prepared on a historical cost basis, with the exception of certain items for which specific accounting policies have been identified and are presented in New Zealand dollars which is also the Club's functional currency.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar (\$1).

Going concern

The financial statements have been prepared on a going concern basis.

Changes in accounting policies

The accounting policies adopted in these financial statements are consistent with those of the previous financial year

2. Summary Of Accounting Policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

Statement of Accounting Policies

For the Year ended 31 July 2017

3. Revenues And Direct Costs & Expenses

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Club and it can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenues are classified as to whether they arise from an exchange or non-exchange transactions. An exchange transaction is one in which the Club receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange and includes sale of goods, rendering of services and charges for the use of the Club's assets (e.g., interest and dividends). The Club recognises revenue from exchange transactions when the revenue recognition criteria mentioned above are satisfied.

A non-exchange transaction is any other transaction not classified as exchange. The Club's revenue recognition criteria are detailed below.

Revenue From Exchange Transactions

3.1 Race Meeting Revenue And Expenses

Race meeting revenues comprise 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 the Code and other receipts that directly relate to the Club's race meeting activities from members of the Club (aside from membership fees included in other operating income) and third parties in the form of grants and subsidies.

The Club incurred certain direct costs and expenses in conducting its race meeting days and recognises these as costs and expenses when incurred regardless of when the payment is made unless they qualify for recognition as asset. Direct costs and expenses on race meeting days are presented below, these include a portion of wages and salaries. Additional wages, salaries and depreciation expenses are included as part of other expenses in note 14.

3.2 Revenue From Sale Of Goods And Cost Of Sales

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Club.

The direct costs and expenses included in this table relate to purchases of inventory items and other directly attributable costs on acquiring the inventories sold. Salaries and wages and depreciation relating to sale of goods are included under note 12.

3.3 Revenue From Rendering Of Services

The Club performed various services including course and venue rental to third parties. Revenue from rendering of services is recorded as revenue when the service is provided. Costs and expenses related to these revenues are included in note 12.

Statement of Accounting Policies

For the Year ended 31 July 2017

3.4 Other Operating Revenue

Membership Subscriptions, net raffle/fundraiser revenue and sundry.

3.5 Interest And Dividend Income

Interest revenue is recognised as it accrues, using the effective interest method.

3.6 Revenue From Non-exchange Transactions

Revenue from a non-exchange transaction is recognised as soon as the inflow of resources can be recognised as an asset in the financial statements but only to the extent that no present obligation is recognised with respect to the asset received/receivable. A present obligation exists when there is a condition attached to the asset received that requires the Club to use the resources as specified by the transferor or return the same if the condition is not satisfied.

An asset acquired through a non-exchange transaction (e.g., cash, goods, inventory, or property, plant and equipment) is initially measured at its fair value as at the date of acquisition consistent with the fair value basis applicable for each type of asset received. Revenue from a non-exchange transaction is measured on the basis of the value of the asset received less any present obligation attached as of the date of transfer.

Revenue from non-exchange transactions that the Club receives is detailed below:

Grant Revenue

Grant for Tower Demolition and Perimeter Fencing	\$60,151
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NZTR

Race Meeting Subsidies	\$397,952
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4. Financial Instruments

The Club's financial assets include its:

Cash and cash equivalents:

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Short term investments:

Short term investments comprise term deposits which have a term greater than three months and therefore do not fall into the category of cash and cash equivalents.

Inventories:

Inventories held for consumption in the provision of services that are not sold on a commercial basis are measured at the lower of cost and net realisable value.

For inventory that was acquired through non-exchange transactions, the cost of the inventory is its fair value at the date of acquisition. For inventory held for distribution or consumption in providing goods and services to be distributed at no charge or for nominal charge, these are measured at cost adjusted for a loss of service potential.

Statement of Accounting Policies

For the Year ended 31 July 2017

Financial assets:

Financial assets also include various receivables, investments in debt securities, loans and advances, quoted and unquoted equity investments and derivative assets. The Club recognises financial assets when it becomes party to a contract. These assets may be classified into one of the four categories of financial assets depending of the Club's intention to hold them and the nature of the investments.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset. The subsequent measurement and presentation of the financial assets will vary depending on their category.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Club commits to purchase or sell the asset.

At each reporting date, the Club assesses whether the financial assets are impaired and when there is objective evidence of impairment, the carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in surplus or deficit.

The categories of financial assets are described below and the Club has not made any transfers between categories during the year (2016: nil):

A financial asset is derecognised primarily when: (a) the rights to receive cash flows from the asset have expired, or (b) the Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

(a) Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include debt and equity instruments which may either be held for trading or those designated upon initial recognition at fair value through surplus or deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by PBE IPSAS 29.

Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value presented as other losses (negative net changes in fair value) or other gains (positive net changes in fair value) in surplus or deficit except for fair value changes of an effective portion of cash flow hedge derivatives which is recognised in other comprehensive revenue and expense.

(b) Loans and receivables

Loans and receivables are non-derivative debt instruments with fixed or determinable payments that are not quoted in an active market. These investments are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any premium or discount on acquisition and fees or costs that are an integral part of the effective interest rate.

The amortisation of any premium or discount is reported as part of finance income and cost while losses arising from impairment of the financial assets are reported as part of other losses (for loans) and in cost of sales or other operating expenses (for receivables).

This category includes all of the Club's loans and advances (including concessionary loans), receivables (trade and those arising from non-exchange transactions) and finance lease receivables.

Statement of Accounting Policies

For the Year ended 31 July 2017

As at 31 July 2017, the Club has no loans. (2016: nil).

As at 31 July 2017, the Club has \$662,741 in receivables; in the form of cash and cash equivalents (2016: \$679,902).

(c) Held to maturity investments

Non-derivative debt instruments with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Club has the positive intention and ability to hold them to maturity.

After initial measurement, held to maturity investments are measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance income while the losses arising from impairment are recognised as part of other losses.

As at 31 July 2017, the Club has no investment categorised as held-to-maturity (2016: nil).

(d) Available for sale financial assets

Available for sale (AFS) financial investments include equity and debt instruments. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through surplus or deficit. Debt instruments in this category are those that are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive revenue and expense and accumulated in the AFS reserve until the asset is derecognised (cumulative gain/loss is closed to operating income) or impaired (cumulative loss is reclassified from AFS reserve to other losses in surplus or deficit).

Fair value is determined with reference to quoted price for those equity instruments listed in an active market. Investments in unlisted shares (other than investments in associates and joint ventures) are carried at cost as there is no reliable basis to measure their fair value; these investments are assessed for impairment by the Club at each reporting date. The Club has determined that the costs of these investments approximate their fair value as of reporting date and are not impaired.

Interest earned on AFS debt instruments is reported as interest income using the effective interest rate method and included in surplus or deficit.

As at 31 July 2017, the Club has no available for sale financial assets (2016: nil).

5. Property, Plant And Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a nonexchange transaction, its cost is measured at its fair value as at the date of acquisition.

If an item of property, plant and equipment is revalued, the entire class to which the asset belongs is revalued.

A revaluation surplus is recorded in other comprehensive revenue and expense and credited to the asset

Statement of Accounting Policies

For the Year ended 31 July 2017

revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same class of asset previously recognised in surplus or deficit, the increase is recognised in surplus or deficit. A revaluation deficit is recognised in the surplus or deficit, except to the extent that it offsets an existing surplus on the same asset class recognised in the asset revaluation reserve.

Depreciation is charged on either a straight line or diminishing basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

- Buildings	2 - 10% Straight Line, 8.5% Diminishing Value.
- Furniture & Fittings	10% Straight Line, 10 – 50% Diminishing Value.
- Land	0%.
- Land Improvements	0 – 10% Straight Line, 5% Diminishing Value.
- Motor Vehicles	14% Straight Line
- Plant & Equipment	10% Straight Line.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

6. Leases

Operating Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

Finance Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Club. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or at the present value of the future minimum lease payments, whichever is lower. The Club also recognises the associated lease liability at the inception of the lease, at the same amount as the capitalised leased asset.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in surplus or deficit. Contingent rents shall be charged as expenses in the period in which they are incurred.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Club will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

7. Employee Entitlements

Liabilities for wages and salaries (including non-monetary benefits), annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee rendered the related services, and are generally expected to be settled within 12 months of the reporting date.

The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Statement of Accounting Policies

For the Year ended 31 July 2017

8. Income Tax

The Club is exempt from New Zealand income tax pursuant to section CW 47(2) of the Income Tax Act 2007.

9. Goods And Service Tax (Gst)

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

10. Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

Capital Reserve

This reserve is for the capital gains and losses on Property, Plant and Equipment when sold.

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Club's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

11. Significant Accounting Judgements, Estimates And Assumptions

Management has exercised the following critical judgements in applying accounting policies for the year ended 31 July 2017.

The following expenses have been apportioned as direct service rendering costs:

- 80% of maintenance manager wages.
- 60% of general manager Salary.
- 90% of accounts officer wages

Notes to the Financial Statements

For the Year ended 31 July 2017

12. Revenue

Surplus before tax including the following specific income and expenses:

12.1 Race Meeting Revenues And Expenses	2017	2016
Number of race meetings	12	15
Number of races	98	123
Race meeting revenues	\$	\$
Nominations and acceptances	-	52,405
NZTR stakes funding	843,000	1,441,000
On-course turnover commissions	58,325	82,478
Race book sales	1,318	983
Race function income	10,061	5,866
Sponsorship	13,150	52,621
Total race meeting revenues	925,854	1,635,353
Race meeting expenses		
Advertising and promotions	-	2,289
Direct race meeting operating costs	116,190	143,484
NZRB charges	161,943	191,500
Other race meeting costs	39,681	52,527
Salaries and wages (direct)	94,753	140,763
Stakes paid	865,699	1,508,719
Total race meeting expenses	1,278,266	2,039,282
Net race meeting surplus/(deficit)	(352,412)	(403,929)
Race meeting revenue as non-exchange	397,952	567,000
Overall net race meeting surplus/(deficit)	45,540	163,071
12.2 Revenue From Rendering Of Services	2017	2016
	\$	\$
Rendering of services		
Rental	885,267	886,325
Training income	6,437	14,506
Trials income	114,671	87,858
Total revenue from rendering of services	1,006,375	988,689
Direct cost of services		
Training	16,704	12,960
Trials expenses	59,203	36,380
Salaries and wages (service)	92,883	78,900
Total direct cost of services	168,790	128,240
Net rendering of services surplus/(deficit)	837,585	860,449

Notes to the Financial Statements

For the Year ended 31 July 2017

12.3 Other Operating Revenue	2017 \$	2016 \$
Other operating revenue		
Membership subscriptions	6,458	7,240
Net raffle/fundraising revenue	-	248
Sundry income	2,780	-
Total other operating revenue	9,238	7,488
13. Finance Income And Costs	2017 \$	2016 \$
Finance revenue		
Interest received	16,029	12,229
Total finance revenue	16,029	12,229
Finance cost		
Bank charges	1,393	1,446
Interest expense	-	36
Total finance cost	1,393	1,482
Net finance income and costs surplus/(deficit)	14,636	10,747
14. Other Expenses	2017 \$	2016 \$
Other expenses		
ACC levies	3,298	2,487
Administration expenses	63,340	53,648
Audit fees	12,904	10,501
Bad and doubtful debts	6,113	-
Contractor payments	-	11,535
Depreciation	192,614	175,699
Entertainment	19	1,050
Equipment hire	16,092	18,169
Insurance	44,016	42,175
Loss on Disposal of Assets	27,367	-
Other expenses	16,162	12,318
Penalties and fines	94	436
Professional and consulting fees	40,783	36,855
R&M – buildings	104,830	77,523
R&M – equipment and vehicles	11,355	17,924
R&M – grounds	30,077	9,613
R&M – track preparation	24,680	28,780
Rates	158,831	139,953
Travel expenses	580	3,142
Wages and salaries	180,968	137,184
Total other expenses	934,123	778,992

Notes to the Financial Statements

For the Year ended 31 July 2017

15.	Cash And Cash Equivalents	2017 \$	2016 \$
	Cash at bank		
	ASB Bank Limited – Business Cheque – 00 Account	52,077	41,506
	ASB Bank Limited – Savings On Call – 50 Account	9,866	434,911
	ASB Bank Limited – FastSaver – 51 Account	-	2,500
	Total cash at bank	61,943	478,917
	Cash on hand		
	Petty Cash	25	212
	Total cash on hand	25	212
	Short-term deposits (less than 3 months to maturity)		
	ASB Bank Limited - Term Deposit - 78 Account	100,773	-
	ASB Bank Limited - Term Deposit - 81 Account	-	100,000
	ASB Bank Limited - Term Deposit - 87 Account	200,000	-
	ASB Bank Limited - Term Deposit - 88 Account	200,000	-
	ASB Bank Limited - Term Deposit - 89 Account	100,000	-
	Total short-term deposits	600,773	100,000
	Total cash and cash equivalents	662,741	579,129
16.	Receivables From Exchange Transactions	2017 \$	2016 \$
	Receivables from exchange transactions		
	Trade debtors	52,073	65,242
	Provision for doubtful debts	(9,747)	(4,422)
	Total receivables from exchange transactions	42,326	60,820
17.	Inventories	2017 \$	2016 \$
	Inventories		
	Beverages	2,992	3,405
	Crockery and glassware	767	767
	Photo frames	1,043	690
	Total Inventories	4,802	4,862
18.	Other Current Financial Assets	2017 \$	2016 \$
	Other current financial assets		
	ASB Bank Limited - Term Deposit - 78 Account	-	100,773
	Total other current financial assets	-	100,773

Notes to the Financial Statements

For the Year ended 31 July 2017

19. Other Assets	2017 \$	2016 \$
Other current assets		
Goods and services tax	27,169	20,813
Tax receivable from RWT deducted from bank interest	7,862	4,030
Accrued income	2,753	92,929
Total other current assets	37,784	117,772
Other non-current assets		
Deposits with vendor	501	501
Capital work in progress	112,350	56,072
Total other non-current assets	112,851	56,573
Total other assets	150,635	174,345

20. Property, Plant & Equipment	2017			2016		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Buildings	5,784,741	4,050,136	1,734,605	5,751,826	3,940,466	1,811,360
Furniture and fittings	597,908	567,651	30,256	597,244	562,029	35,215
Land and improvements	2,258,238	224,907	2,033,332	2,103,205	178,745	1,924,460
Motor vehicles	191,833	180,109	11,724	191,833	171,776	20,057
Plant and machinery	1,667,751	1,502,325	165,426	1,638,000	1,479,498	158,502
Total	10,500,471	6,525,128	3,975,343	10,282,108	6,332,514	3,949,594

Reconciliation of the carrying amount at the beginning and end of the period:

2017	Opening Balance	Additions	Disposals	Depreciation	Net Book Value
Buildings	1,811,360	32,915	-	109,670	1,734,605
Furniture and fittings	35,215	663	-	5,622	30,256
Land and improvements	1,924,460	155,034	-	46,162	2,033,332
Motor vehicles	20,057	-	-	8,333	11,724
Plant and machinery	158,502	29,751	-	22,827	165,426
Total	3,949,594	218,363	-	192,614	3,975,343

In the old public stand, asbestos has been discovered. Affected tenants of the building have been moved out and the building has been cordoned off. As the asbestos is not airborne, the Club has no immediate obligation to wrap, remediate or demolish the building. The Club is in the process of preparing an Asbestos Management Plan to properly handle the potential health and safety risks that exposure to asbestos poses. This plan isn't required by law until April 2018. No estimate of the costs involved can be made at this time.

The Club has applied for resource consent to subdivide a small parcel of land off Elm Street. Resource consent has been granted and title has yet to be issued. There is currently a conditional offer of sale and purchase on this lot.

Notes to the Financial Statements

For the Year ended 31 July 2017

21. Liabilities	2017 \$	2016 \$
Employee entitlements		
Holiday pay	18,592	17,072
Total employee entitlements	18,592	17,072
Other current liabilities		
Accruals	37,186	136,659
Deposits collected	3,000	3,000
PAYE	8,785	8,191
Revenue received in advance	10,538	-
Total other current liabilities	59,509	147,850
Payables under exchange transactions		
ASB Bank Limited – visa	1,216	1,315
Trade creditors	115,430	80,613
Total payables under exchange transactions	116,646	81,928
Total liabilities	194,747	246,849

22. Related Party Transactions

	2017 Value of Transaction	2017 Amount Outstanding
Chris Ryan (Auckland 24HR Glass & Property Services Limited)		
Glazing service	4,693	-
Total	4,693	-
Tracey Berkahn		
Acting General Manager – Salary	9,359	-
Total	9,359	-
Total related party transactions	14,052	-

	2016 Value of Transaction	2016 Amount Outstanding
Chris Ryan (Auckland 24HR Glass & Property Services Limited)		
Glazing service	10,939	-
Total	10,939	-
Tracey Berkahn		
Acting General Manager – Salary	3,539	-
Total	3,539	-
Allan Boyle		
Stallion Tender	(3,738)	-
Total	(3,738)	-
Total related party transactions	10,740	-

Notes to the Financial Statements

For the Year ended 31 July 2017

Allan Boyle is a related party of the Club as Allan Boyle is on the Committee of the Club.
 Chris Ryan is a related party of the Club as Chris Ryan is on the Committee of the Club.
 Tracey Berkahn is a related party of the Club as Tracy Berkahn is on the Committee of the Club.

Key management personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Committee and General Manager, which constitutes the governing body of the Club. No remuneration is paid to members of the Committee. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2017	2016
	\$	\$
Total Remuneration	52,650	36,747
Number of Persons	3	3

Remuneration and compensation provided to close family members of key management personnel

During the reporting period, total remuneration and compensation of \$nil (2016: \$nil) was provided by the Club to employees who are close family members of key management personnel.

23. Commitments

The following minimum lease payments were recognised as an expense during the year ended 31 July 2017. There were no sublease payments or contingent rents recognised as an expense during the period. There are no clauses for contingent within the contracts for the Operating Leases the Club is engaged in. There is no sublease component to the Operating Leases.

	2017	2016
Operating lease expense		
Fuji Xerox	5,786	5,786
Total Operating lease expense	5,786	5,786

The Club leases property, plant and equipment in the normal course of its business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

2017 Operating commitments	< 1 Year	1 - 5 Years	> 5 Years	Total
Fuji Xerox	6,654	1,664	-	8,318
2017 Operating commitments	Term (months)	Months expired	Months left	Monthly payment
Fuji Xerox	60	45	15	555
2016 Operating commitments	< 1 Year	1 - 5 Years	> 5 Years	Total
Fuji Xerox	6,654	8,318	-	14,972

Notes to the Financial Statements

For the Year ended 31 July 2017

24. Financial Instruments

The carrying amounts of financial instruments presented in the Statement of Financial Position relate to the following categories of assets and liabilities:

	2017	2016
	\$	\$
Financial assets		
<i>Loans and receivables</i>		
Cash and cash equivalents	662,741	579,129
Investments	-	100,773
Receivables from exchanges transactions	42,326	60,820
Total	705,067	740,722
Financial liabilities		
<i>At amortised cost</i>		
Payables under exchange transactions	116,646	81,927
Total	116,646	81,927
Total financial instruments	588,421	658,795

25. Capital Commitments

There were no capital commitments at the reporting date. (2016: \$Nil).

26. Contingent Assets And Liabilities

There are no contingent assets or liabilities at balance date. (2016: \$Nil).

27. Events After The Reporting Date

The Committee and management is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Club.

LIST OF MEMBERS 2016/2017 SEASON

(As at 31 July 2017)



**AVONDALE
JOCKEY CLUB**
INCORPORATED

1993	Abbott, ME	2013	Francis, M	2013	Majella Thomsen, B	1985	Rodokal, N
2014	Archer, SD	2017	Francis, MP	2014	Malcolmson, SA	2014	Rogers, D
2016	Amies, B	2001	Gallagher, CD	1986	Malloch, EFS	1971	Rogers, PD
2017	Armstrong, DW	2011	Gibson, ML	2013	Manley, D	2010	Rule, PF
2012	Atkinson, KB	1966	Gill, AM	2011	Marshall, M	2010	Rule, RG
2013	Baker, C	2012	Gillies, CH	2010	Marshall, MA	1999	Ryan, CA
1969	Baker, RW	1991	Goldman, PH	2013	Marshall, P	1999	Sapich, PE
1987	Ball, CA	2014	Goodson, MC	2015	Martin, LM	2012	Sauerbier, L
1984	Bates, GW	1988	Gore, MA	2014	Martin, RT	2015	Saunders, RL
2017	Battersby, M	1993	Gough, E	2000	Maunsell, KN	2013	Sewell, P
1980	Beesley, M	2001	Green, T	1989	May, RVS	2012	Sheahan, TP
1987	Bell, JA	2009	Gurney, L	2012	Macdonald, D	1993	Shepherd, R
1977	Bellingham, GJ	1957	Gurney, RH	1998	McClafferty, VP	2002	Skimiona, SL
2011	Berkahn, T	1991	Harkness, JJ	1978	McElroy, RC	1988	Simmons, TA
1982	Bilish, AG	1981	Harrison, SM	2011	McGee, DJ	2000	Sisson, IR
1987	Boyle, AM	1996	Hart, BJ	2006	McKee, TJ	2014	Skinner, A
1985	Boyle, JD	2001	Hartley, RM	2005	McLachlan, SM	1987	Skinner, JA
2002	Boyle, JW	2012	Hassall, B	2017	McLaughlin, M	2000	Skinner, TJ
2016	Buckingham, C	1977	Haydon, JD	2013	McLellan, AN	2013	Southworth, J
2009	Bult, PC	2003	Haylock, JP	2014	McLeod, J	1987	Spooner, BR
1973	Bunt, NH	2013	Heaven, B	1991	McLeod, JW	1972	Starkie, IL
1971	Burnes, RN	2013	Heeni, A	2000	McLeod, G	2017	Stevenson, PJ
1983	Butler, RT	2012	Henare, S	2017	McNickle, P	2013	Stothard, L
2013	Carmody, M	1976	Henson, ET	2010	Merkulov, G	2003	Strand, WG
1980	Cash, PAD	2013	Hetherington, JC	2015	Meyer, BJ	2011	Talbot, K
2017	Carter, N	2016	Higgins, DJ	1982	Middeldorp, V	2013	Theobald, S
2017	Carter, VM	1985	Hooper, JC	2013	Moffitt, G	2012	Thompson, BR
1979	Castle, GJF	1990	Howie, DB	2010	Moller, RW	1992	Thompson, JM
1992	Cathro, CE	1977	Hoy, T	2000	Morgan, CL	1980	Thompson, JP
2016	Christensen, P	2016	Hughes, C	2014	Morgan, J	1993	Thompson, P
1959	Christian, J	1977	Hughes, SA	2014	Morgan, M	2011	Thompson, SG
2006	Clark, J	2013	Hutchins, J	2011	Mossman, JY	2011	Thomsen, DP
2001	Clark, JF	2014	Ingleby OSM, KM	2000	Mudgway, JB	2011	Thomsen, M
2000	Cleland, BR	2002	Jackson, BR	2000	Mudgway, JT	1984	Thomson, B
2002	Clydesdale, JM	2002	Jamieson, AC	2011	Murray, CS	2015	Thomson, B
2015	Cobb, DS	2009	Jamieson, JT	2016	Murray, ZL	2012	Tullett, EA
2011	Cole, S	2016	Jarrold, NC	2013	Nagaiya, S	2012	Tullett, GJ
2013	Coll, JG	2011	Jenkins, GC	2012	Nakhle, D	1999	Volz, HL
1987	Coltman, JR	2006	Jillings, CM	2012	Nakhle, E	1999	Volz, JH
2011	Cook, C	2010	Johnson, A	1967	Neville-White, BG	2001	Waddell, DL
2017	Coon, D	2016	Johnson, DI	2016	Ng, H	2009	Wakefield, CR
2014	Conning, RB	2016	Johnson, K	2012	Niethe, M	2002	Wakefield, GR
1989	Cooney, KB	2010	Johnson, M	1984	Nobilo, LJF	2010	Wakefield, MB
2003	Cozens, WR	2010	Johnson, P	1972	Norman, MA	1987	Walker, KR
2009	Crann, AP	2017	Johnson, RA	1977	Nurse, AR	2013	Wallbank, B
1967	Curham, PJ	1974	Johnson, TSL	1950	O'Connor, JP	1996	Walton, HM
2017	Currie, N	1966	Johnstone, DJ	2013	Oliver, M	2013	Weafer, NF
1993	Curtin, EV	1990	Jones, GJ	2013	Oxenham, RD	2012	Wedding, C
2014	Dahlin, DG	2010	Jones, JC	2012	Palmer, G	2013	West, D
2014	Davis, GR	2008	Jones, PL	1975	Panther, AH	2013	West, GA
2000	Davison, GR	1970	Joyce, JP	2009	Patterson, JF	1970	Weston, AJ
2009	Dawkins, R	2017	Kearney, RA	1969	Payne, RJ	2009	White, M
1988	Dawson, MK	2003	Keith, EM	2014	Peard, A	2013	Whitfield, RA
2007	Delaney, R	1995	Kemp, RO	1996	Penney, SJ	2014	Williams, DG
2013	Di Mattina, T	2001	Kerrisk, PT	2014	Perron, D	2013	Wilson, J
2010	Dimes, JM	1978	Kiely, PT	2011	Peters, JM	2012	Winters, LA
1966	Doherty, EF	1997	Kiely MBE, TGA	1968	Plumley, HC	1998	Wishart, SC
1988	Doran, PG	2010	King, G	2005	Pollock, AW	2005	Wolsey, SM
2015	Erkkila, GF	2011	Larsen, NP	2013	Porter, R	2003	Wolsey, WG
2015	Evans, MV	2013	Lawrence, RL	1999	Powell, L	2012	Wood, J
1979	Faulkner, CH	2012	Lawrey, AJ	2011	Preston, PE	1965	Yee, RC
1976	Faulkner, JT	2011	Lee, B	1981	Pye, DN	1965	Yee, VS
2014	Feek, M	2016	Lee, J	2017	Quinn, T		
1978	Fell, LW	1976	Lees, DN	2012	Reid, JS		
2016	Fenn, DA	2014	Lewis, C	1986	Richardson, JSS		
2016	Fenn, RJ	1980	Lewis, JE	1985	Robinson, D		
2009	Fitzsimmons, KB	1981	Mackley, HJ	2013	Robinson, K		

ORGANISATIONAL VISION

In 2017, as an expression of future aims, the Committee adopted a 2030 Vision Statement:

'[In the long term] Avondale JC owns and operates a successful metropolitan race track playing a strong supporting role to Auckland's main track, Ellerslie, whereby Avondale JC provides regular, high quality thoroughbred horse racing for Aucklanders, the wider community and visitors. Ancillary to horse racing the club provides a range of community or commercial activities (including leisure, recreation, leasing or housing) for the people of west Auckland and elsewhere. It hosts a variety of sporting, cultural or community events designed to appeal to and meet the needs of a broad cross-section of interests. As well as the primary functions of horse racing and event hosting, it functions incidentally as a commercial or business site on parts of club land and the club derives substantial and sustainable income from those operations.'

The Vision Statement is underpinned by a list of "non-negotiables". The Vision Statement requires these principles be taken into consideration in forming goals or plans to achieve the Statement.

- 1. Retains ownership and control of the real estate necessary to achieve the stated vision;
- 2. Ensures no divestment of the race track or cessation of the operation of thoroughbred horse racing at the venue;
- 3. Site to remain predominantly a 'green space' amenity open to the public where possible but subject to good order, security and good management;
- 4. Infrastructure superfluous to present needs must be adapted or disposed of; and
- 5. Maintains prudent future cash flows from operations and minimises indebtedness.



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