

SOUTH AUSTRALIAN JOCKEY CLUB



Annual Report 2020/2021



SOUTH AUSTRALIAN
JOCKEY CLUB





IMAGE: HORSES IN THE MOUNTING YARD ON GOODWOOD DAY 2019
COVER IMAGE: HORSES LEAVE THE STARTING GATES FOR THE SA DERBY 2021

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M&J CHICKEN

Customising the way you think about chicken

Chairman's Report 2020/21



CHAIRMAN

Bob Holton

As was the case for part of last year, 2020/21 has been a difficult year. The State Government has followed SA Health advice by issuing Directives necessary to protect the wellbeing of all South Australians facing the significant challenges posed by COVID-19. As a result, major restrictions continued to be imposed on the operations of the South Australian Jockey Club (SAJC). Management was forced to make tough decisions to protect the financial viability of the Club whilst ensuring the health and safety of all stakeholders. These actions, combined with our continual focus on our strategic plan, place us in a strong position going forward.

We are grateful for the continued support of our Members who have accepted the necessary restrictions in a cooperative and understanding way and have been integral in our ability to not only remain viable, but to record an outstanding financial result.

Racing SA (RSA) and the SAJC, working with industry participants, ensured that we were again able to continue racing at Morphettville without incident. This is an extraordinary achievement which protected the wellbeing of our horses, the essential wagering returns and the livelihood of our more than 3,000 people working in the racing industry. We thank the Government for again backing our ability to adhere to strict safety conditions.

The TAB Adelaide Cup was run in front of a sellout crowd of 5,500 and was hailed by all as a huge success. The Autumn Carnival again produced excellent racing and we thank Channel 7 for again showcasing our venue and racing to such a large audience.

The SAJC is on the cusp of rolling out major infrastructure projects which will future-proof the financial viability of our Club to the benefit of all of our stakeholders including Members and other racegoers.

FINANCIAL PERFORMANCE

This year the SAJC has produced an incredible financial result reporting an operational profit (EBITDA) of \$1,656K! This is the first profit realised by the Club for 10 years. It did not just happen! Our management, headed by CEO Grant Mayer partnering with our CFO Mike Cox, our Executive Leadership Team and our entire work force, dedicated themselves to refusing to accept the projected loss at the beginning of the pandemic and worked tirelessly, above and beyond their usual duties, to generate this result. We thank them for their incredible efforts. They should all feel extremely proud of themselves.

The ingenuity of Grant and his team maximised the net result from our business. Whilst conferences and race day events were heavily

impacted by COVID-19 restrictions, clever use of available space in the Grandstand, given the absence of both the Gerard and Derby pavilions, together with a strict control of expenses, generated an impressive outcome.

The Junction again made a substantial contribution and the management and staff are thanked for their dedication and commitment.

Following the demolition of the Gerard Pavilion, a new state of the art pavilion is proposed as an improved replacement. The new solid building will be two stories high and capable of accommodating around 1,100 patrons. The Council permits are currently being sought with completion expected in early 2023. This pavilion is expected to provide valuable function space, considerably enhancing our race day and event offerings.

MORPHETTVILLE

The SAJC Board is committed to a major infrastructure programme.

The Master Plan has now reached an exciting phase. An initial Expression Of Interest process has been undertaken and a shortlist of potential Development Partners selected for the next stage. Our Development Manager, Neil Anderson, has made tremendous progress in moving this crucial opportunity closer to reality. There has been considerable Government and media interest in this project.

The long awaited Stables project has proceeded to final Council approvals with building expected to commence in coming months.

A proposal to develop our Cheltenham site is progressing well and we expect to make an announcement in the very near future.

Other projects are under consideration by the Board and will be announced when due diligence and business cases have been completed and accepted.

Our Racecourse Operations Manager, Ian Ricardo, and his team have again done an outstanding job in maintaining our racing and training surfaces to the highest standard. The presentation of the whole property receives frequent favourable comment – our gardeners and other ground staff are doing a great job.

SAJC staff worked hard to ensure that all racing activities are COVID-19 safe and I thank them for their dedication and commitment.

CONSTITUTION WORKING PARTY

As Members are aware, we have begun the formal process of reviewing the current SAJC Constitution with the aim of modernising its content in line with expectations placed on the industry by the SA Government and the Australian Institute of Company Directors. By-laws are proposed to be introduced to provide agility around operational matters.

Members will be a critical voice in this process and the working party has already started to receive valuable feedback.

I thank Phil Bentley, Ron Pratt and Allie Umoff for volunteering their time to assist the Board with this task.

RACING

A pleasing increase in stake money for the Adelaide Cup and Autumn Carnival feature races was instrumental in increasing acceptance revenues. From July 1, increases in all stake money were announced along with a 10% increase in Racing Rewards.

SA trained horses have again proudly represented South Australia with strong results in Victoria and NSW. Gytrash, Behemoth, Kemalpaşa, Instant Celebrity, Beau Rossa, Second Slip, Mongolian Marshal and Dalasan have all placed on show the strength of our racing. Savatoxl was impressive in winning the 2021 Goodwood.

The Racing Hall Of Fame combined with the Racing SA Industry Awards were presented in September at Morphettville. We are very proud that the SAJC won the award for the Most Outstanding Achievement by a Club.

We congratulate Todd Pannell and Michael Hickmott for their well earned Metropolitan Jockey and Trainer premierships and Jacob Opperman who won the Metropolitan Apprentice Jockey premiership for the 2020/21 season.

The relationship between RSA and the SAJC is strong, cooperative and robust. I thank Frances Nelson QC for her outstanding service to racing and her 13 years as the Chair of RSA. I congratulate Rob Rorrison on his election as the new Chair of RSA at the 2020 AGM. I also thank the RSA Board and Executives headed by CEO Nick Redin. The Chairman of Country Racing SA, Wayne Henson, has been a valuable contributor and partner and I thank him, his Board, and CEO, Chris Biggs.

BOARD

At last year's Annual General Meeting (AGM), I announced that the four newly elected Board Members were Christine Simpson, John Girvan, Ron Pratt and Judith Jones. I thank all of my fellow Board Members for their commitment and fierce desire to progress our Club. A highlight has again been the strong and productive working relationship between the Board and our CEO and his team.

LIFE MEMBERS

The Club's Constitution provides for admission to life membership for those members that have rendered valuable service to the Club, achieved 50 years continuous membership or been a member of the Club and been involved in thoroughbred racing for more than 40 years.

CHAIRMAN'S REPORT

At the 2020 AGM it was the Board's great pleasure to recommend Harry Perks, David Brook and Paul O'Leary as Life Members. This recommendation was unanimously adopted by Members present.

VALE

On a sad note, the Club acknowledges the passing during the year of life Members Rex Brennan and William (Bill) Spear OAM.

SUMMARY

We have every reason to feel confident in the future of the SAJC.

The outstanding 2020/21 financial results together with the highly efficient management of all aspects of the SAJC operations is testament to the professionalism and dedication of our CEO Grant Mayer, his Executive Leadership Team and all staff members. I thank them all for their determination to overcome the challenges created by the COVID-19 restrictions.

I also acknowledge and thank Premier Steven Marshall, Treasurer Rob Lucas and Racing Minister Corey Wingard for their continuing support of racing. We look forward to the Government partnering with us in the exciting infrastructure projects about to materialise.

I particularly want to thank the retiring Governor, The Honourable Hieu Van Le AC and Mrs Le for their long-standing interest and support of the SAJC as a Club Patron. We wish them well for what will be a busy and fulfilling future.

I also thank our other Patron Robert Gerard AO and Mrs Fay Gerard.

Along with the Board, I am looking forward to a busy and vitally important year. All of our Infrastructure projects will significantly move forward with some physically beginning in the 2021/22 year.

The absence of vital hospitality function spaces will continue to present big challenges to our financial performance in 2021/22. However, you can rest assured that everyone at the Club will be continuing the huge efforts made this year to produce the absolute best result possible.

We are fully supportive of RSA in their efforts to gain significant continued Government investment in racing with an emphasis on leveraging the State Government election early next year.

To our Members, you have been amazing in the way you have cooperated and supported your Club given the ever changing restrictions forced on us all by the essential SA Health restrictions. Thank you.

Everything we are doing at the Club is centered on providing the best member experiences possible whilst ensuring all stakeholders' needs are met. We will ensure that you are kept up to date with all the exciting projects in play, and look forward to welcoming you to a new era at Morphettville.

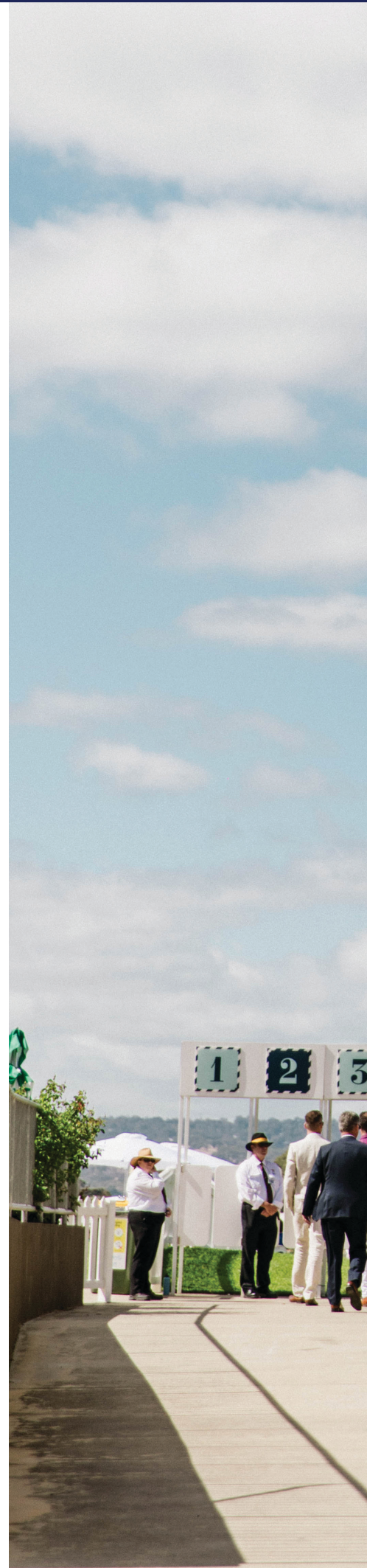




IMAGE: TAB ADELAIDE CUP DAY 2021

Chief Executive Officer's Report 2020/21



CHIEF EXECUTIVE OFFICER

Grant Mayer

"There is no education like adversity." - Disraeli

The last 12 months have been transformational for the SAJC in all senses of the word. Like all major event venues, we have had to learn how to adapt to a new reality that continues to challenge all parts of our business. However, thanks to the commitment and professionalism of our people and with the support of our Members and the industry, we have achieved a significant result for our Club.

Last year's annual report was – in sporting parlance – very much a story of two halves, with the impact of COVID-19 representing a seismic moment in our 2019/20 financial year.

While the fluid nature of the pandemic and the resultant government measures have continued to restrict the activities of almost every event-based business in Australia, the 2020/21 financial year at least held a measure of certainty – that we are dealing with a new reality that is likely to affect our operations for the foreseeable future.

Through a lot of hard work, combined with a deal of regrettably necessary hardship, we have managed to turn some of the challenges into very real positives for our business and I am extremely pleased to report that the Club recorded a profit for the first time in more than a decade.

FINANCIAL PERFORMANCE

The EBITDA profit of \$1,656K was achieved against a budgeted loss of \$408K.

This result represents an improvement of \$2.1M compared with the previous year and a continuation of the positive trajectory we have created for our business over the past five years.

Nevertheless, this needs to be contextualised against much lower revenues than pre-COVID-19, with overall income from operating activities dropping by \$2.6M compared with the prior year.

We have had to continue to do more with less, with lower hospitality event income reflecting the ongoing impact of venue capacity limits and fewer functions and events. Outside of racing, Morphettville hosted 68 events throughout 2020/21 compared with 118 the year before and 190 in 2018/19.

To further highlight the revenue decrease, the Club's revenue for the period from 1 April 2020 to 31 March 2021 (the JobKeeper period) was 40.5% lower than the previous 12 month period.

We have also farewelled the Federal Government's JobKeeper subsidy – a critical safety net for which we remain grateful – which officially ended on 28 March 2021.

Nevertheless, our costs were also significantly lower, both as a result of running fewer events and also our lower salaries and wages bill.

On-course wagering revenues were predictably lower; however, the contribution from The Junction remained solid.

Our 'smaller but smarter' approach to opening the physical areas of our large venue has been a big driver in cost control, while we were also able to design more premium event day packages which were, in turn, enthusiastically welcomed by the market.

ANNUAL MORPHETTVILLE RACING DATA

	2020/21	2019/20	2018/19
SAJC PATRONAGE			
Attendance	57,419	67,263	100,784
Membership	2207	1,440	1,562
Attendance per race meeting	1,367*	2,020**	1,800
Average Member attendance per race meeting	310*	345**	346
Member & guest attendance as % of total attendees	22.7%*	17.10%**	19.23%
RACING			
Race meetings	47	46	56
Races run	405	392	450
Total nominations	6,784	6,479	7,217
Total starters	4,733	3,599	4,061
Total prize money	\$22,321,950	\$21,154,500	\$24,134,000
BETTING TURNOVER			
On-course turnover	\$4,111,062	\$5,283,505	\$8,823,713
Off-course turnover	\$34,125,827	\$22,260,343	\$27,732,097
Total turnover	\$38,236,889	\$27,543,848	\$36,555,810
BENCHMARKS – AVERAGES			
Field sizes	9.7	9.2	9.0
Prize money per race	\$55,116	\$53,966	\$53,631
Total turnover generated for each race	\$94,412	\$70,265	\$81,235
On-course tote spend per visit	\$72*	\$84**	\$88
On-course turnover as % of all betting turnover	10.8%	19.2%	24.1%

*FY2020/21 – Calculations based on 42 race meeting that had attendees

** FY2019/20 - Calculations based on 31 race meetings that had attendees

ANNUAL MORPHETTVILLE NON RACE DAY DATA

	2020/21	2019/20	2018/19
TOTAL NON RACE DAY ATTENDEES	11,572	38,995	70,588
Events	68	118	190
TOTAL REVENUE \$000	669	1,698	2,102

CHIEF EXECUTIVE OFFICER'S REPORT

RACING SA

The involvement of Racing SA (formerly known as Thoroughbred Racing SA) was once again pivotal in ensuring that South Australia could keep racing through the pandemic.

CEO Nick Redin and his team should be congratulated for the way in which racing has been able to further strengthen the levels of understanding and trust with the relevant Government departments and health agencies.

Total RSA contributions for the 2020/21 Financial Year of \$3.0M were lower than the prior year mainly due to necessary reductions in the marketing grant.

ON THE TRACK

The ongoing support of racing through infrastructure funding from the State Government combined with RSA's strategy to increase the State's horse population by 300 horses over the next three years is helping drive renewed confidence in the industry.

This is being reflected in our monthly trackwork numbers which saw healthy increases compared with the previous year. We averaged more than 6,000 horses on track per month, bringing with it a corresponding increase in training income.

We are confident that the club's plans to construct 70 new horse boxes - work that is being assisted

by the State Government's infrastructure funding - will help continue this positive trend.

This result is also due to our efforts in further strengthening the relationships with our Morphettville-based trainers, all of whom appreciated our initiative to reduce their daily fees by more than 65% during the first winter of the pandemic.

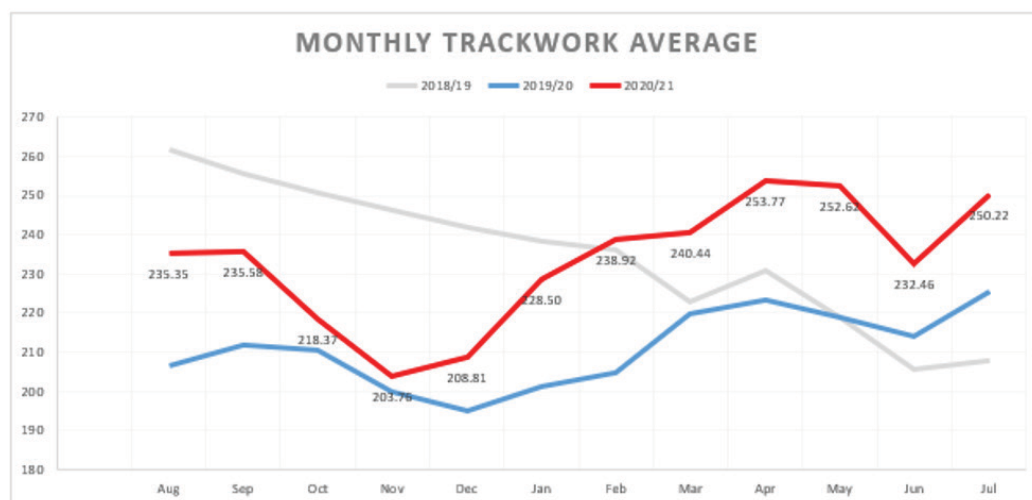
Field sizes were comparatively very strong across the year, averaging 9.7 starters per race compared with 9.2 in the previous reporting period.

The definite highlight of the year was the 2021 Autumn Racing Carnival, which attracted outstanding quality across the three weeks of racing.

TRAINING

TRAINING ACTIVITY	2020/21	2019/20	2018/19
Total Number of Horses on Track	73,005	66,206	73,467
Average Per Day	233	211	235
Daily Maximum	330	263	317
Daily Minimum	45	82	141
Highest Month	6,756	6,089	7,068
Annual Grass Gallops/Jump Outs	4,973	4,308	6,464

TRACKWORK



MEMBERS

Members are the backbone of any club, and the support of SAJC Members across the past 12 months has been critical.

The understanding and support of the changes and improvements we have made have been integral in our success. The fact that we have become a much more agile business is because of the willingness of Members to be part of the solution.

This is reflected in our membership numbers which have grown exponentially since the start of the COVID-19. At the time of writing, our membership stands at more than 2,200, an increase of almost 800 over the past financial year.

This is an outstanding result, particularly given there have been times when COVID-19 restrictions have significantly limited the ability for Members to attend and enjoy their day at the races.

While some of this increase can likely be attributed to our decision to lower the cost of membership, I believe the size of the increase reflects the determination of people to passionately support both the Club and the venue they love.

On behalf of our entire team, we are very grateful for the ongoing support of our fantastic Members and for the contribution each makes to our success.

	2020/21	2019/20	2018/19	2017/18
Paid Memberships	2,100	1,291	1,421	1,575
Life Members	43	45	47	51
Other Membership	64	104	94	84
TOTAL MEMBERS	2,207	1,440	1,562	1,710

STAFF

Last year, I advised Members that we had been forced to reduce the number of permanent employees by more than 20 positions as well as drastically cutting back on the number of shifts we were able to offer our casual staff.

Twelve months on, and our business continues to run lean from a staffing

perspective. We continue to have many employees who have agreed to be more flexible with their hours and their positions in order to remain involved at Morphettville.

The resilience and professionalism of our people is exemplary, and I believe it is due to the calibre of our team that we are able to consistently deliver an outstanding patron

experience at every event. And that's not just my opinion. As many Members would already be aware, our efforts throughout the year were recognised at the 2021 Racing SA Industry Awards & Hall of Fame where the SAJC won the award for the Most Outstanding Achievement by a Club.



IMAGE: TAB ADELAIDE CUP DAY 2021

CHIEF EXECUTIVE OFFICER'S REPORT

REDEVELOPMENT

The Club made significant strides throughout the year with our Morphettville Racecourse redevelopment.

Having achieved rezoning of the land we own between the racetrack and Anzac Highway in the previous year, the final hurdle in front of our planned redevelopment was removed in May 2021 when the State Government revoked an Open Space Proclamation that had been in place since 1958.

The removal of this last impediment enabled us to begin the process of formally going to market with our Concept Master Plan which envisions a mixed-used development incorporating residential, commercial, retail and community spaces.

The first stage would see 150 apartments, a 120-room hotel, tavern, supermarket and speciality retail and hospitality with direct access to the tramline.

Stage two includes approximately 400 low rise apartments, terraces, and townhouses with the two stages linked by a new pedestrian plaza.

The returns we generate from this project will be reinvested in promoting thoroughbred horse racing by improving facilities at Morphettville to underpin its future and enhance its position as a key part of South Australia's major event and tourism economy.

The Club is also progressing with a replacement for the Gerard Pavilion to provide another venue for Members and an important alternative for our functions and events business.

COMMERCIAL PARTNERS

We are extremely grateful to our sponsors and commercial partners for their continuing support of Morphettville throughout the year.

We look forward to continuing to foster these very important relationships into the future.

THE WAY FORWARD

Adversity is a great educator, and we have learnt a great deal about our business over the past 12 months.

I believe we have absorbed those learnings into every level of our business, making us fitter, more flexible and yet still completely focused on the customer.

The coming year promises to be an exciting one.

While we cannot predict what further challenges COVID-19 will bring, we have shown our ability to respond with agility and innovation. We can also be hopeful that increasing vaccination rates will translate into fewer lockdowns, a relaxing of restrictions on large gatherings and – critically – an opening of interstate borders.

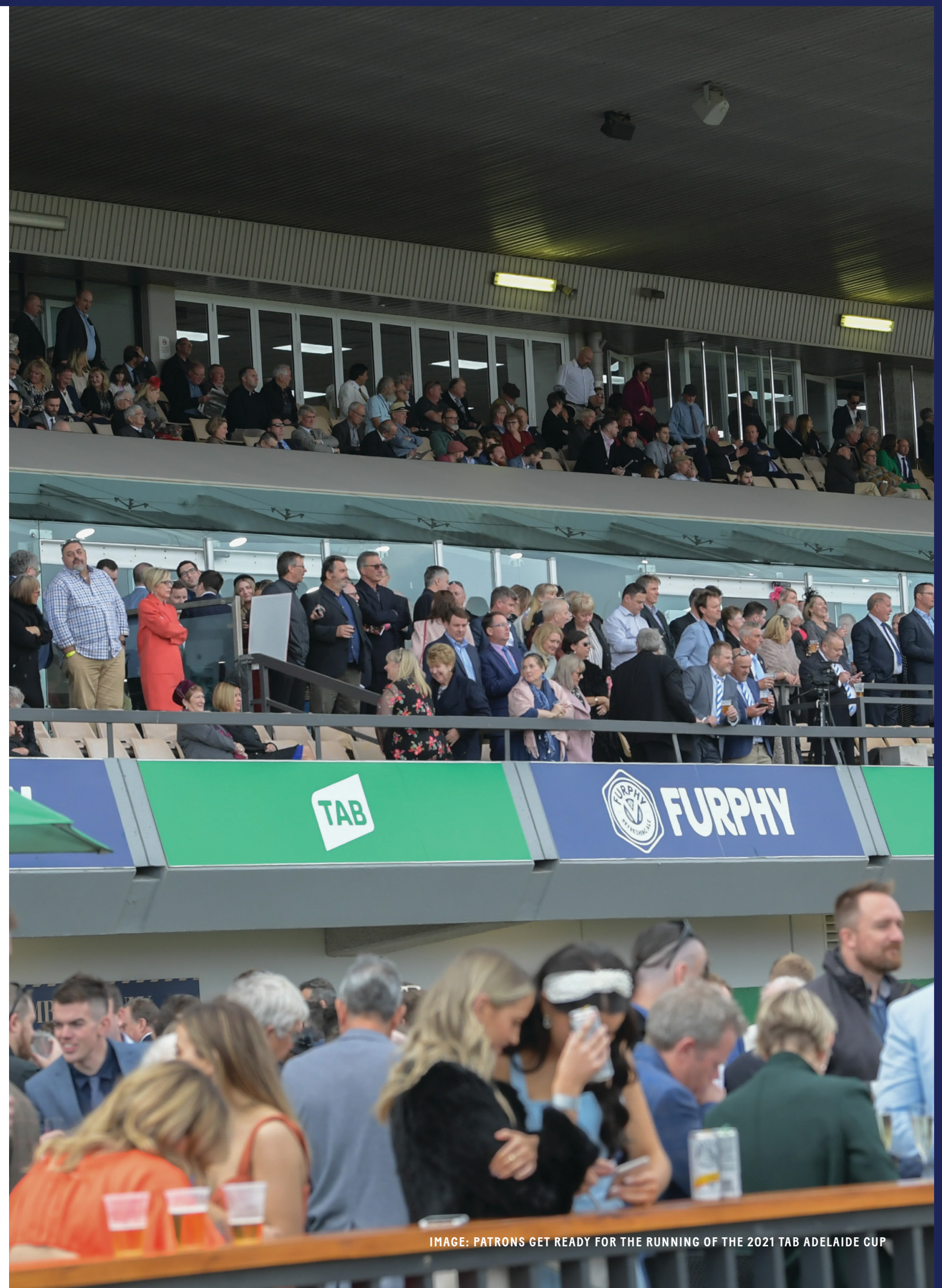
We are also entering a very important phase in our redevelopment. Unlocking the value of surplus land on our site will enable us to make some transformational investments in our Morphettville facility for the benefit of Members, racing and our wider community.

There is also a renewed sense of positivity in South Australian racing. There are new faces at race days. Owners and trainers are investing, Clubs are building new infrastructure and we have a supportive Government that understands the importance of racing to the State's economy.

We are building momentum. It will take continued hard work to ensure we maintain it, and there will be more challenges along the way.

However, I am confident that with the support of our Members, our Board, our staff and the wider industry, the SAJC can continue to grow toward a vibrant and sustainable future.

To Chairman Bob Holton and the entire Board, thank you for your continued support and guidance.



TAB



FURPHY

IMAGE: PATRONS GET READY FOR THE RUNNING OF THE 2021 TAB ADELAIDE CUP

Chief Financial Officer's Report 2020/21

FINANCIAL PERFORMANCE

In the audited financial statements, the Club has reported an EBITDA profit of \$1,656K (2019/20: loss \$445K). The overall surplus for the year is reported as \$7,642K (2019/20: loss \$3,845K).

The Club continued to qualify for the JobKeeper Payment Scheme (JPS) as our turnover was lower in the JPS period by 40.5% compared to the previous 12 months. The total subsidy of \$1.6M (2019/20: \$1.4M) was applied to employee wages. The JPS included payments for hours not worked (but expensed) of \$362K (2019/20: \$947K), resulting in a net subsidy of \$1,242K (2019/20: \$454K).

Therefore excluding the JobKeeper subsidy results in an adjusted operating profit of \$414K (2019/20: loss \$899K). In summary, the Club still achieved an operating profit after excluding the JPS.

In simple terms, both the financial result for 2020/21 and the position of the Club is satisfying in many ways. This satisfaction comes from:

- achieving the first EBITDA profit by the Club in many years
- achieving this profit with lower revenues than the previous year

- addressing the forced operational restrictions from COVID-19 head on
- effective management and control of costs and spending
- achieving a positive outcome after making significant change to the base operating model of the Club
- the retention and hire of key quality staff
- the exciting consideration and planning for major developments across the venue including the construction of on-course stables and the SAJC Pavilion, plus the significant progress of the Master Plan concept

It is no secret that the Club, the Board and management have been dissatisfied with the continued operating losses over many years. The underlying operating model was clearly flawed with aging and tired facilities used to service race day and event goers with increasing venue experience expectations.

Due to its substantial impacts on crowds and people movements, COVID-19 was initially seen as a potential financial disaster for

the Club. Combine this with the impact on hospitality space with the demolition of the Gerard Pavilion and the Derby Pavilion and you can well understand the financial fears of the Club.

However, from a change perspective, COVID-19 has beneficially allowed the Club to address significant flaws in its operating model. This included reviewing appropriate staffing levels, service standard requirements and venue minimisation practices. Resulting changes have positively contributed to the Club's financial fortunes.

The continuation of racing through the initial COVID-19 lockdown has led to sustained growth and interest in the racing product. This has resulted in increased betting commission revenues to the racing industry alongside a growth in horse population, as trainer confidence in the industry and RSA strategies align. The subsequent reopening of venues has allowed the Club to market to patrons eager to attend events.

There is a massive challenge for the Club to follow up this profit year with continued sustainable financial results. The ongoing absence of

FINANCIAL SUMMARY

	2020/21 \$000	2019/20 \$000
NET OPERATIONS PROFIT/LOSS (EBITDA)	1,656	(445)
Investment Return	8,803	(429)
CONTRIBUTION FROM RECURRING BUSINESS ACTIVITIES	10,459	(874)
Depreciation	(2,859)	(2,985)
Gain on Disposal Non-Current Asset	42	14
PROFIT / (DEFICIT) FOR THE YEAR	7,642	(3,845)

suitable hospitality space (Gerard and Derby Pavilions) along with upcoming constructions will severely hamper customer and revenue acquisition, convenience and visual ambience. The Club is budgeting an operating loss in 2021/22 but will continue to focus on the building blocks established within the improved operating model to challenge this loss budget.

A strong operating result was very much complemented by

outstanding returns on our investment funds, offset by significant depreciation expense.

In compliance with the Club's Investment Policy Statement, both investment managers, FMD and Bentleys Wealth Partners have established well balanced growth-based investment portfolios. Following the major investment markets dip in March 2020, portfolio adjustments made by our investment managers allowed these portfolios to take advantage of the subsequent overall market gains.

We are pleased with the performance of our investment managers with returns this year of 20.87% (2019/20: -0.96%) and thank them for their continued diligence and proactive management of the Club's funds.

As detailed below, the Investment Fund cash holding is now over \$50M at \$52.0M (2019/20: \$43.1M), with total investment assets at \$65.3M (2019/20: \$55.3M).

	2020/21 \$000	2019/20 \$000
FMD	24,106	21,221
BWP	26,796	21,844
Investment Cash Account	1,077	45
TOTAL INVESTMENT FUNDS	51,979	43,110
Other Investment Assets	13,292	12,191
TOTAL INVESTMENT ASSETS	65,271	55,301
WEIGHTED AVERAGE RETURNS	20.87%	-0.96%

The total depreciation expense for the year was \$2,859K (2019/20: \$2,985K). Depreciation for the year included the write-off of low dollar value assets and assets no longer in use of \$214K (2019/20: \$230K).

After depreciation and a small gain on disposal of assets, the Net Profit for the Club for 2020/21 is \$7,642K (2019/20: Loss \$3,854K), an outstanding result.

The most recent Gaming Trading Round was conducted on 23 August 2021, resulting in the first increase in gaming entitlement pricing since 2015. The vendor price of \$15,000 per entitlement has been applied to the carrying value of Cheltenham (40) and Norwood Community Club (9) entitlements resulting in a \$179K valuation increment.

As required by accounting standards the Board also revalued Club Buildings. The overall Buildings devaluation of \$5,284K includes the write-off of the demolished Derby Pavilion, plus an assessment of impairment of the Junction Building which is anticipated for demolition as part of the Master Plan development.



CHIEF FINANCIAL OFFICER'S REPORT

SAJC CAPITAL PROJECTS

During 2020/21 the Club spent \$2,430K on capital projects (2019/20: \$1,707K). The major spends are listed in the table below, with a focus on venue improvement and safety.

PROJECT	\$000	COMMENTS
Master Plan	440	There was major progression on feasibility works (total spend-to-date \$1,377K)
Building Fire Safety	358	Major works to improve water flow for fire purposes (total spend-to-date \$970K)
Lift & Escalator Upgrade	333	Upgrade facility lifts and escalators
Junction Gaming Machines	295	Gaming regulation changes
2 nd Floor Upgrade	282	Phar Lap East renovations
AV Upgrades	231	Upgrade aged AV systems
PROJECTS < \$100K		
Building Related Improvements	173	Numerous facility improvements including Diva Patio, Junction beer garden and SAJC Pavilion works
Hospitality/Kitchen Assets	130	Upgrade for WHS, furniture, equipment replacement
IT, Website, Wi-fi, AV Assets	77	IT type assets including upgrades of AV equipment, rostering system and POS equipment
Track Equipment	50	Upgrade track equipment
Training Facility Assets	49	On course stables feasibility
Other Assets	12	Miscellaneous Equipment
Capital Expenditure Total	2,430	

MAJOR UPCOMING PROJECTS

There are some significant projects to be undertaken in the near future, with a significant spend profile. The SAJC Board has approved the 2021/22 capital budget in principle, with the following years representing indicative spends. All capital projects are approved in accordance with Club policies prior to project commencement.

MAJOR UPCOMING PROJECTS	2021/22 \$000	2022/23 \$000	2023/24 \$000
SAJC Pavilion	5,000	6,000	-
On-course Stabling	2,300	-	-
Master Plan	1,250	1,000	1,000
Building Fire Safety	500	100	100
Escalator & Lift Upgrade	1,000	-	-
Bathroom Upgrades	200	200	-
TV/AV Upgrades	140	-	-

FINANCIAL STATEMENT ANALYSIS

To assist Members to understand and analyse the financial information, please find detailed below the major variances in both Balance Sheet and Profit & Loss Statement as compared to 2019/20.

	2020/21 \$000	2019/20 \$000	DIFFERENCE \$000	COMMENTS
Hospitality Revenue	6,399	8,467	(2,068)	Significantly impacted by COVID, noting Hospitality Revenues were \$11,281K in 2018/19. Revenue decrease in all categories, with an overall 24% decrease on the prior year and 43% over the last 2 years
Venue Gaming Revenue	2,791	2,472	319	Still lower than 2018/19 revenues of \$3,102K, but an increment on 2019/20 by 13%. Introduction of note acceptors and ticket-in ticket-out had a positive contribution
Tote Revenue	428	540	(112)	This represents commissions from oncourse TAB turnover. Revenue earned is a far cry from 2011 revenues of \$2.1M. Impacted by attendance levels and move to online / phone betting
Sponsorship	850	1,433	(583)	Impacted by activity through COVID restrictions
Industry Contributions	3,004	3,321	(317)	Full breakdown is found on page 48
Sundry Revenue	2,781	2,612	169	Includes product rebates, rent, track fees, membership income, JobKeeper subsidy \$1.604M (2019/20 \$1.392M)
Hospitality Expenditure	2,705	4,051	(1,346)	Represents costs to earn revenue. Includes cost of goods, equipment hires, share of utility and facility costs
Venue Gaming Expenditure	1,522	1,251	271	Increase reflecting tax on increased Gaming revenue, along with gaming tax refund earned in prior year resulting from COVID-19 shutdown
Race Day & Facility Expenditure	2,452	2,712	(260)	Decrease due to contract and business efficiencies, and close attention to non-essential costs
Salaries & Wages	6,019	8,698	(2,679)	Labour is the Club's most significant expense. The decrease on prior year is due to improved staffing efficiencies and closer management attention. In accordance with accounting recognition requirements, Salaries & Wages have been grossed up by \$1.604M (2019/20: \$1.392M) representing the JobKeeper subsidy
Tote Operations	229	355	(106)	Decline due to increased management of TAB staffing levels, impact of declining turnover, and attendances
Sundry Expenses	1,670	2,223	(553)	Includes membership costs, insurance, sponsorship expenses, advertising and marketing costs, IT and telecoms, legal fees, consultancies. The main driver for this decrease is due to legal fees incurred in the previous year
Cash & Cash Equivalents	171	(900)	1,071	Cash has increased \$1.1M. The increase reflects the Net Operations profit, offset by the significant capital expenditure for the year. Cash is managed very tightly, with the Club operating in an overdraft situation. Any draw-downs from Investment Funds must be Board approved and ensure that it meets the Constitutional requirements
Inventories	223	321	(98)	Represent stocks of food and beverages on hand. Decrease on hand reflecting business activity requirements

CHIEF FINANCIAL OFFICER'S REPORT

FINANCIAL STATEMENT ANALYSIS

	2020/21 \$000	2019/20 \$000	DIFFERENCE \$000	COMMENTS
Trade & Other Receivables	343	950	(607)	Amounts due to the Club at balance date. The previous year was high due to \$459K of JobKeeper subsidy payments due
Investments	50,902	43,065	7,837	Represents funds under management with FMD and Bentley Wealth Partners and recognises significant growth over the year
Prepayments	404	197	(92)	Payments made in advance (i.e. insurance & annual costs related to a future year) where expense is deferred to appropriate period. Increase reflects higher insurance charges
Property, Plant & Equipment	27,680	33,346	(5,666)	Physical assets of the Club, including Land. Buildings are subject to annual revaluation by a Valuation professional. Assets are depreciated in accordance with Accounting Standards. Additions based on capital spend and disposals also impact this balance, plus write-off of Derby Pavilion and impairment of Junction building
Right of Use of Assets	153	176	(23)	Accounting standard reclassification of Operating Leases reflected on Balance Sheet
Intangible Assets	1,935	1,756	179	Represents the Club's Gaming entitlements. 40 Junction entitlements are valued in use at \$30,000 each, 40 Cheltenham and the 9 Norwood Community Club entitlements are valued based on the last market rate of \$15,000 each
Trade & Other Payables	1,327	1,003	324	Amounts payable by the Club at balance date, reflects both activity level and timing of capital projects
Employee Benefits	692	849	(157)	Legislative provisions for employee annual and long service leave, decrease as staff numbers decline
Other Liabilities	880	664	216	Funds received in advance for future events, higher than previous year due to less uncertainty about future events
Lease Liabilities	156	176	(20)	Accounting standard reclassification of Operating Leases reflected on Balance Sheet



IMAGE: TAB ADELAIDE CUP DAY 2021

Development Manager's Report

During the 2021 season the SAJC has achieved Development Plan Amendment approval for the rezoning of 10 hectares of land at Morphettville for a Master Planned Retail, Commercial and Residential Redevelopment.

We are currently in the process of seeking a Major Development Partner to deliver the \$500M project. The project will comprise of a mixed-use precinct on Anzac Highway including a four-star hotel, shopping centre, tavern and 150 apartments, as well as a residential precinct on Park Terrace that includes 400 terraces, townhouses and apartments.

We have short listed a number of highly qualified proponents from the initial Expression of Interest campaign to participate in the Request for Proposal phase which should be concluded before the end of this calendar year. The preferred Development partner will deliver both the mixed-use precinct and the residential precinct in a joint venture structure with SAJC, who is the landowner.

This is an enabler project designed to maximise the potential of the Morphettville site and unlock its latent value, which will be invested by the SAJC back into the promotion of thoroughbred racing, including the Club's facilities, to ensure Morphettville remains at the forefront of South Australian Racing and can continue to be enjoyed by future generations.

Income derived from the project will play an important role in the SAJC realizing its vision for the future of Morphettville, which may include:

- Redeveloping the Main Grandstand
- Revitalising the Heritage Grandstand
- Developing new member, event, and entertainment facilities, and
- Investing in further improvements to critical racing infrastructure.

Once complete, a redeveloped Morphettville will unlock additional revenue streams for the SAJC to promote thoroughbred racing and

support local jobs. This project provides long-term value for the Club, its Members, its facilities and the wider community.

We are also delivering new racing and hospitality infrastructure in the coming year with 70 new stables and associated training facilities on the corner of Morphett Road and Bray Street commencing in early 2022. A new SAJC Pavilion to replace the former Gerard Pavilion will also commence in early 2022. This new Pavilion will seat 1,100 persons in comfort in a spectacular position near the finishing post, looking over the course and right back down the main straight.

2020/21 has been a year of planning for the future in the property and infrastructure area, but 2021/22 will see major activity on and around the racecourse as we begin to deliver the vision for the future of Morphettville.



IMAGE: ARTISTS IMPRESSION OF MASTER PLAN

Our People



Over the past year, strengthening culture and accountability has been a priority for the SAJC. This change has emerged through the development of our 2021-23 Strategic Plan, which places a strong emphasis on building an engaged and vibrant workplace, enabling our vision to be fulfilled. Our core values were refined to; collaboration, adaptability, respect, and experience with a set of underpinning behaviours to reflect the positive culture and performance we set out to achieve.

Being able to attract and retain the right talent and capabilities is central to achieving our new plan and delivering sustainable long-term performance.

Initiatives have included investment in HR capability, training and development and an enhanced workforce structure.

We continue to invest and focus on becoming an employer of choice through:

- Enhancing our policies, benefits and fostering a positive and safe working environment
- Leadership initiatives and capability development in line with a newly created leadership competency framework
- Developing our people through upskilling and offering training opportunities

The SAJC employs 50 permanent staff, 30 core casuals and up to 100 casual staff during carnival periods.

STAFF SERVICE RECOGNITION

Service Awards are given to staff who have provided extended years of dedicated service to the Club. During 2020/21, Ian Ricardo, Racecourse Operations Manager reached 10 years' service. Ian holds a pivotal role within the SAJC, and we thank Ian for his dedication, hard work and commitment over the years.

Our Corporate Partners

Premier Partner



TAB BETTING FACILITIES

TAB is a proud partner of the SAJC and with Australia's largest wagering retail footprint, the TAB retail network consists of over 1,400 standalone, Pub, Club and on-course TAB outlets. TAB will continue for the coming years to be the naming rights partner to the TAB Adelaide Cup, with supporting functions and activations held on this day. The SAJC would like to thank TAB for their continued partnership.

Diamond Partner



SCHWEPPES SOFT DRINK & WATER

Schweppes is recognised throughout Australia as one of the major supporters of the Thoroughbred Industry for more than three decades. Schweppes manufacture, sell, distribute and market some of Australia's most popular non-alcoholic beverage brands including SOLO, Pepsi, Cottee's, Gatorade, Cool Ridge Water and their range mixers. The SAJC thanks Schweppes for their past involvement with the Club.

Silver Partner



ADELAIDE GALVANISING HOT DIP GALVANISING

Adelaide Galvanising Industries is a wholly South Australian family-owned company and has been operating from their current site since 1996. The 2020 Adelaide Galvanising Boxing Day Race meet was a continued success, along with the naming rights to the Christmas Handicap and the Adelaide Guineas as part of the Autumn Racing Carnival. The SAJC would like to thank Adelaide Galvanising for their continued sponsorship and support to the Club since 2010.

Diamond Partner



LION BEER & CIDER

Lion is one of Australasia's largest food and beverage companies. With a proud history extending back to 1840, Lion market premium brands in the dairy, juice, soy, beer, cider, fine wine, spirits, alcoholic ready-to-drinks and non-alcohol beverages categories. Lion have activated several different brands such as Heineken 3, Furphy and Iron Jack at Morphettville's Feature Race Days over the past 12 months. We look forward to working with Lion on new product activation opportunities.

Diamond Partner



AAMI INSURANCE

As one of Australia's largest and most awarded insurers, AAMI makes it easy to insure your property with home, landlord and strata insurance, your possessions with contents, car and vehicle insurance, and your family's future with business, income, life and health insurance. With branding, signage and race naming rights on Melbourne Cup Day 2020 AAMI have been a wonderful supportive partner of the SAJC and we thank them for their involvement.

Silver Partner



HOLDFAST INSURANCE INSURANCE

Holdfast Insurance Brokers have been sponsors of the SAJC since 2007.

Established in SA, Holdfast Insurance Brokers have provided clients with professional and cost-effective solutions to their insurance needs since 1982. We thank Holdfast Insurance for their past support within the racing industry and to the Club.

Silver Partner



TERRY HOWE PRINTING PRINTING & SIGNAGE

Terry Howe Printing is Morphettville's preferred signage and printing supplier. They are more than just a printing and signage service, they also provide quality graphic design and pre-press trade services. The team is fully qualified with over 50 years combined industry experience and use of the latest software and equipment. Terry Howe Printing have been a sponsor of the Club since 2018 and provide the team at Morphettville with all our signage requirements.

Key Partner



WINNING EDGE PRESENTATIONS MERCHANDISE SUPPLIER

Winning Edge stocks thousands of products and apparel – from shirts and blouses to pens and rulers. From stress balls to golf balls. Winning Edge can look after us for everything that we need for our clients and for the staff here at SAJC.

Key Partner



DOMINANT CLEANING PRODUCTS

Dominant has been running since 1958 as a manufacturer of industrial cleaning and sanitation products and have grown to be recognised as a leader and innovator in its field. Dominant supply Morphettville all their cleaning products.

Key Partner



BAROSSA FINE FOODS SMALLGOODS SUPPLIER

Barossa Fine Foods have come on board as a supporting partner of Restaurant 1873 and will be recognised through the venue on our menus. Winning a consistent amount of awards since 2010, Barossa Fine Foods is one of Australia's Most Awarded Smallgoods Maker and a household name. Barossa Fine Foods supply a range of fresh meat, smallgoods, breads and antipasto offerings and will have exclusivity across Pork and Seafood products here at Morphettville.

Key Partner



PERNOD RICARD (G.H. MUMM) CHAMPAGNE SUPPLIER

Situated in Reims in Northern France, G.H. Mumm is one of the largest Champagne producers and is currently ranked 4th globally. G.H. Mumm is one of our most popular Champagnes sold at Morphettville. The second year for G. H. Mumm and the brand presence has increased on course over the last 12 months. With the creation of the sold-out package, Mumm First Class for the 2020 TAB Adelaide Cup and the execution of a stand out point of sale marquee, we look forward to working with Mumm on upcoming events.

Key Partner



WESLO STAFF SECURITY SERVICES

Weslo staff and security is Adelaide's premier event and venue staffing supplier in South Australia. Their employees staff all the Morphettville Racecourse events.

OUR CORPORATE PARTNERS

Key Partner



TEYS AUSTRALIA 36° SOUTH BEEF SUPPLIER

For three generations, Tey's Australia have built an unrivalled reputation for delivering beef with a superior eating quality. We are proud to have the 36° South range in our portfolio of consumer brands. 36° South are a supporting partner of Restaurant 1873.

Key Partner



OPTIONS WINE BEVERAGE SUPPLIER

Options Wine Merchants Pty Ltd is responsible for distributing some of the world's most respected and sought-after wines to the trade. A new agreement in 2020 sees Options providing beverages to 50% of the SAJC beverage lists.

Key Partner



FLEURIEU MILK DAIRY PRODUCTS

Fleurieu Milk Company produces and provides premium fresh milk for the SAJC, delivering excellent customer service and great taste. Fleurieu Milk continue to be an avid supporter of the Club and we look forward to working closer with them over the coming years on upcoming events.

Key Partner



COCA COLA AMATIL - CC RTD BEVERAGE SUPPLIER

Under the Coca Cola Amatil company, Canadian Club continues to be the choice of savvy drinkers who are looking for a refreshing alternative to beer, a classic cocktail or simply a great tasting whisky served neat. Canadian Club have had a big brand presence at the track over the last 12 months, the CC branded bar asset continues to be activated across our feature days including Melbourne Cup Day.

Key Partner



ACCOLADE WINES BEVERAGE SUPPLIER

Since treading their first grapes over 165 years ago, Accolade have continued to draw on a proud heritage as a leading global wine company producing some of the world's best known and loved brands. Accolade came on board in 2019 and contribute 50% of our wine list.

Key Partner



WILLS AND DANIEL FRUIT & VEG PRODUCE

Wills and Daniel bring the finest quality grown and produced products from regions all over South Australia direct to your doorstep. They helped to increase the quality of food service at Morphettville and we look forward to working with them going forward.



IMAGE: EXPLOSIVE JACK WINNING THE 2021 SA DERBY

Morphettville Season Review 2020/21

The 2020/21 racing season was full of so many highlights on racetracks not just around our State but interstate through the deeds of our wonderful equine stars.

We might start there and acknowledge the performances of some of these horses who helped put South Australian racing on the national map.

David Jolly's giant galloper Behemoth would claim the South Australian Horse Of The Year crown earned largely on his 2 Group 1 wins last spring in Melbourne. Aside from his big wins at Caulfield in the Memsie Stakes and Sir Rupert Clarke Stakes he also ran a super third in the rich All Star Mile at Moonee Valley.

Injury prevented Gytrash racing too much in the past 12 months but he still managed to provide Gordon Richards and his connections with a number of memorable race days. He placed third in Australia's richest race The Everest at Randwick last October and then at his next start stepped out to win a million dollar race at Rosehill. Gytrash would not race again until our feature sprint race The Goodwood in May where he ran a game third behind the Tony and Calvin McEvoy prepared Savatoxl.

Whilst on Tony and Calvin McEvoy we should mention their great feat to notch another Group 1 in the last racing season with their wonderful old warrior Hey Doc. Now retired, Hey Doc added another Group 1 to his glittering career when he was successful in the Manikato Stakes at The Valley last October.

There were other horses like Kemalpassa and Dalasan who did our State proud across the borders in the past 12 months.

Let's now reflect on the five biggest races run in South Australia each year which are decided at Morphettville.

Firstly there is the Group 2 TAB Adelaide Cup run in March and in 2021 the winner was Good Idea. Trained by Phillip Stokes the gelding had been runner up the previous year to King Of Leogrance but returned to go one better. It was a big thrill for all concerned with the horse and a massive win for his young rider Ben Thompson.

We then headed to May and the 4 Group 1 races of the Adelaide Autumn Racing Carnival.

The Stokes' stable would land the first of the big ones claiming the TAB Classic (Robert Sangster Stakes) with Instant Celebrity. A brilliant rails hugging ride by Craig Williams saw the daughter of Not A Single Doubt notch the Group 1. For the filly's owners and breeders Trevor and Beth Robertson it was an amazing result.

The Australasian Oaks followed and this was a dream come true for Victorian trainer Chris Calthorpe. Saddling up his first Group 1 runner in Media Award she would claim the prize with Luke Nolen aboard. In his after race interview Calthorpe hailed it 'a bigger moment than Armstrong walking on the moon.'

Next of the majors was the TAB South Australian Derby and it would fall the way of the powerful Ciaron Maher and David Eustace yard.

Explosive Jack made it a third Derby win after previous victories in the Tasmanian and ATC (Sydney) editions. Incredibly for his rider John Allen it was a fourth SA Derby win in the space of six years.

The last of the Group 1's The Goodwood we have already touched on went the way of Savatoxl for Tony and Calvin McEvoy. A fascinating story. The horse who started his career dominating racing in Alice Springs and to a lesser extent in Darwin. He made his way to the McEvoy's in a bid to win the 2020 Balaklava Cup in which he ran a brave third. Nine months later under the guidance of Barend Vorster he would win South Australia's most famous sprint race.

At the end of the metropolitan racing season we would have a new name on the leading trainer's honour roll. Young Murray Bridge horseman Michael Hickmott with 40 winners was the champion trainer for 2020/21. With a strike rate of 19.8% and despite having less runners than most of the trainers trailing behind, it truly was a mighty performance. Together with former Victorian rider Jess Eaton they have formed a terrific partnership and Eaton too celebrated a fine season.

At the Racing SA Awards night Eaton took out the prestigious John Letts Medal as voted upon by the Racing SA Steward's Panel.

Todd Pannell though would defend his Metropolitan Jockeys' Premiership edging Eaton out on a countback from minor placings after both finished the season with 63 winners. All up Pannell rode 106

winners in the State for the term as he continues at present be the benchmark for the riding brigade.

Mount Gambier teenager Jacob Opperman scooped the pool in the Apprentice Awards after an outstanding twelve months in the saddle.

2020/21 was a season that continued to deliver so many wonderful stories and highlights and I'm looking forward to seeing what lies ahead in 2021/22.

**CONTRIBUTION FROM
TERRY MCAULIFFE**



IMAGE: RACING.COM'S TERRY MCAULIFFE

Feature Race Day Winners 2020/21

STAKES	RACE NAME	WINNER	TRAINERS	JOCKEY
GROUP 1				
\$502,250	Robert Sangster Stakes (TAB Classic)	Instant Celebrity	Philip Stokes	Craig Williams
\$502,250	Australasian Oaks	Media Award	Chris Calthorpe	Luke Nolen
\$502,250	TAB South Australian Derby	Explosive Jack (NZ)	Ciaron Maher David Eustace	John Allen
\$502,250	The Furphy Goodwood	Savatoxl	Tony McEvoy Calvin McEvoy	Barend Vorster
GROUP 2				
\$302,250	TAB Adelaide Cup	Good Idea	Phillip Stokes	Ben Thompson
\$202,250	TAB Tobin Bronze Stakes	Beau Rossa	Will Clarken	Todd Parnell
\$202,250	Queen of the South Stakes	Fabric (NZ)	Danny O'Brien	Craig Williams
GROUP 3				
\$120,000	David R Coles Spring Stakes	Behemoth	David Jolly	Todd Parnell
\$122,435	Lord Reims Stakes	Tralee Rose	Symon Wilde	Jason Holder
\$127,250	R N Irwin Stakes	Kemalpasa	Richard Jolly Chantelle Jolly	Jake Toeroek
\$127,250	Auraria Stakes	Tyche Goddess	Trent Busuttin Natalie Young	Thomas Stockdale
\$127,250	Chairman's Stakes	Royal Mile	Lee Creek	Jacob Opperman
\$127,250	Breeders' Stakes	Cloudy	James Cummings	Todd Parnell
\$127,250	D C McKay Stakes	Savatoxl	Tony McEvoy Calvin McEvoy	Barend Vorster
\$127,250	TAB SA Sires Produce Stakes	Biscayne Bay	Tom Dabernig Ben Hayes	Damien Oliver
\$152,250	Robert & Fay Gerard R A Lee Stakes	Lord Vladivostok (NZ)	Michael Hickmott	Todd Parnell
\$152,250	TAB South Australian Fillies Classic	Mimi's Award	Tom Dabernig Ben Hayes	Daniel Stackhouse
\$127,250	TAB Proud Miss Stakes	Brooklyn Hustle	Jason Warren Dean Krongold	Jamie Kah
\$127,250	David Coles AM Stakes	Hersey	James Cummings	Damien Oliver

STAKES	RACE NAME	WINNER	TRAINERS	JOCKEY
LISTED				
\$100,000	Leon Macdonald Stakes (WFA)	Sky Punch	Michael Hickmott	Jessica Eaton
\$100,000	WH Wylie Handicap	Snitzkraft	Phillip Stokes	Todd Parnell
\$100,000	Hill Smith Stakes	Ain'tnodeeldun	Anthony Freeman Sam Freeman	Dom Tourneur
\$100,000	John Letts Cup	Regalo De Gaetano	Richard Jolly Chantelle Jolly	Caitlin Jones
\$100,000	City of Marion Stakes	One More Jack	Shane Oxlade	Paul Gatt
\$102,250	Adelaide Galvanising Christmas Handicap	Savatoxl	Tony McEvoy Calvin McEvoy	Caitlin Jones
\$102,250	Durbridge Stakes	Behemoth	David Jolly	Todd Parnell
\$102,250	Holdfast Insurance Birthday Cup	Declares War	Matt Cumani	Kayla Crowther
\$102,250	Schweppes C S Hayes Memorial Stakes	Ironclad (GB)	Will Clarken	Kerrin McEvoy
\$102,250	Terry Howe Printing Matrice Stakes	Night Raid	Mike Price Michael Kent (Jnr)	Jamie Kah
\$102,250	Morphettville Guineas	Struck By	Travis Doudle	Paul Gatt
\$102,250	TAB Cinderella Stakes	Seradress	Mark Kavanagh	Jamie Kah
\$102,250	Manihi Classic	Mileva	Dan Clarken Oopy MacGillivray	Anna Jordsjo
\$102,250	Claire Lindop Stakes	Ecumenical	Mick Huxtable	Jessica Eaton
\$100,000	Oakbank Stakes	Street Life	Karen Byrnes	Emily Finnegan
\$107,250	Dequettville Stakes	Cloudy	James Cummings	Todd Parnell
\$107,250	Port Adelaide Guineas	Royal Mile	Lee Creek	Jacob Opperman
\$107,250	Redelva Stakes	Muntaseera	Ciaron Maher David Eustace	Jye McNeil
\$107,250	HC Nitschke Stakes	Incredulous Dream	Ciaron Maher David Eustace	Barend Vorster
\$107,250	City of Adelaide Stakes	Groundswell	Anthony Freeman Sam Freeman	Damian Lee
\$107,250	Without Fear Stakes	See You In Spring	Trent Busuttin Natalie Young	Todd Parnell
\$107,250	Port Adelaide Cup	Wycliff (GB)	Danny O'Brien	Luke Currie
\$107,250	Adelaide Guineas	Cherry Tortoni	Patrick Payne	Todd Pannell
\$107,250	AAMI Centaurea Stakes	In Good Health	Peter Moody	Damien Oliver
\$107,250	Schweppes Oaklands Plate	Mac 'N' Cheese	Tony McEvoy Calvin McEvoy	Barend Vorster
\$107,250	TAB Lightning Stakes	Beau Rossa	Will Clarken	Todd Parnell

SAJC Board Members



CHAIRMAN
Bob Holton

SAJC Board Member since 2015

SAJC Committees

- Infrastructure Committee
- Chairman: Performance & Review Working Party
- Ex-officio on all Board Committees



VICE-CHAIRMAN
Steve Kelton

SAJC Board Member since 2019

SAJC Committees

- Chairman: Finance, Investment & Audit Committee
- Performance & Review Working Party



DEPUTY VICE-CHAIRMAN
John Keen

SAJC Board Member since 2019

SAJC Committees

- Chairman: Risk & Compliance Committee
- Chairman: Constitution Working Party



Judith Jones

SAJC Board Member since 2020

SAJC Committees

- Chairman: Infrastructure Committee
- Risk & Compliance Committee
- Performance & Review Working Party
- Constitution Working Party



John Girvan

SAJC Board Member since 2020

SAJC Committees

- Finance, Investment & Audit Committee
- Membership Working Party



Ron Pratt

SAJC Board Member since 2020

SAJC Committees

- Risk & Compliance Committee
- Constitution Working Party



Christine Simpson

SAJC Board Member since 2020

SAJC Committees

- Membership Working Party



Paul Kristoris

SAJC Board Member since 2017, retired in December 2020

SAJC Committees

- Finance, Investment & Audit Committee



Adam Glenn

SAJC Board Member since 2017, retired in December 2020

SAJC Committees

- Master Plan Working Party

BOARD MEMBERS ATTENDANCE AT MEETINGS 2020/21

The attendance by individual Board Members at meetings of the Board and its committees in 2020/21 was as follows:

DIRECTOR	BOARD	FINANCE, INVESTMENT & AUDIT COMMITTEE	RISK & COMPLIANCE COMMITTEE	INFRASTRUCTURE COMMITTEE
Bob Holton	11 (11)	-	-	3 (4)
Steve Kelton	11 (11)	7 (7)	-	-
John Keen	9 (11)	-	3 (3)	-
John Girvan ³	10 (11)	4 (4)	-	-
Judith Jones ³	11 (11)	-	3 (3)	4 (4)
Ron Pratt ¹	7 (7)	-	3 (3)	-
Christine Simpson ¹	7 (7)	-	-	-
Adam Glenn ²	3 (4)	-	-	-
Paul Kristoris ²	4 (4)	3 (3)	-	-

Figures in brackets denote the maximum number of meetings that could have been attended

¹ elected to the Board on 15 December 2020

² retired from the Board on 15 December 2020

³ appointed to fill casual vacancy in May 2020, then elected to Board on 15 December 2020

- A Membership Working party was formed in 2021 and meets on a monthly basis.
- A Constitutional Working Party was formed in 2020 and has met on numerous occasions.
- A Performance and Review Working Party is established and met on several occasions during the year.

Independent representatives and Members were appointed to the Board Committees and Working Parties to offer expertise and to complement the skills of Board Members.

Those independent representatives and Members for the 2020/21 year are:

- Shannen Graham – Finance, Investment & Audit Committee
- Neville Ortmann – Finance, Investment & Audit Committee
- Kym Hume – Risk & Compliance Committee
- Adrian Swale – Infrastructure Committee (Formerly Master Plan Working Party)
- Tony Newman – Infrastructure Committee (Formerly Master Plan Working Party)
- Philip Bentley – Infrastructure Committee (Formerly Master Plan Working Party)
- Allie Umoff – Constitution Review Working Party
- Philip Bentley – Constitution Review Working Party

Financial Report 2020/21

SAJC AND ITS CONTROLLED ENTITY BALANCE SHEET FOR THE YEAR ENDED 31 JULY 2021

	NOTE	2021 \$000	2020 \$000
CURRENT ASSETS			
Cash and Cash Equivalents	2	171	(900)
Inventories		223	321
Trade and Other Receivables	3	343	950
Investments	4	2,047	2,154
Prepayments		404	197
TOTAL CURRENT ASSETS		3,188	2,722
NON-CURRENT ASSETS			
Investments	4	48,855	40,911
Property, Plant & Equipment	5	27,680	33,346
Right of Use Assets		153	176
Intangible Assets	6	1,935	1,756
TOTAL NON-CURRENT ASSETS		78,623	79,189
TOTAL ASSETS		81,811	78,911
CURRENT LIABILITIES			
Trade and Other Payables	7	1,327	1,003
Employee Benefits	8	665	811
Lease Liabilities		60	47
Other Liabilities	9	880	664
TOTAL CURRENT LIABILITIES		2,932	2,525
NON-CURRENT LIABILITIES			
Employee Benefits	8	27	38
Lease Liabilities		96	129
TOTAL NON-CURRENT LIABILITIES		123	167
TOTAL LIABILITIES		3,055	2,692
NET ASSETS		78,756	76,219
EQUITY			
Reserves	10	5,670	11,026
Retained Earnings	10	73,086	65,193
TOTAL EQUITY		78,756	76,219

The accompanying notes form part of these financial statements.

SAJC AND ITS CONTROLLED ENTITY STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2021

	NOTE	2021 \$000	2020 \$000
REVENUE FROM OPERATING ACTIVITIES			
Hospitality Revenue		6,399	8,467
Venue Gaming Revenue		2,791	2,472
Tote Revenue		428	540
Sponsorship		850	1,433
Industry Contributions	12	3,004	3,321
Sundry Revenue		2,781	2,612
TOTAL REVENUE		16,253	18,845
EXPENDITURE FROM OPERATING ACTIVITIES			
Hospitality Expenditure		2,705	4,051
Venue Gaming Expenditure		1,522	1,251
Racing & Facility Expenditure		2,452	2,712
Salaries & Wages		6,019	8,698
Tote Operations		229	355
Sundry Expenses		1,670	2,223
TOTAL EXPENDITURE		14,597	19,290
SURPLUS/(DEFICIT) FROM OPERATIONS BEFORE FINANCE INCOME, DEPRECIATION AND CAPITAL DISPOSALS (EBITDA)		1,656	(445)
Net Finance Income	4	8,803	(429)
Surplus/(Deficit) Before Depreciation		10,459	(874)
Depreciation - Property, Plant & Equipment	5	(2,588)	(2,705)
Depreciation - Right of Use Assets		(57)	(50)
Accelerated Depreciation of Property, Plant & Equipment	5	(214)	(230)
Net Gain on Disposal of Non-Current Assets		42	14
SURPLUS/(DEFICIT) FOR THE PERIOD		7,642	(3,845)
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of Gaming Entitlements to Fair Value		179	-
Revaluation of Buildings to Fair Value		(1,535)	(749)
Gain/(Loss) on Impairment		(3,749)	-
TOTAL OTHER COMPREHENSIVE INCOME		(5,105)	(749)
TOTAL COMPREHENSIVE INCOME		2,537	(4,594)

The accompanying notes form part of these financial statements.

Financial Report 2020/21

SAJC AND ITS CONTROLLED ENTITY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2021

	RETAINED EARNINGS \$000	RESERVES \$000	TOTAL
BALANCE AT 1 AUGUST 2019	68,723	12,090	80,813
Deficit for the Year	(3,845)	-	(3,845)
Revaluation Decrements	-	(749)	(749)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(3,845)	(749)	(4,594)
Depreciation of Industry Funded Assets	-	(315)	(315)
Transfer to and (from) Reserves	315	-	315
BALANCE AT 31 JULY 2020	65,193	11,026	76,219
BALANCE AT 1 AUGUST 2020	65,193	11,026	76,219
Surplus for the Year	7,642	-	7,642
Plus: Revaluation of Buildings to Fair Value	-	(1,535)	(1,535)
Gain/(Loss) on Impairment	-	(3,749)	(3,749)
Plus: Intangible Revaluation Increments	-	179	179
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7,642	(5,105)	2,537
Depreciation of Industry Funded Assets	-	(251)	(251)
Transfers to and (from) Reserves	251	-	251
BALANCE AT 31 JULY 2021	73,086	5,670	78,756

The accompanying notes form part of these financial statements.

**SAJC AND ITS CONTROLLED ENTITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021**

	NOTE	2021 \$000	2020 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operating Activities		18,535	20,034
Payments to Suppliers and Employees		(16,000)	(21,157)
Interest Paid		(248)	(199)
NET CASH FROM/(UTILISED IN) OPERATING ACTIVITIES	15	2,287	(1,322)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received on Investments		-	163
Proceeds from Sale of Property, Plant & Equipment		52	14
Payments for Property, Plant & Equipment		(2,430)	(1,707)
Proceeds from Disposal of Investments		1,217	1,750
NET CASH GENERATED FROM/(UTILISED IN) INVESTING ACTIVITIES		(1,161)	220
CASH FLOWS FROM FINANCING ACTIVITIES			
Reduction in Lease Liabilities		(55)	(50)
NET CASH UTILISED IN FINANCING ACTIVITIES		(55)	(50)
NET INCREASE/(DECREASE) IN CASH HELD		1,071	(1,152)
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		(900)	252
CASH AT THE END OF THE FINANCIAL YEAR	2	171	(900)

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The South Australian Jockey Club Incorporated ('SAJC or Club') is a not-for-profit entity domiciled in Australia. The consolidated financial report of the Club for the year ended 31 July 2021 comprises the Club and its controlled entity, the Norwood Community Club Incorporated (together referred to as the 'Group').

The financial report was authorised for issue by a resolution of the Board on 28th October 2021.

STATEMENT OF COMPLIANCE

The consolidated financial report of the Group and the financial report of the Club are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs) adopted by the Australian Accounting Standards Board (AASB) and the Associations Incorporation Act 1985, as amended.

BASIS OF PREPARATION

The financial report is prepared on the historical cost basis except for the following material items:

- intangible assets are measured at fair value
- buildings and improvements are measured at fair value
- financial instruments at fair value through the profit or loss are measured at fair value.

The Group has disclosed rounded amounts in the financial report and throughout the Annual Report to the nearest thousand dollars, unless otherwise stated.

The financial report is prepared in Australian Dollars, which is the Group's functional currency.

The preparation of financial statements in conformity with AASB's requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses.

Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Group.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

1.1 BASIS OF CONSOLIDATION

(I) SUBSIDIARIES

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. In the Club's financial statements, investments in subsidiaries are carried at cost.

(II) TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.2 PROPERTY, PLANT & EQUIPMENT

Buildings and improvements are measured at fair value. When a revaluation increases the carrying value of buildings the increase is credited to the revaluation reserve in equity. To the extent the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. When the carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. To the extent the decrease reverses an increase previously recognised in equity, the decrease is first recognised in other comprehensive income, and presented in equity.

Items of plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is measured at cost.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour

- any other costs directly attributable to bringing the assets to a working condition for their intended use
- when the Club has an obligation to remove the assets or restore the site, an estimate of such costs; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment.

Any gains and losses on disposal of an item of property, plant, and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the profit or loss.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Club. Ongoing repairs and maintenance are expensed as incurred.

Capital works in progress is measured on the cost basis, and represents items of property, plant & equipment that the Club holds but are deemed to not yet be at their final stage of completion. Once each item of property, plant & equipment is complete, the asset is transferred to the relevant asset class.

DEPRECIATION

In arriving at the surplus/(deficit) for the year, depreciation is provided on all Club funded property, plant and equipment, but excluding freehold land, and assets funded by the Industry, so as to write off the assets progressively over their estimated useful lives, using the straight line basis.

The depreciation rates used for each class of asset are as follows:

	2021	2020
Buildings & Improvements	2.5%- 20%	2.5%- 20%
Plant & Equipment	2.5%- 33%	2.5%- 33%

Assets with a written down value of less than \$1,000 are written off at the end of the financial year. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.3 REVENUE & OTHER INCOME

Revenue is recognised at an amount that reflects the consideration to which the Club is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Club: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and

recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

INDUSTRY GRANTS

The SAJC received distributions from Racing SA ('RSA') to fund operations. These amounts are reported on an accrual basis. Grants received from RSA for capital purposes are treated as operating income insofar as the fair value of the amount received does not exceed any related amounts already recognised by the Club, in which case the Club will recognise a liability until such time that the Club satisfies its Performance Obligations. The depreciation component of such items is recognised as a deficit.

DEFERRED INCOME

Deferred income represents rent, membership, function and event deposits and sponsorship monies for future years received in the current financial year.

SALE OF NON-CURRENT ASSETS

The net gain or loss on non-current asset sales is included in the profit or loss at the date control passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

FINANCE INCOME & FINANCE COSTS

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of investments, changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in the profit or loss statement, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Club's right to receive payment is established.

Finance costs comprise interest expense on borrowings and impairment losses recognised on financial assets.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

GRANTS

Grant revenue is recognised in profit or loss when the Club satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the Club is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

DONATIONS

Revenue is recognised when the monies are received by the Group. In kind donations or donations of assets are recorded at fair value.

RENTAL INCOME

Rental income is recognised in the profit or loss on a straight-line basis over the term of the lease.

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

1.4 EMPLOYEE BENEFITS

DEFINED CONTRIBUTION SUPERANNUATION FUND

A defined contribution superannuation fund is a post-employment benefit plan under which the Club pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

LONG-TERM SERVICE BENEFITS

The Club's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Following the determination that a high-quality corporate bond rate exists within the Australian market, the discount rate used is the corporate bond yield at the reporting date that has maturity dates approximating the terms of the Club's obligations. The calculation is performed using the projected unit credit method.

WAGES, SALARIES & ANNUAL LEAVE

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

1.5 INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the average cost principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

1.6 INCOME TAX

The Group is exempt from income tax under section 50-45 item 9.1(a) of the Income Tax Assessment Act 1997.

1.7 GOODS & SERVICES TAX

Revenue, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1.8 LEASED ASSETS

RIGHT-OF-USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Club expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Club has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12

months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the Club's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in the rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset.

1.9 INTANGIBLE ASSETS

The Group's gaming machine entitlements are recorded at their fair value. This class of non-current assets, measured at fair value, is assessed annually to ensure the carrying amount does not materially differ from its fair value. Revaluation increments, on a class of assets

basis, are recognised in the Asset Revaluation Reserve except that, amounts reversing a decrement previously recognised as an expense are recognised as revenues. These intangible assets have not been internally generated and have indefinite useful lives.

Revaluation decrements are only offset against revaluation increments relating to the same class of asset and any excess is recognised as an expense.

1.10 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

The Club initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which 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 on the financial asset 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.

Financial assets and liabilities are offset, and the net amount presented in the balance sheet 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.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

The Club has the following financial assets: financial assets at fair value through profit or loss and loans and receivables.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables are comprised of trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and, are used by the Club in the management of its short-term commitments.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Club has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

FINANCIAL LIABILITIES

Financial liabilities are recognised initially on the trade date at which the Club becomes a party to the contractual provisions of the instrument.

The Club derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Club classifies financial liabilities into the 'other financial liabilities' category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial

liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise bank overdrafts and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Club's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

1.11 IMPAIRMENT

FINANCIAL ASSETS

A financial asset not carried at fair value through profit or loss 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 a negative effect 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 debtor, restructuring of an amount due to the Club on terms that the Club would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security.

Impairment of financial assets

The Club recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the

Club's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

NON-FINANCIAL ASSETS

The carrying amounts of the Club's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable

amount is estimated. Indefinite life intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of property, plant and equipment which is not carried at fair value is the greater of its fair value and value in use. In the case of non-current asset of a not-for-profit entity, "value in use" means "depreciated replacement cost" of an asset when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Depreciation replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation, calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business.

1.12 PROVISIONS

A provision is recognised if, as a result of a past event, the Club has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash

flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

1.13 USE OF JUDGMENTS & ESTIMATES

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about estimates and judgements that have the most significant effect on the amounts recognised in the financial statements, are described in Note 4 – Investments, Note 5 – Property, Plant & Equipment and Note 6 – Intangible Assets.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

2. CASH & CASH EQUIVALENTS

	2021 \$000	2020 \$000
Cash and Cash Equivalents on Hand	242	254
Cash at Bank - Investment Account	1,018	5
Bank Overdraft	(1,089)	(1,161)
TOTAL	171	(900)

The SAJC maintain a secured overdraft facility with ANZ of \$2M (2020: \$3M) which is subject to annual review. At reporting date, \$1,089K (2020: \$1,161K) of this overdraft had been drawn down. In the prior year, the SAJC had a fully secured \$3M capital debt facility, which was cancelled during the 2020/21 financial year.

3. TRADE & OTHER RECEIVABLES

	2021 \$000	2020 \$000
CURRENT		
Trade and Other Receivables	346	953
Allowance for Expected Credit Loss	(3)	(3)
TOTAL	343	950

4. INVESTMENTS

	2021 \$000	2020 \$000
CURRENT		
Financial Assets at Fair Value Through Profit or Loss	2,047	2,154
TOTAL	2,047	2,154
NON-CURRENT		
Financial Assets at Fair Value Through Profit or Loss	48,855	40,911
TOTAL	48,855	40,911
TOTAL INVESTMENTS	50,902	43,065

4. INVESTMENTS (CONTINUED)

RECONCILIATION OF THE CARRYING AMOUNTS OF EACH CLASS OF INVESTMENTS	2021 \$000	2020 \$000
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CURRENT)		
Carrying Amount at the Beginning of Year	2,154	2,135
Additions	-	219
Disposals	(107)	(200)
CARRYING AMOUNT AT END OF THE YEAR	2,047	2,154
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (NON-CURRENT)		
Carrying Amount of the Beginning of Year	40,911	43,073
Additions	13,332	1,619
Disposals	(14,235)	(3,387)
Unrealised Loss/Gain on Fair Value	8,847	(394)
CARRYING AMOUNT AT END OF YEAR	48,855	40,911
TOTAL INVESTMENTS	50,902	43,065
NET FINANCE INCOME		
Net Interest (Expense)/Income	(3)	(15)
Finance & Investment Fund Manager Fees Expense	(245)	(210)
Net (Loss)/Gain on Investments	9,051	(204)
NET FINANCE INCOME	8,803	(429)

INVESTMENTS REPRESENTS FUNDS MANAGED BY INVESTMENT MANAGERS	FAIR VALUE LEVEL 1 \$000	FAIR VALUE LEVEL 2 \$000	HOLDING AT 31 JULY 2021 \$000	WEIGHTED AVERAGE RETURN 31 JULY 2021	HOLDING AT 31 JULY 2020 \$000	WEIGHTED AVERAGE RETURN 31 JULY 2020
FMD	3,244	20,862	24,106	18.95%	21,221	-2.15%
Bentleys Wealth Partners	2,129	24,667	26,796	22.67%	21,844	0.21%
TOTAL	5,373	45,529	50,902	20.87%	43,065	-0.96%

The fair value of Level 1 investments is measured at their quoted market price at reporting date. Level 2 investments represent unlisted fixed interest securities for which fair values are based on fund managers' estimates of net assets of the securities at a point in time. Internal controls over the valuation process by investment managers have been audited by the auditors of the investment managers in accordance with Guidance Statement GS007 [Audit Implications of the Use of Service Organisations for Investment Management Services].

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

5. PROPERTY PLANT & EQUIPMENT

	NOTE	2021 \$00	2020 \$000
FREEHOLD LAND AT COST			
Morphettville		357	357
Cheltenham		321	321
TOTAL		678	678
BUILDINGS & IMPROVEMENTS AT FAIR VALUE			
Morphettville		13,150	18,929
TOTAL		13,150	18,929
PLANT & EQUIPMENT AT COST			
Morphettville		40,123	39,586
Less: Accumulated Depreciation		(28,856)	(27,400)
TOTAL		11,267	12,186
CAPITAL WORKS IN PROGRESS		2,585	1,553
TOTAL PROPERTY PLANT & EQUIPMENT		27,680	33,346
Included in the above total of Property, Plant & Equipment are the written down values of assets funded by industry grants to the extent of:	10	3,152	3,403

Buildings are measured at fair value, based on the ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Buildings are to be independently valued every three years by an external valuer, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. Whilst this valuation was due to be undertaken this year, due to COVID-19 impacts the SAJC Board approved the deferral of this valuation for 12 months.

For the year ended 31 July 2021, the SAJC Board undertook a Directors Valuation of Buildings, based on the valuation principles as updated by the external, independent valuer, Wayne Smith B. AppSc (PRM) AAPI Certified Practicing Valuer of Wayne Smith Property Valuers Pty Ltd.

Every year, the Club conducts a review of its assets which may result in changes in the expected usage of certain plant & equipment. This refers to assets which are determined to have reached the end of their useful life or, include assets with limited or no use to the Club, such as aged assets and assets being replaced. These assets are subject to accelerated depreciation, with the effect of this review being an increase of depreciation expense of \$214K in 2021 (\$230K in 2020).

5. PROPERTY PLANT & EQUIPMENT (CONTINUED)

	NOTE	2021 \$00	2020 \$000
RECONCILIATION OF THE CARRYING AMOUNTS OF EACH CLASS OF PROPERTY, PLANT & EQUIPMENT			
FREEHOLD LAND AT COST			
Carrying Amount at Beginning of Year		678	678
CARRYING AMOUNT AT END OF YEAR		678	678
BUILDINGS & IMPROVEMENTS			
Carrying Amount at Beginning of Year		18,929	21,163
Transfers from Capital Works in Progress		851	98
Depreciation		(1,346)	(1,583)
Revaluation/(Impairment) through Asset Revaluation Reserve		(5,284)	(749)
CARRYING AMOUNT AT END OF YEAR		13,150	18,929
PLANT & EQUIPMENT			
Carrying Amount at the Beginning of Year		12,186	12,108
Transfer from Capital Works in Progress		547	1,430
Disposals		(10)	-
Depreciation		(1,456)	(1,352)
CARRYING AMOUNT AT END OF YEAR		11,267	12,186
CAPITAL WORKS IN PROGRESS			
Carrying Amount at the Beginning of Year		1,553	1,374
Additions		2,430	1,707
Transfer to Buildings & Improvements		(851)	(98)
Transfer to Property, Plant & Equipment		(547)	(1,430)
CARRYING AMOUNT AT END OF YEAR		2,585	1,553
TOTAL PROPERTY PLANT & EQUIPMENTS		27,680	33,346

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

6. INTANGIBLE ASSETS

	2021 \$000	2020 \$000
GAMING MACHINE ENTITLEMENTS		
Morphettville	1,200	1,200
Cheltenham	600	455
Norwood Community Club	135	101
TOTAL LICENSES & ENTITLEMENTS	1,935	1,756

On 14 July 2011, the South Australian Government introduced a trading system for gaming entitlements. The most recent trading round was held on 23 August 2021 and resulted in a sell price of \$15,000. The Club has valued the Cheltenham and the Norwood Community Club entitlements at their Level 2 fair value which represents the latest trading round selling price. The Club has undertaken a net present value calculation to determine the Morphettville entitlements fair value as entitlements in use and maintained their value at \$30,000 per entitlement.

INTANGIBLE ASSET RECONCILIATION

CONSOLIDATED	MORPHETTVILLE \$000	CHEL TENHAM \$000	NORWOOD COMMUNITY CLUB \$000	TOTAL \$000
GAMING MACHINE ENTITLEMENTS				
Balance at 1 August 2019	1,200	455	101	1,756
Revaluation	-	-	-	-
BALANCE AT 31 JULY 2020	1,200	455	101	1,756
Balance at 1 August 2020	1,200	455	101	1,756
Revaluation	-	145	34	179
BALANCE AT 31 JULY 2021	1,200	600	135	1,935

7. TRADE & OTHER PAYABLES

	2021 \$000	2020 \$000
Trade and Other Payables	1,327	1,003

8. EMPLOYEE BENEFITS

	2021 \$000	2020 \$000
CURRENT		
Employee Provisions	665	811
NON-CURRENT		
Employee Provisions	27	38

9. OTHER LIABILITIES

	2021 \$000	2020 \$000
Deferred Income	880	664

10. RESERVES & RETAINED EARNINGS

	2021 \$000	2020 \$000
RETAINED EARNINGS		
Balance Brought Forward	65,193	68,723
Add: Surplus/(Deficit)	7,642	(3,845)
Transfers from Reserves (net)	251	315
TOTAL RETAINED EARNINGS	73,086	65,193
RESERVES		
<i>Industry Capital Grants Reserve</i>		
Balance Brought Forward	3,403	3,718
Less: Depreciation of Industry Funded Assets	(251)	(315)
BALANCE AT YEAR END	3,152	3,403
<i>Asset Revaluation Reserve</i>		
Balance Brought Forward	7,623	8,372
Plus: Buildings Revaluation Decrements	(5,284)	(749)
Add: Intangibles Revaluation Increments	179	-
BALANCE AT YEAR END	2,518	7,623
TOTAL RESERVES	5,670	11,026

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

10. RESERVES & RETAINED EARNINGS

The Industry Capital Grants Reserve represents the written down value of Government Funded Capital Assets that the Club has received. These Assets are included in the total Property, Plant & Equipment figure in the Club's Balance Sheet.

The Asset Revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of intangible assets and buildings measured as fair value, in accordance with Notes 1.2, 1.9, 5 and 6.

11. SUPERANNUATION

All employees may nominate their preferred fund for employer contributions.

The Club and Group contributed \$480K of employer contributions in the year ended 31 July 2021 (2020: \$566K)

As at year end, the number of full-time equivalent employees working for the Club was 48 (2020: 57).

12. RELATED PARTY TRANSACTIONS

NORWOOD COMMUNITY CLUB INC

On 1 December 2004 the Norwood Community Club ("NCC") adopted the constitution of the SAJC, giving the SAJC effective control over NCC, with trading from this date consolidated into the results of the SAJC. Effective 28 February 2006, the Norwood Community Club ceased operations and while Gaming Machine Entitlements (refer Note 6) are not in use, these remain the property of the Group. There were no transactions with the Norwood Community Club Inc. during 2020/21.

RACING SA

The SAJC is one of two members of Racing SA (RSA) and controls 50% of the voting power in general meeting, however, has minimal influence over RSA which acts as the industry body. The Club received the following contributions from RSA during the year:

RSA CONTRIBUTIONS

	2021 \$000	2020 \$000
Racing	1,180	1,180
Training	479	513
Trainers Starter Fees	227	224
On Course Stables (State Government)	-	95
Marketing	147	370
	2,033	2,382
Nominations, Acceptances & Scratchings	971	939
TOTAL RSA CONTRIBUTIONS	3,004	3,321

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The Board Members receive no remuneration for their services.

Other transactions of the Board:

- The Chairman is entitled to an allowance of up to \$18,000 to assist with costs incurred in representing the Club during the year. The remaining Board Members are entitled to a reimbursement of their expenses not exceeding \$2,500 per annum for costs incurred in representing the Club. Reimbursement is only provided where the Board Members have incurred expenses that are directly related to furthering the Club.
- Some Board Members, either directly or through corporates in which they have a substantial financial interest, may provide certain goods or services in the normal course of the Club's activities.
- The terms and conditions of transactions with Members of the Board are no more favourable than those available to other entities on an arm's length basis.
- Members of the Board, or their relatives, may from time to time receive prizemoney from RSA following the success of horses owned or trained by them. This prizemoney is paid by RSA on the same terms and conditions as apply to any other owner or trainer.
- During the year, goods were provided by the following Board Member's related entity:

NAME	BUSINESS	NATURE	2021 \$000	2020 \$000
P Kristoris	Leader Computers Pty Ltd	IT Equipment	-	4

KEY MANAGEMENT PERSONNEL COMPENSATION

	2021 \$000	2020 \$000
Short-term Employee Benefits	918	1,000

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

- There were no other transactions with Key Management Personnel.
- Key Management Personnel, or their relatives, may from time to time receive prizemoney from RSA following the success of horses owned or trained by them. This prizemoney is paid by RSA on the same terms and conditions as apply to any other owner or trainer.
- There was no other amounts receivable from or payable to Key Management Personnel at reporting date arising from the above transactions.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 JULY 2021

13. ADDITIONAL PROFIT OR LOSS STATEMENT INFORMATION

	2021 \$000	2020 \$000
SUNDRY REVENUE		
<i>The total Sundry Revenue amount in the Profit or Loss Statement includes:</i>		
Government Grants Income - JobKeeper Subsidy	1,604	1,392
<i>The Salaries & Wages Expenditure in the Profit or Loss Statement has been grossed up by the total JobKeeper Subsidy</i>		
HOSPITALITY EXPENDITURE		
<i>The total Hospitality Expenditure amount in the Profit or Loss Statement includes:</i>		
Cost of Goods Sold	2,705	2,385

14. REVENUE FROM CONTRACTS WITH CUSTOMERS & OTHER REVENUE

	2021 \$000	2020 \$000
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Hospitality Revenue	6,399	8,467
Venue Gaming Revenue	2,791	2,472
Totalisator Revenue	428	540
Sponsorship	850	1,433
Sundry Revenue	1,177	1,145
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	11,645	14,057
OTHER REVENUE		
Industry Contributions	3,004	3,321
Government Grants – JobKeeper Subsidy & COVID Grant	1,604	1,467
TOTAL OTHER REVENUE	4,608	4,788
TOTAL REVENUE	16,253	18,845

A breakdown of the split between Revenue from Contracts with Customers & Other Revenue is shown to provide more detail into the nature of the individual revenue streams of the Club.

15. CASH FLOW INFORMATION

	2021 \$000	2020 \$000
(i) RECONCILIATION OF CASH		
<i>Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows: -</i>		
Cash and Cash Equivalents	171	(900)
(ii) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT FROM ORDINARY ACTIVITIES		
Surplus / (Deficit) from ordinary activities	7,642	(3,845)
Net Investment Income	(9,053)	230
Depreciation	2,608	2,670
Depreciation of Funded Assets	251	315
(Profit) on sale of property, plant, and equipment	(42)	(14)
Change in assets and liabilities		
Increase / (Decrease) in receivables	607	(256)
Increase / (Decrease) in inventory	98	(35)
Increase / (Decrease) in prepayments	(207)	95
Increase / (Decrease) in payables	324	(56)
(Decrease) in employee benefits	(157)	(122)
Increase / (Decrease) in other liabilities	216	(301)
NET CASH PROVIDED (UTILISED) BY OPERATIONS	2,287	(1,322)

16. OPERATING LEASES

In accordance with Note 1.8, leasing arrangements are only to be recognised as operating leases insofar as they relate to non-recognised 'short-term' leases (less than a year) or 'low value' leases (less than \$10K). As such, the operating lease commitments that have not been recognised in the Balance Sheet for the Club as at 31 July 2021 are: \$0K (as at 31 July 2021: \$0K).

17. AUDITOR'S REMUNERATION

The auditors earned the following remuneration from the Club during the year:

	2021 \$000	2020 \$000
AUDIT SERVICES		
Audit or review of financial reports	30	30
Non-Audit Services	-	-
	30	30

Report & Statement by the Board

FOR THE YEAR ENDED 31 JULY 2021

REPORT BY BOARD

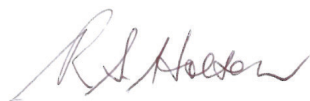
During the financial year, no officer of the Club and its controlled entity, or any firm of which an officer is a member, or any corporate in which an officer has a substantial financial interest, has received, or become entitled to receive a benefit as a result of a contract between an officer, firm or corporate and the Club, other than:

- a. an allowance of \$18,000 payable to the Chair, and \$2,500 to each other Board member, to assist with costs incurred in representing the Club during the year.
- b. benefits arising from the provision of certain minor goods or services in the normal course of the Club's activities.

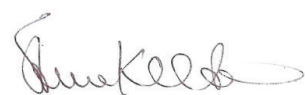
During the financial year, no officer of the Club and its controlled entity has received directly or indirectly from the Club any payment or other benefit of a pecuniary value, other than in the case of officers employed by the Club, approved salaries which have been determined in accordance with general market conditions.

Dated at Adelaide this 28th day of October 2021

Signed in accordance with a resolution of the Board



Bob Holton
Chairman



Steve Kelton
Board Member

STATEMENT BY BOARD

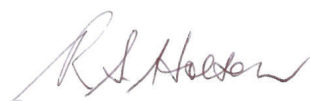
The attached financial statements and notes of the South Australian Jockey Club Inc. and its controlled entity as set out on pages 32-51 for the year ended 31 July 2021, are in our opinion properly drawn up:

- a. so as to present fairly the financial position of the Group as at 31 July 2021 and the results and cash flows for the year then ended.
- b. in accordance with the provisions of the Club Rules; and
- c. in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Associations Incorporation Act 1985, as amended.

As at the date of this statement, there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

Dated at Adelaide this 28th day of October 2021

Signed in accordance with a resolution of the Board



Bob Holton
Chairman



Steve Kelton
Board Member

Independent Auditors Report

TO THE MEMBERS OF SAJC INC - FOR THE YEAR ENDED 31 JULY 2021



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Australia

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the South Australian Jockey Club Incorporated (the Entity) and its controlled entity (the Group), which comprises the SAJC and controlled entity balance sheet as at 31 July 2021, the SAJC and controlled entity statement of profit or loss and other comprehensive income, the SAJC and controlled entity statement of changes in equity and the SAJC and controlled entity statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the declaration by the board.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Group as at 31 July 2021, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *South Australia Associations Incorporations Act 1985*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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.

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Responsibilities of management and those charged with governance for the Financial Report

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

In preparing the financial report, management is responsible for assessing the 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with section 37(3e) of the *South Australia Associations Incorporations Act 1985*, we are required to report whether we have obtained all the information and explanations required from the Group in performing our duties as auditor. We have obtained all the information and explanations required.

BDO Audit (SA) Pty Ltd

Andrew Tickle
Director

Adelaide, 29 October 2021





Morphettville Racecourse

A YEAR IN REVIEW | 2020/21

72,059 

PEOPLE VISITED MORPHETTVILLE IN 20/21

5,172,864  

SOCIAL MEDIA IMPRESSIONS IN 20/21

89,008 


LITRES OF BEER SERVED IN 20/21

21,496 

BOTTLES OF WINE SERVED IN 20/21

405 


RACES RUN AT MORPHETTVILLE

4,733 

RACE STARTERS IN 20/21

\$4,111,062 

ON-COURSE BETTING TURNOVER

\$22,321,950 

PRIZE MONEY WON IN 20/21







MORPHETTVILLE.COM.AU

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