

# WAIRIO TROTTING CLUB INC

C/- SOUTHERN HARNESS RACING INC.

P O BOX 96, INVERCARGILL 9840

TELEPHONE: (03) 217-9117

EMAIL: [admin@southernharness.co.nz](mailto:admin@southernharness.co.nz)

## 2022/2023

PRESIDENT: Mrs R Mackintosh

SNR VICE PRESIDENT: Mr D Phibbs

JUNIOR VICE PRESIDENT: Mrs D Capon

IMMEDIATE PAST PRESIDENT: Mr D Hewitson

HONORARY TREASURER: Mr D Hewitson

COMMITTEE: B Capon, D Herrick, B Stevens, T McGrannachan, T McMaster & J Stevens

## **ANNUAL REPORT AND STATEMENT OF ACCOUNTS FOR YEAR ENDED 30 APRIL 2023**

The Annual General Meeting of members will be held at the Top Pub, Winton on  
Tuesday 25<sup>th</sup> July 2023 at 7.30 p.m.

- BUSINESS:**
1. To receive the Annual Report and Statements of Accounts for the year ending 30 April 2023
  2. To elect Office bearers 2023/2024.
  3. Notice of Motion by the Committee
  4. To appoint an Auditor
  5. General

**AFTER THE MEETING A SOCIAL HOUR WILL BE HELD**

## OFFICE BEARERS 2023/2024

The following are the Nominees:

COMMITTEE: (3 Nominations for 7 Vacancies)

B Capon, T McMaster & T McGrannachan

## ANNUAL SUBSCRIPTION

THE ANNUAL SUBSCRIPTION OF \$11.00 IS NOW DUE AND PAYMENT CAN BE MADE  
AT THE ANNUAL MEETING, ON LINE OR DIRECT TO OUR OFFICE,  
P O BOX 96, INVERCARGILL

*Copies of the Annual Financial Accounts have been sent via email for members who have given us an email address. Alternatively, copies will be available at the Annual General Meeting. If you would like a copy emailed or posted to you, please contact the Southern Harness Racing office. They can also be viewed online after the AGM on the Southern Harness website [www.southernharness.co.nz](http://www.southernharness.co.nz) under the tab "Clubs/Wairio Trotting Club".*

J McEwan-Franks  
Club & Finance Manager

### **WAIRIO TROTTING CLUB - EMAIL DATABASE**

*If you have an email address and have not already provided it, please advise us at:*

*[admin@southernharness.co.nz](mailto:admin@southernharness.co.nz)*

*Please indicate the Club name*

**WAIRIO TROTTING CLUB  
PRESIDENTS REPORT 2023**

On behalf of the Wairio Trotting Club Committee I would like to thank the sponsors and members for your continued support and assistance that helps make our two race meetings successful. Also thank you to the fantastic team in the office at Southern Harness Racing of Jason Broad, Julie McEwan-Franks, Nicole Elliott and Lindsay Beer for their hardwork and keeping us on track.

It's been a season of change for many clubs and Wairio didn't go unaffected in the date shuffle to make the race calendar more enticing for a higher level of racing and to keep the higher accessed horses in the South Island for longer after Cup Week.

As our club normally gears up to celebrate forthcoming Christmas celebrations and school holidays incorporating the start of the Country Cups series ... our Cup Day date change to the 28th of January was a family themed day in the sunshine while Invercargill Harness Racing Club had their Cup Day on our former date prior to Christmas.

Robyn's Playboy added the Otautau Four Square Supermarket Wairio Cup to the Wilson family mantelpiece. The handicap pace over the 2400m attracted a small compact field of runners, with congratulations going to co-trainers Ross and Chris Wilson of Gore and driver Mark Hurrell.

The MCC Syndicate (Makarewa Country Club) were on course celebrating their Contribution to Harness Racing Award and 30 years as one of the longest running harness racing syndicates in Southland. They are great supporters of our club.

Our March meeting was tinged with sadness – a memorial race was held in honour of Tony Stevens, a well-known horseman originally from Nightcaps. His legacy continues with his family training and racing horses, and daughter Bridget and grandson Jamie are Wairio Trotting Club committee members.

While we currently wait to see where race day funding from Entain is heading, we are hopeful it will boost stakes to make our racedays more lucrative. Hopefully we don't need to keep selling racehorses overseas and we can keep our young stock progressing through.

Next season's dates for 2024 are a return to January 28 (Sunday, Cup Day) and then a week after Diamonds Day on April 27 (Saturday).

Rowena Mackintosh

President

**Wairio Trotting Club Incorporated**

**Performance Report**

**For the Year Ended 30 April 2023**

**Wairio Trotting Club Incorporated**  
**Contents of Performance Report**  
**For the Year Ended 30 April 2023**

Entity Information	2 – 4
Statement of Service Performance	5
Statement of Financial Performance	6
Statement of Financial Position	7
Statement of Cash Flows	8
Statement of Accounting Policies	9 – 11
Notes to the Performance Report	12 – 15
Independent Auditor’s Report	16

## Wairio Trotting Club Incorporated

### Entity Information

#### For the Year Ended 30 April 2023

Wairio Trotting Club Incorporated is a club, registered under the Incorporated Societies Act 1908.

<b>Entity's Purpose or Mission</b>	The primary objective of the Club is to promote, conduct and control harness racing and is registered with the Harness Racing New Zealand Code ("the Code") consistent with the Code's constitution. The Club is a recognised industry organisation in accordance with the Racing Industry Act 2020.
<b>Nature of Business</b>	Harness Racing Club
<b>Incorporated Society Number</b>	225417
<b>Additional Information</b>	<p>The Club is incorporated under the Incorporated Societies Act 1908 and is a recognised industry organisation in accordance with the Racing Industry Act 2020.</p> <p>As the Club is primarily involved in the conduct and promotion of race meetings - rather than the generation of profit - it is considered a not-for-profit entity for financial reporting purposes. Nonetheless, any profit generated provides the Club with more resources that make future operations more sustainable; these resources are held as cash reserves and available for use by the Club as the need arises.</p> <p>The Club is party to various agreements with other racing clubs with respect to the operation of assets (race tracks) that are jointly owned and operated by member Clubs. These arrangements, however, do not create a separate legal entity that the Club controls; the extent of the operation recognised by the Club is limited to its share of the assets and its own costs spent on the use and maintenance of the assets.</p>

#### Contact Details

Physical Address:  
c/- Southern Harness Racing  
Ascot Park Racecourse  
107-113 Racecourse Road  
Invercargill 9810

Postal Address:  
c/- Southern Harness Racing  
General Manager Jason Broad  
PO Box 96  
Invercargill

Phone: (03) 217-9117

Email: [admin@southernharness.co.nz](mailto:admin@southernharness.co.nz)

## Wairio Trotting Club Incorporated

### Entity Information (continued)

For the Year Ended 30 April 2023

<b>Auditor</b>	Audit Professionals Limited Chartered Accountants Dunedin
<b>Bankers</b>	SBS Bank Invercargill
<b>Solicitors</b>	Murray Little Cruickshank Pryde Invercargill
<b>IRD Number</b>	025-110-935
<b>Entity Structure</b>	<p>The Club is primarily engaged in a service activity with focus on conducting and promoting race meetings consistent with existing racing rules and regulations.</p> <p>The Club's leadership and management team - along with a good number of volunteer members and staff - are involved in ensuring that race meetings are conducted as planned and to a level expected by participants, members and regulators alike. Current committee members are: R Mackintosh (President), D Phibbs (Senior Vice President), D Capon (Junior Vice President), Honorary Treasurer: D Hewiston, Committee: D Herrick, B Capon, T McGranachan, B Stevens, J Stevens and T McMaster.</p>
<b>Main Sources of Cash and Resources</b>	<p>The Club's mainline revenue is industry funding from the Code which is used to defray the costs and expenses on the Club's race meetings.</p> <p>The Club is also engaged in sale of goods and services to members and the public from which revenues are generated to augment its operational requirements. Goods sold include various race-related items, agricultural products and bar sales.</p> <p>Revenue generated from investments and use of Club's assets include interest and other fees.</p>

## Wairio Trotting Club Incorporated

### Entity Information (continued)

#### For the Year Ended 30 April 2023

**Main Methods Used to Raise Funds** The terms and amount of industry funding revenue are agreed by the Code and the Club at the beginning of each racing year based on planned race-meeting events and activities.

In addition, proceeds from the sale of goods and services (including charges for use of the Club's assets) are based on agreed prices determined with reference to current market prices for such goods and services.

The Club also receives grants, subsidies and donations from various sources including Club members, individual and corporate sponsors and industry organisations (the Code and other clubs).

Of particular note, the Club receives services in kind which are considered vital in its race-meeting events; and although these are highly appreciated, these are difficult to value and hence, not included in this Performance Report.

**Entity's Reliance on Volunteers and Donated Goods or Services** As discussed above, the Club is a recipient / beneficiary of various goods and services in kind. These proceeds are vital in the Club's race meeting events.

Certain donated goods include real properties made in favour of the Club and which are used in the conduct of the Club's operations. In some instances, donated goods have attached conditions which the Club has to satisfy before full entitlement over the goods is vested in the Club. Until such time, the donated goods, though available for use by the Club, is presented as a present obligation in the Club's statement of financial position.

Services in kind come in the form of volunteers both during race meeting events and off-season. Volunteers (mostly members of the Club) are involved in the set-up of race meeting events, various activities during the event to ensure orderly conduct of the race, and in the day-to-day upkeep and maintenance of the Club's premises.

Without these donated goods and services, the Club would have required more funds to defray costs and expenses which would have potentially made the conduct of race meeting events even more challenging. On this basis, the Club highly values these donated goods and services and considers them a vital part of its operations.

## Wairio Trotting Club Incorporated

### Statement of Service Performance

#### For the Year Ended 30 April 2023

##### Description of the Club's Outcomes

The Club is primarily engaged in the conduct and promotion of harness racing. Race meetings are held at Central Southland Raceway, Winton.

To ensure that the Club meets its goals, prize money (stakes) has to be built-up from various sources that consequently enables a more attractive race participation.

The Club's management has also been actively working with Southern Harness Racing and the Code ensure that industry funding remains a steady source of operational funding for race meetings.

##### Description of Outputs

	Actual 2023	Actual 2022
Number of Race Meetings Held	2	3
Number of Races	20	29
Number of Horses Started	213	322
Total Stakes Offered	224,000	\$299,000
Total Stakes Paid	\$219,015	\$294,179

Race meetings are held on 28 January 2023 and 30 March 2023 at Central Southland Raceway, Winton.



**Wairio Trotting Club Incorporated**  
**Statement of Financial Performance**  
**For the Year Ended 30 April 2023**

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Race Meeting Revenue	1	267,541	348,447
Sales of Goods	2	-	17
Other Operating Revenue	3	648	921
Finance Revenue	4	5,214	1,635
<b>Total Revenue</b>		<b>\$273,403</b>	<b>\$351,020</b>
<b>Less Expenses</b>			
Race Meeting Costs & Expenses	5	255,474	341,660
Other Operating Expenses	6	17,316	19,815
<b>Total Expenses</b>		<b>\$272,790</b>	<b>\$361,475</b>
<b>Surplus/(Deficit) for the year</b>		<b>\$613</b>	<b>\$(10,455)</b>

The accompanying notes form part of these financial statements.


Wairio Trotting Club Incorporated

Statement of Financial Position

As at 30 April 2023

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
SBS Bank Current Account		32,988	33,586
SBS Bank Call Account		15,229	15,118
Cash and Bank Accounts		48,217	48,704
Accounts Receivable		719	4,467
Accrued Interest		3,547	664
GST Receivable		1,425	1,151
Current Investments	7	149,256	147,053
<b>Total Current Assets</b>		<b>203,164</b>	<b>202,039</b>
<b>Non Current Assets</b>			
Plant & Equipment	8	1,111	1,235
Advance – Southern Harness Racing Incorporated		-	500
<b>Total Non Current Assets</b>		<b>1,111</b>	<b>1,735</b>
<b>Total Assets</b>		<b>204,275</b>	<b>203,774</b>
<b>Current Liabilities</b>			
Accounts Payable		100	212
<b>Total Current Liabilities</b>		<b>100</b>	<b>212</b>
<b>Total Liabilities</b>		<b>100</b>	<b>212</b>
<b>Net Assets</b>		<b>\$204,175</b>	<b>\$203,562</b>
<b>Accumulated Funds</b>			
Accumulated Surpluses	9	204,175	203,562
<b>Total Accumulated Funds</b>		<b>\$204,175</b>	<b>\$203,562</b>

For and on behalf of Wairio Trotting Club Incorporated

 President

11/07/ 2023

The accompanying notes form part of these financial statements.

## Wairio Trotting Club Incorporated

### Statement of Cash Flows

For the Year Ended 30 April 2023

	2023	2022
	\$	\$
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Industry Profit Distribution & Other Race Meeting Receipts	33,473	60,051
Donations, Sponsorship & Other Similar Receipts	18,571	5,360
Fees, Subscriptions & Other Receipts from Members	631	636
Receipts from Providing Goods or Services	247	17
Net GST Paid	(274)	(449)
	<b>52,648</b>	<b>65,615</b>
<b>Cash was applied to:</b>		
Payments to Suppliers & Employees	52,907	76,858
Donations Paid	856	500
	<b>53,763</b>	<b>77,358</b>
<b>Net Cash Flows (to) Operating Activities</b>	<b>(1,115)</b>	<b>(11,743)</b>
<b>Cash Flows from Investing and Financing Activities</b>		
<b>Cash was received from:</b>		
Interest Receipts	2,331	1,225
Repayment of Advance – Southern Harness Racing	500	-
	<b>2,831</b>	<b>1,225</b>
<b>Cash was applied to:</b>		
Payments for interest reinvested	2,203	1,229
	<b>2,203</b>	<b>1,229</b>
<b>Net Cash Flows from/(to) Investing and Financing Activities</b>	<b>628</b>	<b>(4)</b>
Net (Decreased) in Cash Held	(487)	(11,747)
Cash at the Beginning of the Year	48,704	60,451
<b>Cash at the End of the Year</b>	<b>48,217</b>	<b>48,704</b>
<b>This is represented by:</b>		
SBS Bank Current Account	32,988	33,586
SBS Bank Call Account	15,229	15,118
<b>Total Cash &amp; Bank Balances</b>	<b>48,217</b>	<b>48,704</b>

The accompanying notes form part of these financial statements.

## **Wairio Trotting Club Incorporated**

### **Statement of Accounting Policies**

#### **For the Year Ended 30 April 2023**

##### **Reporting Entity**

Wairio Trotting Club ("the Club") is incorporated under the Incorporated Societies Act 1908. The primary objective of the Club is to promote, conduct and control harness racing and is registered with Harness Racing New Zealand Code ("the Code") consistent with the Code's constitution. The Club is a recognised industry organisation in accordance with the Racing Industry Act 2020.

##### **Statement of Compliance and Basis of Preparation**

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 harness racing, it has designated itself as a not-for-profit public benefit entity (PBE) for financial reporting purposes.

The Club has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting.

Where a specific transaction is not covered by PBE SFR-A (NFP) - Accrual (PBE accrual standard), the Club applied guidelines under Tier 2 PBE Accounting Standards (Reduced Disclosure Regime).

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the club, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest dollar.

The Performance Report is prepared under the assumption that the Club will continue to operate in the foreseeable future.

##### **Specific Accounting Policies**

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied.

###### **(a) Revenue Recognition**

Revenue is recognised when there is a legal right to receive cash either in the current period or in the future. 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.

## Wairio Trotting Club Incorporated

### Statement of Accounting Policies (continued)

#### For the Year Ended 30 April 2023

Revenue from sale of goods is recognised when the inventories are sold while revenue from the sale of services is recognised as revenue by reference to the stage of completion of the service at balance date, based on the actual service provided as a percentage of the total service to be provided.

Revenue arising from grants, donations, subsidies and items of similar nature (collectively, revenues from non-exchange transactions) is recognised as revenue upon receipt of the asset unless a condition ("use or return") is attached; in which case, a liability is initially recognised and upon satisfaction of the condition, the liability is reduced and revenue is recorded.

Interest revenue is recognised when it is accrued.

The Club also receives services-in-kind from various volunteers and members in conducting race meeting events. Although these are highly valued by the Club, these are difficult to measure and hence, not included in the Performance Report. Goods received in kind are recorded as assets when they are received.

#### **(b) Expenses**

Expenses are recognised when there is a legal obligation to pay cash either in the current period or in the future. This is the point where the expense is incurred by the Club.

#### **(c) Trade Receivables**

Receivables are recognised by the Club once it has the legal right to collect the cash in the future. Receivables are initially recorded at the amount owed and adjusted for impairment when there is likelihood that the amount (or some portion of it) will not be collected. The Club's receivables are normally collectible within 30 days.

#### **(d) Plant & Equipment**

Plant and equipment items are recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation where these are incurred.

Subsequent to initial recognition, plant and equipment are measured using the cost model. Under the cost model, the item is carried at cost net of accumulated depreciation and any impairment losses.

Depreciation is recorded to spread the cost of the asset over the expected useful life of the asset, using the straight line method. The expected useful life, depreciation method and any significant residual value are reviewed on a regular basis.

The following estimated depreciation rates have been used:

Plant & Equipment	10% Diminishing Value Method (20 Years)
-------------------	---

The Club recognises impairment loss on its plant and equipment when it is assessed to exist usually indicated when the assets can no longer be used (or no longer serviceable for the intended purposes) in the normal operations of the Club other than those held for resale. Such loss is recorded as an adjustment to the value of the asset and recognised in the statement of financial performance.



## **Wairio Trotting Club Incorporated**

### **Statement of Accounting Policies (continued)**

#### **For the Year Ended 30 April 2023**

All other repairs and maintenance are recognised as expenses in the Statement of Financial Performance in the financial period in which they are incurred.

Gains and losses on disposal of plant and equipment are taken into account in determining the net result for the year.

#### **(e) Income Tax**

The Club is racing club, as defined in Section 5 (1) of the Racing Industry Act 2020 and is therefore exempt from income tax in accordance with the provisions of Section CW 47(2) of the Income Tax Act 2007.

#### **(f) Investments**

Investments are bank deposits recognised upon purchase and initially measured at the amount paid.

#### **(g) Goods and Services Taxation (GST)**

The Club is registered for GST. Revenues and expenses have been recognised in the performance report exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

#### **(h) Subscriptions**

Subscriptions are recognised on an accrual basis.

#### **(i) Trade Payables**

Payables represent amounts owing by the Club to suppliers for goods or services received. These are classified as current if they are due to be settled within the next 12 months from the year end reporting date. These are recorded at the amount owing and are normally non-interest bearing.

#### **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from the previous performance report.

**Wairio Trotting Club Incorporated**  
**Notes to the Performance Report**  
**For the Year Ended 30 April 2023**

<b>1 Race Meeting Revenue</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
	(2 race meetings)	(3 race meetings)
Stakes Funding – HRNZ and Southern Harness Racing	219,015	294,179
Venue Funding - HRNZ	32,110	44,550
<b>Total Stakes and Venue Funding</b>	<b>251,125</b>	<b>338,729</b>
Race Meeting Sponsorships	4,300	8,000
Bar & Catering Revenue	116	1,509
Community grants and donations	12,000	209
<b>Total Race Meeting Revenue</b>	<b>267,541</b>	<b>348,447</b>

Grants, subsidies and donated assets are mostly cash and cash equivalents received from grantors; these are recorded as revenue upon receipt unless a condition exists on the transfer which requires the Club to return the asset received if the condition is not satisfied. In this case, the Club recognises the asset received initially as a liability and recognises revenue when the condition is satisfied. Two grants were received from Trillian Trust Limited totaling \$12,000 towards racecourse rental, photo finish services and facebook printing.

<b>2 Sale of Goods</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Anniversary Book Sales	-	17
<b>Total Sale of Goods</b>	<b>-</b>	<b>17</b>

<b>3 Other Operating Revenue</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Membership Subscriptions	631	921
Sundry Revenue	17	-
<b>Total Other Operating Revenue</b>	<b>648</b>	<b>921</b>

<b>4 Finance Revenue</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Interest Revenue	5,214	1,635
<b>Total Finance Revenue</b>	<b>5,214</b>	<b>1,635</b>

## Wairio Trotting Club Incorporated

### Notes to the Performance Report (continued)

For the Year Ended 30 April 2023

#### 5 Race Meeting Costs & Expenses

	2023	2022
	\$	\$
	(2 race meetings)	(3 race meetings)
Bar Expenses	-	214
Other Raceday Expenses (includes Trophies)	1,106	632
Stakes Paid through Southern Harness Racing	219,015	294,179
Tote Wages	2,109	3,003
Advertising	820	920
Racebook Printing Costs	1,755	1,772
Raceday Sponsors Expenses/Promotions	2,054	4,059
Race Meeting Services (includes Security)	4,191	7,548
Sponsorship & Promotions Fees	936	1,276
Rent – Racecourse	16,000	21,000
Race Meeting Wages	7,488	7,057
<b>Total Race Meeting Costs &amp; Expenses</b>	<b>255,474</b>	<b>341,660</b>

#### 6 Other Operating Expenses

	2023	2022
	\$	\$
Administration Fees	11,686	15,640
AGM & Committee Costs	779	797
Audit Fee	1,700	1,650
Bank Fees	18	1
Conference Expenses	2,124	576
Depreciation	124	137
Donations	856	500
ACC	29	62
Postage, Printing & Stationery	-	392
Sundry Expenses	-	60
<b>Total Other Operating Expenses</b>	<b>17,316</b>	<b>19,815</b>

#### 7 Current Investments

	2023	2022
	\$	\$
SBS Bank Term Deposit (21-8)	86,240	84,549
SBS Bank Term Deposit (29-3)	63,016	62,504
<b>Total Current Investments</b>	<b>149,256</b>	<b>147,053</b>



## Wairio Trotting Club Incorporated

### Notes to the Performance Report (continued)

#### For the Year Ended 30 April 2023

#### 7 Current Investments (continued)

The Club has investments in term deposits with banks for which interest revenue is recognised during the term of the investment. These investments have original maturities of more than 90 days or those restricted for specific purposes and are rolled on a continuing basis unless used by the Club for its operational cash requirements. Unrestricted term deposits with original maturities of at least or less than 90 days are classified by the Club as cash and cash equivalents. Term deposits with a maturity date within 12 months of balance date have been recorded as 'current investments'.

8 Plant & Equipment	Opening Carrying Amount	Purchases/ (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
2023	\$	\$	\$	\$
Plant & Equipment	1,235	-	124	1,111
<b>Total Plant &amp; Equipment</b>	<b>1,235</b>	<b>-</b>	<b>124</b>	<b>1,111</b>

	Opening Carrying Amount	Purchases/ (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
2022	\$	\$	\$	\$
Plant & Equipment	1,372	-	137	1,235
<b>Total Plant &amp; Equipment</b>	<b>1,372</b>	<b>-</b>	<b>137</b>	<b>1,235</b>

#### 9 Accumulated Surpluses

	2023	2022
	\$	\$
Opening Balance	203,562	214,017
Surplus/(Deficit) for the Year	613	(10,455)
<b>Closing Balance</b>	<b>204,175</b>	<b>203,562</b>

#### 10 Transactions & Balances with Key Management Personnel & Close Members of their Family

Key management personnel (KMP) of the Club include the members of the Committee and various sub-committees of the Club, the Chief Executive and Executive Management Team 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 families KMP as related party transactions.

## **Wairio Trotting Club Incorporated**

### **Notes to the Performance Report (continued)**

#### **For the Year Ended 30 April 2023**

#### **10 Transactions & Balances with Key Management Personnel & Close Members of their Family (continued)**

##### **Transactions**

KMP 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 KMP. In addition, members of the Club may have an interest in racing through ownership, breeding, training, driving or similar capacity. KMP 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 KMP.

With the exception of the regular fees and charges, compensation and race-related transactions under normal terms, there have been no other transactions between the Club and its KMP and close family members during the year (2022: Nil).

#### **11 Arrangement with Southern Harness Racing Incorporated**

Harness Racing Clubs in the Southland and Otago regions developed a regionalised model which was introduced for the 2017 financial year. Under the Heads of Agreement a new structure was developed with the commissions on Off Course and Fixed Odds betting turnover and Group Race subsidies being paid to Southern Harness Racing. This was part of a bulk funded agreement with Harness Racing New Zealand and the New Zealand Racing Board (now Racing New Zealand). There have been subsequent changes to this model since 2017.

From August 2020 Clubs hosting Race Meetings now receive a Venue Payment per race day rather than any bulk funded commissions. This is to assist them with their race meeting running costs. Southern Harness Racing are responsible for race programming and the allocation of stakes funding. HRNZ are responsible for the payment of all Stakes. A key aim of this structure is to ensure consistent race programming and increased stakes across all meetings.

#### **12 Related Parties**

There are no significant transaction that were on terms and conditions that are likely to be different from the terms and conditions or transactions in similar circumstances, involving related parties during the financial year (2022: Nil).

#### **13 Commitments**

The Club has no commitments as at 30 April 2023 (2022: Nil).

#### **14 Contingent Liabilities and Guarantees**

The Club has no contingent liabilities and no guarantees as at 30 April 2023 (2022: Contingent Liabilities Nil. Guarantees Nil.)

#### **15 Events Occurring After Balance Date**

There were no events that have occurred after the balance date that would have a significant impact on the Performance Report.

## ***Independent Auditor's Report***

to the Committee members of Wairio Trotting Club Incorporated

### **Our Opinion**

We have audited the financial statements of Wairio Trotting Club Incorporated (the Club) which comprise the statement of financial position as at 30 April 2023 and the statement of financial performance and statement of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

In our opinion, the financial statements included in the accompanying Performance Report present fairly, in all material respects, the financial position of the Club as at 30 April 2023 and its financial performance and cash flows for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit).

### **Basis for Opinion**

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

Our firm has provided accounting assistance with the presentation of the Performance Report. This assistance has not impaired our independence as auditors of the Club.

### **Information Other than the Financial Statements and Auditor's Report**

Other information included in the Performance Report with the financial statements comprises the entity information and the statement of service performance. The Committee members are responsible for this other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report any misstatement of other information. We have nothing to report in this regard.

### **Committee Members' Responsibilities for the Financial Statements**

The Committee members are responsible, on behalf of the Club, for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit) and for such internal control as the Committee members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board website: [https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)

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



Chartered Accountants  
11 July 2023

Dunedin