

AUDITORS REPORT

TO THE MEMBERS OF THE MANAWATU RACING CLUB INCORPORATED

We have audited the attached financial report of the Manawatu Racing Club Inc. The financial report provides information about past financial performance of the Club and its financial position as at 31 July 2010. This information is stated in accordance with the accounting policies.

*Responsibilities of the Committee*

The Committee is responsible for the preparation of a financial report, which fairly reflects the financial position as at 31 July 2010, and the results of operations for the year ended on that date.

*Auditors Responsibilities*

It is our responsibility to express to you an independent opinion on the financial report presented by the Committee.

*Basis of Opinion*

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Committee in the preparation of the financial report, and
- whether the accounting policies are appropriate for the Club's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors of RACE, we have no other relationship with or interests in the Manawatu Racing Club Inc.

*Opinion*

We have obtained all the information and explanations that we have required.

In our opinion the attached financial report of the Manawatu Racing Club Inc fairly reflects the financial position as at 31 July 2010, and the results of its operations for the year ended on that date.

Our audit was completed on 22 September 2010 and our unqualified opinion is expressed at that date.

*Cotton Kelly*

Cotton Kelly

# Manawatu Racing Club (Inc)

PO Box 52, Palmerston North 4440. Tel: (06) 356 4940.

## NOTICE OF ANNUAL GENERAL MEETING

The **Annual General Meeting** of Members of the Manawatu Racing Club will be held in the Awapuni Function Centre, Silks Lounge, Awapuni Racecourse, Palmerston North on **Tuesday 19 October at 5.30pm**.

## 2009/2010 MANAWATU RACING CLUB COMMITTEE

<b>President</b>	Mr Graeme Martin
<b>Vice Presidents</b>	Mr Rex Fell, Mr Paul Humphries
<b>Hon. Treasurer</b>	Mr Martin How
<b>Committee</b>	Mr David Bennett, Mr Adrian Broad, Mr Brian Hope, Mr John O'Brien, Mr Mike Parker, Mr Craig Sheridan, Mr Kevin Tod
<b>Race Day Stewards</b>	Mr Warwick Beattie, Mr David Bridge, Mr David Leamy, Mr Andrew MacDonald, Mr Hamish MacDonald, Mr Kevin O'Neil, and Mr Wayne Kitching

## AGM BUSINESS

1. To receive and consider the Annual Report and Balance Sheet.
2. Election of Office Bearers. The following have been nominated.

<b>President</b>	Mr Graeme Martin
<b>Vice Presidents</b>	Mr Rex Fell, Mr Paul Humphries
<b>Treasurer</b>	M R How
<b>Members of the Committee</b> (3 to be Elected)	Mr B Hope, Mr J O'Brien and Mr J D Naylor

As nominations do not exceed the vacancies no election is required.

3. Appointment of Auditor.
4. General Business

**Matt Reid**, Chief Executive

## RACEMEETING STEWARDS – Election of Office Bearers

The following have been nominated:

Representative on the Committee of the Club: Mr M Parker  
Raceday Stewards(three to be elected) D Bridge, H MacDonald and D Leamy.  
As nominations do not exceed the vacancies no election is required

STATEMENT OF FINANCIAL POSITION  
As at 31 July 2010

	2010	2009
<b>Current Assets</b>		
BNZ Account	98	98
	<u>98</u>	<u>98</u>
<b>Investments</b>		
RACE Inc	8,502,704	8,502,704
	<u>8,502,704</u>	<u>8,502,704</u>
	<b><u>8,502,802</u></b>	<b><u>8,502,802</u></b>
<b>Accumulated Funds</b>		
	8,502,802	8,502,802
	<u>8,502,802</u>	<u>8,502,802</u>

STATEMENT OF FINANCIAL PERFORMANCE  
For the Year Ending 31 July 2010

	2010	2009
Grants	144,677	89,750
Membership Income	29,568	33,110
<b>Total Income</b>	<b><u>174,245</u></b>	<b><u>122,860</u></b>
<b>Expenditure</b>		
Transfer to RACE	174,245	122,860
<b>Total Expenditure</b>	<b><u>174,245</u></b>	<b><u>122,860</u></b>
Surplus\{(Deficit) to Statement of Movements in Equity	<u>-</u>	<u>-</u>
<b>Statement of Movements in Equity</b>	<b>2010</b>	<b>2009</b>
Accumulated Funds:		
Opening Balance	8,502,802	8,502,718
Transfers	-	84
Surplus\{(Deficit)	-	-
<b>Closing Balance</b>	<b><u>8,502,802</u></b>	<b><u>8,502,802</u></b>

## NOTES TO THE ACCOUNTS 2010

**Note 1: STATEMENT OF ACCOUNTING POLICIES****REPORTING ENTITY**

Manawatu Racing Club Incorporated is an incorporated society established under the Incorporated Societies Act 1908.

**General Accounting Principles**

The general accounting principles recognised as appropriate for the measurement and reporting of results and financial position on an historic cost basis have been consistently followed except as specifically mentioned below.

**Specific Accounting Policies**

The following specific accounting policies, which materially affect the measurement of financial performance and financial position, have been applied.

The Manawatu Racing Club Incorporated qualifies for differential reporting as it is not publicly accountable and it does not qualify as large. The Club has applied the differential reporting exemptions allowed in relation to the following standards:

FRS 31: Disclosure of Information about Financial Instruments

FRS 10: Statement of Cash flows

**Accounts Receivable**

Accounts receivable are stated at net realisable value.

**Investments**

Investments are valued at cost.

**Note 2: RACE Inc**

The Club became a partner in RACE Inc at 1 August 2002. RACE Inc has accounted for all race meetings from that date as well as any income from the investments of the Club. On 1 August 2005 the Awapuni Clubs affected the transfer of all of their assets & investments to RACE Inc.

**Note 3: Guarantor**

Manawatu Racing Club has acted as guarantor for a \$500,000 Bank of New Zealand overdraft facility provided to the Neddy Trust.

The Manawatu Racing Club has in combination with the five other member clubs of RACE Inc provided a guarantee to the Bank of New Zealand totalling \$12m to cover the borrowings of RACE Inc.

**Note 4: Changes in Accounting Policies**

There have been no significant changes in accounting policies during the period covered by these financial statements.