

**2021 ANNUAL MEMBERS MEETING  
NOTICE OF BUSINESS TO BE TRANSACTED**



- Date and Time:** The Annual Members Meeting of the Wellington Racing Club will be held at 4:00pm on Monday 15 November 2021.
- Location:** Oaks Lounge, Trentham Racecourse
- Attendance:** All members and partners are invited to attend. All attendance must be by pre-registration to comply with Government Regulations if under Level 2 Covid-19 Alert Status. Contact the office by phone or email to register.

**Business to be Transacted:**

- 1. To adopt the minutes of the previous Annual Members Meeting.** Copy attached.
- 2. To receive, consider and approve the Annual Report of the club, including the audited accounts and relevant disclosure information.** Copy of accounts attached.
- 3. Election of Committee Members (2 to be elected, in accordance with the constitution)**
  - i) Existing Committee members offering themselves for re-election**  
Euan Playle and Jessica Meech
  - ii) New nominee for the position of Committee member**  
Paul Gueorgieff

Note: The following positions are not up for re-election until 2022

President – Wayne Guppy

Vice-President – Sam Walker

Committee – Des Coppins, Colin Dallas, Ray Southey, Steve Drummond & Salve Barnao

Note: The following position is not up for re-election until 2023

Committee – Simon Barber

**4. General Business**

We look forward to hosting you at the meeting.

Kind Regards,

**Tim Savell**  
**Chief Executive Officer / Election Co-ordinator**  
**RACE Inc and Wellington Racing Club Inc**

# **2020 Annual General Meeting of the WELLINGTON RACING CLUB**

**19 October 2020**

In Attendance:

A Wright, B Kilpatrick, D Woodhouse, F Rickaby, J Berkett, N Berkett, J Donovan, J Hanning, J MacKay, M Holden, M Curtis, T Burn, R Peterson, R Cunningham, W Guppy, S Walker, A Robertson, D Hill, C Dallas, E Playle, R Southey, D Coppins, S Barnao, K Smith,

President welcomed Life Members, Gold Members and Members to the 2020 Annual General Meeting

CEO recorded the apologies being P Humphries, D Burrows, J Anderson, M Brown, L Goddard, L Cunningham, J Meech, S Barber, J Rattray, C Whale, B Whale, M Coppins, S Drummond

President noted that the Club records with sadness the death of the following members who have passed away in the past 12 months:

Mr Guerin, G Mander, A Curran, B McCauley, L Biddle, B Clark, R Cawley

President requested members to stand for a moments silence to acknowledge those members of the Club that had passed away during the year.

President noted that the Notice of Meeting had been sent to all members in accordance with the rules and moved that it be taken as read

Seconded by S Walker                      There was no discussion

President put the resolution that the Notice of meeting be taken as read – Unanimous

President noted that the Minutes of the Annual General Meeting held 22 November 2019 had been tabled and that they be taken as read.

He asked that a member who was present at 2019 Annual General Meeting move that those minutes are a true and correct record:

Moved C Dallas              Seconded      E Playle              There was no discussion. Unanimous

President advised that the 2019/2020 Annual Report for the WRC is contained within the RACE Annual Report which had been circulated.

President then spoke to his report

With seven race meetings held in this strange year, the Wellington Racing Club has been in a fortunate position compared to so many other clubs.

Yes it was a very difficult year, not only for racing but for the whole country and we experienced sacrifices in this country that many generations since WWII have never had to endure.

What was important to remember is that when racing resumed at level 3 admittedly without crowds and moved into level 2, racing led the country on how to conduct a professional sports or major event. That was one of the major reasons that we saw racing resume quicker ahead of other sporting events because of the professionalism and the way that we organised ourselves.

It is also important to remember that when racing did resume, the Wellington Racing Club supported the concept that the first meetings should be conducted around where the concentration of horses were for training. The main reason for this was that many had suffered financially from owners to trainers to jockeys and it was thought that it was far better to have racing conducted closer to where the concentration of horses was in those early stages of resuming.

We now can look to the future and as we resume racing on Labour Day Sunday as our first meeting back, it is then business as usual as we continue our normal calendar through the rest of the racing season.

More importantly I urge you all to renew your membership and we know that racing is going to undergo major changes in the next 12-18 months and it is important that the Wellington Racing Club is strong and that the Wellington Racing Club and RACE led the way in racing in this part of the country. So I urge you all to renew your membership and also encourage friends and family to join.

We kicked off in October as per tradition with the Gee & Hickton Thompson Handicap over 1600 metres won by Mauna Kea.

Then it was to the Group 1 Day Rydges Captain Cook Stakes and Christmas at the Races.

Rydges have been amazing supporters of the Club and have signed up again as partners for the 2020/2021 season.

Their race was won by Wyndspelle after so many close calls in other Group 1 races.

The Wellington Cup Carnival again lived up to all expectations with the Group 1 Woodridge Homes Levin Classic won by the brilliant filly Travelling Light.

It was then to NZCIS Wellington Cup Day. Sponsored by NZCIS in Malcolm Gillies and Kevin Melville this day is spectacular with it racing, crowds and entertainment.

On a star studded card the Group 3 NZ Bloodstock Desert Gold Stakes was won by Showbeel and the Group 1 JR & N Berkett Telegraph Handicap won by Avantage from an extraordinarily brave performance by two times winner Enzo's Lad.

The Group 3 NZCIS Wellington Cup was won by Solsefei franking some brilliant staying form.

March saw the running of the Group 1 Al Basti Equiworld NZ Oaks Stakes won by Jennifer Eccles.

The celebrations afterwards were something to behold as a large syndicate partied as if there was no tomorrow. We will also remember the fantastic commentary from our commentator Tony Lee as Jennifer Eccles hit the line in winning the Oaks, echoing across the track from the song *yes we all love Jennifer Eccles*.

It is also nice to know that on NZCIS Wellington Cup Day when total turnover was taken into account which including export with Wellington Cup Day retained its thoroughbred turnover crown with turnover of \$7,271,000 versus Ellerslie New Year's Day at \$7,162,000.

Finally, it is time to resume business and racing resumes on the champagne turf at Trentham. Until something is taken away you don't realise how much you miss it, so here is our opportunity to support and maintain a very strong and healthy Club.

I look forward to seeing you at meetings as we go through the season.

President then asked the CEO to report on the RACE business for the year.

CEO produced a power point presentation talking through the detailed result for the year which considering Covid was remarkably positive.

He concluded with the advice that we had received residential rezoning for Kikiwhenua in Palmerston North.

From the floor D Butler asked what sort of contribution would be made by Kikiwhenua to the group over time.

CEO noted that while it was a long term project all modelling at this stage was to realise greater than \$20 million in today's dollars.

President Moved the adoption of the 2019/2020 Annual Report and Financial Statements of the Wellington Racing Club and invited Sam Walker to second the report. Unanimous

He then invited discussion on any aspect of the Annual Report and Financial Statements and his presentation

There was no further discussion and he put the motion that the Annual Report and Financial Statements of the Wellington Racing Club be adopted. Unanimous.

A Robertson then advised that as incumbents within their terms all Committee were re-elected

He advised that there was one nomination for the remaining Committee position. Accordingly there was no election and Simon Barber was declared elected to Committee.

President then noted that we have a number of Life Members today being:

- Tom Burn
- Darryl Burrow
- Lynda Cunningham
- Don Frampton
- Mike Hurley
- Mel Gurney
- Terence Kennelly
- John Legge
- John Mackay
- F McMorran
- Brendan Milne
- Kevin Parker

- Graeme Pugh
- John Rattray
- Cheryl Scott
- Don Stobbs
- David Woodhouse
- Alistair Wright

T Burn, D Woodhouse and A Wright spoke briefly to the honour.

Sam Walker then presented Wayne Guppy with his Life Members badge.

President then called for any general business.

J Donovan asked the CEO re the costs involved with the proposed synthetic track at Awapuni.

CEO took the meeting through the numbers as he saw them and his impressions of the feasibility of the project.

He noted that we still needed to fund up to \$3m toward the cost and he was reluctant for us to go back into debt to fund that.

President declared the meeting closed and invited the Members to join the Committee for some hospitality

# Wellington Racing Club

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*Financial Statements for the year ended 31  
July 2021*

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The President is pleased to present the approved Financial Statements for the year ended 31 July 2021.



Wayne Guppy – President

Date – 1 November 2021

**Statement of comprehensive revenue and expense**  
For the year ended 31 July 2021

	Note	2021 \$	2020 \$
<b>Revenue</b>			
Operating revenue	2	82,019	136,123
<b>Total revenue</b>		<u>82,019</u>	<u>136,123</u>
<b>Expenses</b>			
Operating expenses	3	82,019	136,123
<b>Total expenses</b>		<u>82,019</u>	<u>136,123</u>
<b>Net operating surplus / (deficit)</b>		<u>-</u>	<u>-</u>
<b>Other gains / losses</b>			
Share of surplus of associate	6	(7,157)	1,207,209
<b>Total other gains / (losses)</b>		<u>(7,157)</u>	<u>1,207,209</u>
<b>Net surplus / (deficit) attributable to:</b>			
Wellington Racing Club		(7,157)	1,207,209
<b>Total comprehensive revenue and expense for the</b>		<u>(7,157)</u>	<u>1,207,209</u>

The above statement of comprehensive revenue and expense should be read in conjunction with the accompanying notes and audit report.

**Statement of Changes in Equity**  
For the year ended 31 July 2021

	Note	Accumulated comprehensive revenue & expense \$	Total equity attributable to WRC Club \$
<b>Balance as at 1 August 2020</b>		10,982,295	10,982,295
Net surplus for the year		(7,157)	(7,157)
<b>Balance as at 31 July 2021</b>		<u>10,975,138</u>	<u>10,975,138</u>
<b>Balance as at 1 August 2019</b>		9,775,086	9,775,086
Net surplus for the year		1,207,209	1,207,209
<b>Balance at 31 July 2020</b>		<u>10,982,295</u>	<u>10,982,295</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes and audit report.



**Statement of Financial Position**  
As at 31 July 2021

	Note	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	4	-	-
<b>Total current assets</b>		<u>-</u>	<u>-</u>
<b>Non-current assets</b>			
Investment in associate	6	10,975,138	10,982,295
<b>Net assets</b>		<u><b>10,975,138</b></u>	<u><b>10,982,295</b></u>
<b>Net assets attributable to:</b>			
Wellington Racing Club		<u>-</u>	<u>-</u>
<b>Total equity</b>		<u><b>10,975,138</b></u>	<u><b>10,982,295</b></u>

The above statement of financial position should be read in conjunction with the accompanying notes and audit report.

**Statement of cash flows**  
As at 31 July 2021

	2021 \$	2020 \$
<b>Cash flows from operating activities</b>		
<b>Cash was received from:</b>		
Grants from gaming societies	22,000	62,808
Fees, subscriptions and other receipts from members*	-	-
<b>Cash was applied to:</b>		
Administration fees to RACE Inc*	-	-
Operational cost recharge to RACE Inc.	(22,000)	(62,808)
<b>Net cash flows from operating activities</b>	<u>-</u>	<u>-</u>
<b>This is represented by:</b>		
Cash on hand and in bank	<u>-</u>	<u>-</u>
<b>Cash and cash equivalents at end of the period</b>	<u><u>-</u></u>	<u><u>-</u></u>

\* Fees and subscription and other receipts from members of \$60,019 (2020: \$73,715) were received straight to the account of RACE Inc which is then used to settle Club's administration fees to RACE Inc for the same amount. Hence, the cash flows associated with these transactions are shown as nil in the Club's statement of cash flows.

The above statement of cash flows should be read in conjunction with the accompanying notes and audit report.

**Notes to the financial statements**  
**For the year ended 31 July 2021**

**1. BASIS OF PREPARATION**

**Reporting entity**

Wellington Racing Club (henceforth, "the Club") is incorporated under the Incorporated Societies Act 1908. The primary objective of the Club is to promote, conduct and control thoroughbred racing and is registered with the New Zealand Thoroughbred Racing Code ("the Code") consistent with the Code's constitution. The Club is a recognised industry organisation in accordance with the Racing Industry Act 2020 which replaced the Racing Act 2003 on 1 August 2020.

**Statement of compliance**

The financial statements have been prepared in accordance with the Racing Industry Act 2020, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP").

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

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

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

**Measurement basis**

The financial statements have been prepared on a historical cost basis and are presented in New Zealand dollars which is also the Club's functional currency.

**Going concern**

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

**Changes in accounting policies**

There have been no changes in accounting policies.

**Significant accounting judgements, estimates and assumptions**

The preparation of the Club's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The judgements, estimates and assumptions are evaluated on a regular and continuing basis, including expectations of future events, to a reasonable extent to assess their implication on reported revenues, expenses, assets, liabilities and disclosures in the financial statements.

The Club has assessed that there are no significant judgements made affecting the financial statements.

**Income taxes**

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

## 2. REVENUE

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

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

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

An asset acquired through a non-exchange transaction (e.g., cash, goods, inventory, or property, plant and equipment) is initially measured at its fair value as at the date of acquisition consistent with the fair value basis applicable for each type of asset received (note 4 for cash). Revenue from non-exchange transaction is measured on the basis of the value of the asset received less any present obligation attached as of the date of transfer.

The Club's race day operations including sponsorship are shown as part of RACE Inc's operational results being the party primarily engaged in running the race operations for member Clubs.

The following table details the Club's other operational revenue.

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Grants from Gaming societies	22,000	62,808
Members subscriptions and other fees	60,019	73,315
<b>Total other operating revenue</b>	<b>82,019</b>	<b>136,123</b>

The Club classifies its grant from Gaming societies as revenue from non-exchange transactions while the membership subscriptions and other fees received from members of the Club are classified as exchange revenue. There are no outstanding funds or resources acquired through non-exchange transaction during the year whose attached conditions, if any, have not been satisfied (2020: nil).

The decrease in membership revenue is due to a change in subscription fees for premier members from \$175 to \$150 and gold members from \$500 to \$400.

The Club may also receive services in kind from members and external parties and although these are greatly valued, such types of revenues are usually difficult to measure. As such, these revenues are not included in the Club's financial statements.

## 3. OTHER OPERATING EXPENSES

The Club incurred certain costs and expenses and recognises these as costs and expenses when incurred regardless of when the payment is made unless they qualify for recognition as asset. The operational day-to-day management of the Club is performed by the management and personnel of RACE Inc including use of RACE Inc's assets and resources. The Club is then charged by RACE Inc by way of cost recovery. These are recognised as incurred and are presented in the table below.

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Administration fees	60,019	73,315
Operational recharge - RACE Inc	22,000	62,808
<b>Total operating expenses</b>	<b>82,019</b>	<b>136,123</b>

Administration fees are charges paid to RACE Inc for the management of the services required by members of the Club and are recovered based on the membership fee income realised by the Club each year.

Operational recharge relates to the Club's share in the operational cost spent by RACE Inc when holding the Club's race day meetings; these are recovered based on any amount of grants received by the Club which are normally intended to defray the costs incurred in holding race meeting events.

Non-operational recharge relates to the Club's share in the non-operational cost spent by RACE Inc for capital items; these are recovered based on any amount of grants received by the Club which are normally intended for capital items.

RACE Inc and the member Clubs are audited by the same auditor and total audit fees are paid by RACE Inc without recovery from the Clubs. The amount of fee allocable to the audit of the Club's financial statements is \$1,100 (2020: \$1,000). There are no other fees paid to auditors during the year (2020: nil).

#### 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The Club has no cash and cash equivalents as at 31 July 2021 (2020: nil).

#### 5. RECEIVABLES

Receivables are initially recognised at the fair value of the amount to be received and subsequently measured at amortised cost less any provision for impairment loss due to being uncollectable. Impairment is assessed if there is objective evidence that the customer cannot settle the amount due to the Club.

There are no outstanding receivables as of the end of the year (2020: nil).

#### 6. INVESTMENTS IN ASSOCIATES

The Club is a member Club of RACE Inc, an incorporated society formed by the agreement with other Clubs to pool resources and centralise the management of race meeting events of the member Clubs; this includes managing the assets and facilities used for the events. The Club's initial investment in RACE Inc consisted of its existing net assets as of the inception of the investment.

The governing body of RACE Inc, (RACE Board) is composed of 2 representatives from each of the member Clubs thereby giving each Club an equal representation and voting rights in RACE Inc. On this basis, the Club considers RACE Inc as an associate for financial reporting purposes since it has significant influence over RACE Inc demonstrated primarily by its ability to participate in but not control or have joint control over the financial and operating policy decisions of the investees.

Investments in associates are accounted for using the equity method under which the investment is initially recognised at cost and subsequently adjusted to recognise post acquisition changes in the Club's share in the associate's comprehensive revenue and expense; the adjustment to the carrying amount of the investment is included in the Club's statement of comprehensive revenue and expense. The Club assess at each balance date whether the investments are impaired and when there is objective evidence of impairment, an impairment loss is recognised in surplus or deficit.

	2021	2020
	\$	\$
Opening balance of investment	10,982,295	9,775,086
Amount of share in associate's results	<u>(7,157)</u>	<u>1,207,209</u>
<b>Closing balance of investment</b>	<b><u>10,975,138</u></b>	<b><u>10,982,295</u></b>

Interest in associates are classified as available-for-sale instrument for financial reporting purposes.

#### 7. COMMITMENTS AND CONTINGENCIES

The Club has no commitments or contingent liabilities as of 31 July 2021 (2020: nil).

The Club's associate (RACE Inc), however has commitments as of 31 July 2021. As the Club has proportionate interest in RACE Inc, the Club will recognise its share in any commitments of RACE Inc when they arise.

The Club's associate (RACE Inc) has no contingent liabilities as of 31 July 2021 (2020: nil).

##### Guarantees in favour of RACE Inc

- \$12,000,000 by the Manawatu Racing Club, Wellington Racing Club, Rangitikei Racing Club, Feilding Jockey Club, Marton Jockey Club
- \$4,610,420 by TAB NZ.

##### Security

The BNZ holds a perfected security interest in all present and after acquired property of the Club. The bank holds registered mortgages over the Clubs properties as part of the lending facilities to RACE Inc.

## 8. FINANCIAL INSTRUMENTS

### Categories of financial instruments

The following table summarises the categories of the Club's financial instruments.

	Note	2021 \$	2020 \$
<b>Available-for-sale financial assets</b>			
Equity accounted investments (RACE Inc.)	6	10,975,138	10,982,295
<b>Total financial assets</b>		<b>10,975,138</b>	<b>10,982,295</b>
<b>Total financial assets</b>		<b>10,975,138</b>	<b>10,982,295</b>

### Financial assets

The Club's financial assets include its cash and cash equivalents, various receivables and investments in RACE Inc. The Club recognises financial assets when it becomes party to a contract. These assets may be classified into one of the four categories of financial assets depending of the Club's intention to hold them and the nature of the investments.

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

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

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

For financial assets carried at amortised cost, the criteria used to determine whether objective evidence of impairment exists is the asset's collectability. Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. An impairment provision is recognised when there is objective evidence that the Club will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment.

In the case of equity investments, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. In the case of debt instruments, the impairment is assessed based on the same criteria as financial assets carried at amortised cost.

The categories of financial assets are described below and the Club has not made any transfers between categories during the year (2020: nil):

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

#### (a) Available for sale financial assets

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

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

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

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

The Club's AFS investments include investments in RACE Inc (an associate) and currently equity accounted (please see note 6). The Club has assessed that there is no indication of impairment with respect to this investment as of 31 July 2021 (2020: nil).

### Financial liabilities

The Club's financial liabilities include payables, borrowings and derivative liabilities. The Club recognises financial liabilities when it becomes party to a contract. All financial liabilities are recognised initially at fair value and, in the case of payables and loans and borrowings, net of directly attributable transaction costs. Subsequent measurement and presentation depend on the category of the financial liability as follows.

## 9. RELATED PARTIES

### 9.1 Transactions and balances with related parties

The Club has various trade transactions with related party entities in the form of rental revenue and expense, finance costs and on-lending and advances. The following table summarises the amount of related party transactions during the year.

	Relationship with counterparty	Nature of transaction	Amount of transaction / balance	
			2021 \$	2020 \$
<i>Payments to related parties</i>				
RACE Inc	WRC is a member Club of RACE Inc and has equal representation in the governing body of RACE Inc among 4 other racing Clubs through which WRC exercises significant influence over RACE Inc.	Administration fees, operational and non-operational cost re-charge	82,019	136,123
Des Coppins Racing & Marketing Ltd	Owner is a committee member	Operational expenses	36,900	29,567

### 9.2 Transactions and balances with key management personnel

Key management personnel of the Club include the members of the Committee and various sub-committees of the Club, the Chief Executive and Executive Management Team of RACE Inc who exercise control or significant influence over the financial and operating decision-making of the Club. For purposes of financial reporting disclosures, the Club also considers transactions with close members of the key management personnel's family as related party transactions.

Key management personnel are also members of the Club and pay membership fees and other fines and charges on the same rate and terms as charged to other members who are not key management personnel. In addition, members of the Club may have interest in racing through ownership, breeding, training, driving or similar capacity. Key management personnel and close members of their family may also join races and be eligible for stake money from the Club under normal trade terms and conditions applicable to other persons not otherwise considered key management personnel.

With the exception of the regular fees and charges, and race-related transactions under normal terms, there have been no other transactions between the Club and its key management personnel and close members of their family during the year (2020: nil).

## 10. SUBSEQUENT EVENTS

Restrictions placed on racing and class 4 gaming due to changes in Covid-19 alert levels on August 17, 2021, may impact revenue forecasts of RACE Inc for 2021/2022. The impact of this has not yet fully materialised.