

Bong Bong Picnic Race Club Limited

ABN 43 002 275 658

Annual Report for the year ended 31 December 2017

Bong Bong Picnic Race Club Limited
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Chairman's Report

2017 has been a very successful year for Bong Bong Picnic Race Club Limited, particularly as approximately 5.5 thousand people attended our annual race day. Despite the fact that we were able to hold only 4 of the 6 races, one and all considered the day to be a great success. A heavy storm caused the races to be abandoned after the 4th race following a track-side inspection by the stewards of Racing NSW who control race day proceedings.

Financially, the Club is in a strong position. Six sponsors were obtained in 2017 – an excellent achievement from the Club's point of view.

The Race organisation went very well due to the efforts of Peter Hales, Heather Parkes and Maggie Stewart. I would like to thank all of the Board Members for their efforts leading up to and on Race Day, in particular a big "thankyou" to Kevin Brown and his volunteers for the way that the grounds were prepared for Race Day.

The *Big Screens* were a "first" for Race Day and they were a great success.

The history booklet "Yesterday, Today and Tomorrow" was well received by the community. Thanks must go to Alan Chittick and to those members of the Race Club who helped to produce the booklet.

I would also like to thank Suzannah Cowley for her efforts in promotion of the Club in many ways this year.

Many thanks to all the Directors for their support and help throughout 2017 - it is very much appreciated.

David J Goulder, Chairman



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Directors' Report

The directors of Bong Bong Picnic Race Club Limited submit herewith the annual report of the company for the financial year ended 31 December 2017. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Information about Directors

The names and particulars of the directors of the company during or since the end of the financial year are:

David J Goulder – Chairman

Elected as a Director on 3 July 1998 and elected as Chairman in 2014. Successful Farmer and previously operated an upholstery business. President of Bowral Show Society and associated with the Club since the 1970's. Involved in Club re-formation in 1992.

Ralph J Nixon – Treasurer

Elected 8 July 2016. Commercial Manager, Joy Global in Moss Vale and holds a Bachelor of Economics from Macquarie University, Diploma Securities Institute of Australia, Chartered Accountant – Chartered Accountants Australia & New Zealand.

Kevin T Brown

Elected 11 October 2006. Manager of local bus service before retirement. Member of RAS and accredited Judge of equine events.

Alan Chittick, B.V.Sc, MAC.VSc.

Elected 3 July 1998. Retired Equine Veterinarian. Member Australian Turf Club. Member ATC Heritage Group. Associated with Bong Bong Picnic Race Club in various roles since the 1960's.

Andrew Murdoch

Elected 11 July 2012. Experienced in livestock & equine industry and holds degrees in agriculture and business.

Simon P Parks (Vice-Chairman)

Elected 28 May 2004. Qualified electrician with successful local business. Member of the local Volunteer RFS.

John T Parkes (Vice-Chairman)

Elected 4 July 2011. John Parkes was the sole proprietor of Southern Highlands Stock Feed Manufacturing and Rural Supply Company; he is a former NSW Certified Mines Manager and General Manager of Bundanoon Sandstone and he has over 15years of experience in transport and general business management experience at TNT.

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Directors' Report (continued)

John Way

Appointed to the Board on 27 May 2017 to fill a casual vacancy. He had served previously as an Alternate Director for Rob Ritchie. John is on the committee of the Moss Vale Show Society and he is connected with the equine industry through various associations over many years.

The above named directors held office during the financial year and since the end of the financial year.

Nicholas Dyer

Elected 11 July 2012; elected Vice-Chairman 2014. Local farmer, with extensive experience in building and development. Previously a Councillor and Mayor of Leichhardt Council. Resigned effective 14 March 2017.

William R Beresford B.V.Sc.

Elected 4 July 1997. Successful local veterinarian and past Chairman of Board. Honorary Vet to Moss Vale, Robertson & Bowral Show Societies. First elected to the Board in 1984. Resigned effective 8 May 2017.

Angus B Stephen

Appointed 8 July 2016, resigned on 8 March 2017. Financial Adviser specialising in Business Succession and Risk Management. Previously worked in the building industry and allied businesses for over a decade. Member of the Marketing Sub-committee and the Clubs delegate to the South East Racing Association (SERA).

Katrina Laing

Elected 12 July 2012. Sales representative for Watty Paints and previously for Carlton United Brewery. Not re-elected at AGM on 7 April 2017.

Louise Campbell

Elected as a Director at the annual general meeting in April 2017; Bachelor of Education; Local schoolteacher; resident of the Southern Highlands for 37 years.

Chris Boggs

Appointed as a Director to fill a casual vacancy on 14 June 2017. Justice of the Peace NSW; Certificate 3 in Turf Management through TAFE. Previously 8 years with Commonwealth Bank as specialist lending Manager with accompanying internal training courses. Currently owner/operator of Total Turf Management and on the Committee of Bowral Kookaburras Seniors and Juniors Rugby League teams.

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Directors' Report (continued)

Directors' attendance at Board Meetings

During the year ended 31 December 2017, 11 board meetings of the Company were held. The following table sets out the number of meetings attended by each Director:

Director	Eligible to attend	Attended
David J Goulder	11	11
John T Parkes	11	8
Simon P Parks	11	2
<i>(Alternate: Ian D McMahon)</i>	2	2
Ralph J Nixon	11	11
Chris Boggs	7	6
Kevin T Brown	11	11
Louise Campbell	8	7
Alan Chittick	11	11
Katrina Laing	2	1
Andrew Murdoch	11	9
John Way	11	6
Nicholas Dyer	8	8
Angus B Stephen	2	2
William R Beresford	2	1

Principal activities

Bong Bong Picnic Race Club Limited (the "Club") is a company limited by guarantee that is incorporated and domiciled in Australia. The principal activity of the Club is the conduct the annual Bong Bong Picnic Race Club Race Meeting which includes the running of the Bong Bong Cup.

There was no significant change in the nature of that activity during the financial year.

Company objectives

The objectives of the company are:

1. To maintain the company's property at Kangaloon Road, Bowral as a site for the running of a picnic horse race meeting on an annual basis.
2. To use the surplus capacity of the company's property in the provision of facilities for equine activities such as Dressage and Polocrosse.
3. To provide a site for community use such as the Bowral Show.
4. To ensure that the core activities of the Club generate income sufficient to maintain and to improve the facilities at Bowral.

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Directors' Report (continued)

Registered office and principal place of business

The registered office and principal place of business is 460 Kangaloon Road, Bowral NSW 2576.

Review of operations and significant items

Revenue for the year totalled \$424,230 compared with \$384,016 in 2016, representing an increase of \$40,214 or 10.5%.

The result for the financial year was a profit of \$83,587 (2016: a profit of \$14,852).

The company is exempt from paying income tax.

Changes in the state of affairs

There have been no other significant changes in the state of the company's affairs during the financial year.

Matters subsequent to the financial year

No matters or circumstances have arisen since the end of the financial year that may significantly affect the operations of the company, the results of those operations or the state of affairs of the company, in subsequent financial years.

The annual financial year of the Company will change from January 1 through December 31 to July 1 through June 30 commencing on 1 July 2018. Also, the membership financial year will change from June 1 through May 31 to be the same as the changed annual financial year of the Company.

Likely developments

The Company will continue to meet its contractual obligations in the ensuing financial year.

Further information on likely developments in the company's operations and the expected results of operations has not been included because the directors are of the opinion that the disclosure of such information would unreasonably prejudice the company.

Environmental regulation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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Directors' Report (continued)

Dividends

The company is prohibited from paying dividends.

Signed in accordance with a resolution of the directors.

David J Goulder

Director and Chairman of the Board

A handwritten signature in black ink, appearing to read 'D. Goulder', with a long horizontal stroke extending to the right.

Bowral, New South Wales, 7 March 2018.

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Directors' Declaration

In the opinion of the directors of Bong Bong Picnic Race Club Limited ("the Company"):

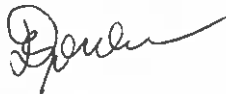
The financial statements and notes are in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2017 and of the performance for the financial year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*;
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

David J Goulder

Director and Chairman of the Board



Bowral, New South Wales, 7 March 2018.

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Financial report for the year ended 31 December 2017

Statements of profit and loss for the years ended 31 December

	Note	2017 \$	2016 \$
Operating income:			
Core operations	4(a)	384,673	336,231
Other operations	4(b)	<u>39,557</u>	<u>47,785</u>
		<u>424,230</u>	<u>384,016</u>
Expenses			
Administration	4(c)	(77,943)	(81,121)
Depreciation	4(e)	(34,898)	(35,892)
Property maintenance and rates	4(d)	(21,190)	(68,580)
Race day	4(f)	<u>(206,612)</u>	<u>(183,571)</u>
		<u>(340,643)</u>	<u>(369,164)</u>
Net profit/(loss) for the year		<u>83,587</u>	<u>14,852</u>

The accompanying notes are an integral part of the financial statements

Bong Bong Picnic Race Club Limited

Financial report for the year ended 31 December 2017

Statements of financial position as at 31 December

	Note	2017 \$	2016 \$
Assets			
Current assets:			
Cash and cash equivalents	5	226,726	136,357
Trade receivables		<u>12,320</u>	<u>18,535</u>
Total current assets		<u>239,046</u>	<u>154,892</u>
Non-current assets:			
Property, plant and equipment	6	<u>751,482</u>	<u>786,380</u>
Total non-current assets		<u>751,482</u>	<u>786,380</u>
Total assets		<u>990,528</u>	<u>941,272</u>
Liabilities			
Current liabilities:			
Trade and other payables		15,477	32,916
Current tax liability-GST		1,223	3,785
Deferred revenue	9	34,735	30,703
Equipment loan	7	0	<u>6,267</u>
Total current liabilities		<u>51,435</u>	<u>73,671</u>
Non-current liabilities:			
Commercial line of credit	8	0	592
Deferred revenue	9	<u>21,873</u>	<u>39,438</u>
Total non-current liabilities		<u>21,873</u>	<u>40,030</u>
Total liabilities		<u>73,308</u>	<u>113,701</u>
Net assets		<u>917,220</u>	<u>827,571</u>
Equity			
Capital profit reserve		125,980	125,980
General reserve		191,000	191,000
Prior period adjustments		6,062	0
Retained earnings		<u>594,178</u>	<u>510,591</u>
Total equity		<u>917,220</u>	<u>827,571</u>

The accompanying notes are an integral part of the financial statements

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Statement of cash flows for the years ended 31 December

		2017	2016
		\$	\$
	Note		
Cash flows from operating activities:			
Receipts from members and customers		472,568	423,899
Payments to suppliers		<u>(381,675)</u>	<u>(367,006)</u>
		90,893	56,893
Changes recorded in reserves		6,062	0
Interest received		<u>273</u>	<u>397</u>
Net cash flow provided by operations	5	<u>112,228</u>	<u>57,290</u>
Cash flows from investing activities:			
Proceeds from State Government Grant for property improvement		<u>0</u>	<u>15,000</u>
Cash flow from investing activities		<u>0</u>	<u>15,000</u>
Cash flows from financing activities:			
(Repayment of)/proceeds from borrowings		<u>(6,859)</u>	<u>(12,091)</u>
Net increase/(decrease) in cash held		90,369	60,199
Cash and cash equivalents brought forward		<u>136,357</u>	<u>76,158</u>
Cash and cash equivalents at balance date		<u>226,726</u>	<u>136,357</u>

The accompanying notes are an integral part of the financial statements.

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Financial report for the year ended 31 December 2017

Notes to the financial statements

1 Reporting entity

Bong Bong Picnic Race Club Limited is a not-for-profit public company limited by guarantee. The company is incorporated and domiciled in Australia and its registered office is located at 460 Kangaloon Road, Bowral, New South Wales. The company is exempt from income tax. Each Member must contribute an amount that is the greater of \$20.00 or one year's annual membership (the guarantee) to the property of the Company if the Company is wound up while the Member is a Member, or within 12 months after they stop being a Member. The total amount that would be contributed as at balance date by the 1,641 members is \$52,217.

The principal activities of the company during the financial period are described in the Directors' Report.

No significant change in the nature of these activities occurred during the period.

2 Basis of preparation

(a) Statement of compliance

The company adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-02 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to prepare Tier 2 general purpose financial statements.

The financial report is a Tier 2 general purpose financial statement which has been prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements (including Australian Interpretations) adopted by the Australian Accounting Standards Board and with the Corporations Act 2001.

The financial report of Bong Bong Picnic Race Club Limited for the year ended 31 December 2017 was issued in accordance with a resolution of the Directors on 7 March 2018.

(b) Basis of measurement

The financial statements have been prepared on an accruals basis and they are based on historical costs, except for land and financial assets at fair value through the profit and loss which have been measured at fair value.

The accounting policies have been consistently applied, unless otherwise stated. The financial report is presented in Australian dollars, unless otherwise stated. The accounts have been rounded to the nearest dollar.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the company for the reporting period ending 31 December 2017. The Directors have not yet assessed the

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Financial report for the year ended 31 December 2017

impact of these new or amended standards and interpretations on the company's financial report

3 Significant accounting policies

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at-call or short term deposits with a maturity date of three months or less. All balances are with banks or financial institutions.

(b) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised initially at fair value, and they are subsequently measured less an allowance for uncollectible amounts. The collectability of debts is assessed at the balance sheet date and specific provision is made for any doubtful accounts when required.

(c) Property, plant and equipment

Buildings, property improvements, as well as plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is valued at original cost together with a revaluation that was applied in a prior period. The Directors do not consider it be meaningful to have a policy of revaluing land or land and buildings on a regular basis.

Assets are depreciated over their estimated useful lives from the date of acquisition, using the straight line method, as follows:

Land	Not depreciated
Buildings	Over 40 years
Computer equipment	3 to 4 years
Plant and equipment	4 to 20 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Revaluations of land and buildings

Any revaluation increment is credited to the asset revaluation reserve included in equity, except to the extent that it reverses a revaluation decrement for the same asset previously recognised in the Statement of Profit and Loss, in which case, the increment is recognised there.

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Any revaluation decrement is recognised in the Statement of Profit and Loss, except to the extent that it offsets a previous revaluation increment for the same asset, in which case the decrement is debited directly to the asset revaluation reserve to the extent of the credit balance existing for that asset.

Upon disposal or de-recognition, any revaluation reserve relating to the particular assets being sold is transferred to accumulated surplus.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of profit and loss in the year the item is derecognised.

(d) Recoverable amount of assets

At each reporting date, assets are reviewed to determine whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, and where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and it is written down to its recoverable amount.

Recoverable amounts are determined for individual assets, unless the value in use cannot be estimated independently from other assets. In that case, the recoverable amount is determined for the cash-generating group of assets to which it belongs.

(e) Trade and other payables

Trade and other payables are carried at cost, and they are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the company. Due to their short term nature, they are not discounted. Trade payable amounts are unsecured and they are normally settled within normal trading terms.

(f) Revenue recognition

Revenue is recognised and it is measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Membership fees

Membership fees in advance are recognised over the period to which they relate. Membership fees received in advance are recognised in the Statement of Financial Position as deferred revenue.

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(g) Income tax

The company is exempt from income tax in Australia under Division 50 of the Income Tax Assessment Act 1997. As specified by the Australian Taxation Office (ATO), the company completes an annual self-assessment to confirm the exemption.

(h) Goods and services tax

Revenues, 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 statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows and included in receipts from members and customers or in payments to suppliers.

(i) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged on a straight line basis as expenses over the lease term. Operating lease incentives are recognised as a liability when received and subsequently released over the term of the lease to the Statement of Profit and loss.

(j) Significant accounting judgements, estimates and assumptions

The preparation of the financial report requires the making of judgements, estimates and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant estimates

The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of revision and future periods if the revision affects both current and future periods.

(k) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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	2017	2016
	\$	\$
4 Continuing operations		
(a) Revenue from core activities		
Member subscriptions	52,399	29,419
Ticket sales to members	121,214	111,827
Application fees	5,850	17,650
Donations received	0	6,000
Badge sales	0	232
Race book advertising	3,636	6,636
Race book sales	4,449	4,850
Bookmaker fees	11,200	11,200
Boot picnic parking	5,865	6,436
Marquee hire	70,200	61,409
Sponsorship	85,091	52,000
Merchandise sales	3,687	4,836
Liquor concession fee	18,182	18,182
Catering committee tent	2,255	4,018
Bus tickets	645	1,536
	<u>384,673</u>	<u>336,231</u>
(b) Other revenue		
Interest received	273	397
Sundry income	265	68
Site hire fees	39,019	47,320
	<u>39,557</u>	<u>47,785</u>

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	2017	2016
	\$	\$
4 Continuing operations (continued)		
(c) Administration expenses		
Administration	(39,992)	(35,354)
Audit	(1,860)	(1,750)
Finance Fees - Bank	(2,894)	(5,771)
Finance Fees - Interest	(18)	0
Finance Fees - Paypal	(231)	0
Finance Fees – Credit cards	(2,311)	0
Light and power	(2,050)	(2,262)
Insurance	(3,587)	(7,140)
Postage	(3,763)	(2,507)
Printing & stationery	(5,734)	(2,268)
Telecommunication	(6,381)	(7,346)
Computer services & software	(2,054)	(1,586)
ASIC fees	(331)	(997)
Honoraria	500	0
Donations	0	(5,000)
Membership badges	0	(4,781)
Non-race day sundries	<u>(7,237)</u>	<u>(4,359)</u>
	<u>(77,943)</u>	<u>(81,121)</u>
(d) Property rates and maintenance		
Rates	4,912	(14,569)
R&M - Machinery	(7,166)	(43,499)
R&M – Buildings and property	(8,484)	0
Telstra - damages	(7,273)	0
Waste removal	0	(6,500)
Fuel	<u>(3,179)</u>	<u>(4,012)</u>
	<u>(21,190)</u>	<u>(68,580)</u>
(e) Depreciation		
Buildings and property improvements	(20,411)	(20,787)
Plant & equipment	(13,995)	(14,379)
Office equipment	<u>(492)</u>	<u>(726)</u>
	<u>(34,898)</u>	<u>(35,892)</u>

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	2017	2016
	\$	\$
4 Continuing operations (continued)		
(f) Race day expenses		
Advertising	(4,676)	(2,716)
Ambulance	(3,698)	(3,834)
Casual labour	(22,230)	(15,182)
Committee tent catering	(6,572)	(7,285)
Committee tent infill	(2,226)	(2,273)
Equipment hire	(17,302)	(10,246)
Farrier	(300)	(300)
Float rebate	(345)	(218)
Jockeys travel allowance	(1,545)	(668)
NSW CRC expenses	(291)	(182)
PA System/Electrical	(4,900)	(4,100)
Prize Money	(13,735)	(33,636)
Race Books	(6,955)	(5,870)
Race Caller	(273)	(700)
Security	(26,524)	(16,565)
Merchandise	(3,055)	(2,085)
Sundries	(5,761)	(4,379)
Marquee & Tent hire	(69,716)	(62,621)
Trophies	(1,660)	(2,203)
Unplaced Starters Rebate	(727)	(545)
Video Coverage	(1,560)	(750)
Waste Removal	(8,347)	(6,163)
Photo finish	(1,500)	(1,050)
Wrist bands	(2,714)	<u>0</u>
	<u>(206,612)</u>	<u>(183,571)</u>

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	2017	2016
	\$	\$
5 Cash and cash equivalents		
Cash on hand	300	300
Cash at bank and on deposit	<u>226,426</u>	<u>136,057</u>
	<u>226,726</u>	<u>136,357</u>
Cash at bank earns interest at floating rates. Short term deposits earn rates applicable to the size and term of the deposit.		
Reconciliation of net surplus to the net cash flows provided by operating activities		
Net surplus for the year	83,587	14,852
Adjustments for:		
Items recognised in retained earnings	6,062	0
Depreciation	<u>34,898</u>	<u>35,892</u>
Net cash provided by operating activities before changes in assets and liabilities	124,547	50,744
<i>Changes in assets and liabilities during the financial year</i>		
Decrease in receivables	6,215	1,918
(Decrease) in payables	(20,001)	(8,186)
(Decrease) in deferred revenue	<u>(13,533)</u>	<u>12,814</u>
Net cash provided by operating activities	<u>97,228</u>	<u>57,290</u>

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	2017	2016
	\$	\$
6 Property, plant and equipment		
Land – freehold at valuation	<u>222,151</u>	<u>222,151</u>
Property improvements at cost	730,559	730,559
Accumulated depreciation	<u>(247,606)</u>	<u>(227,195)</u>
	<u>482,953</u>	<u>503,364</u>
Plant and equipment at cost	162,024	162,024
Accumulated depreciation	<u>(116,389)</u>	<u>(102,394)</u>
	<u>45,635</u>	<u>59,630</u>
Office furniture and equipment at cost	19,691	19,691
Accumulated depreciation	<u>(18,948)</u>	<u>(18,456)</u>
	<u>743</u>	<u>1,235</u>
Total	<u>751,482</u>	<u>786,380</u>

Land

The company owns land at 460 Kangaloon Road, Bowral consisting of 34.78 hectares (85.94 acres). The carrying value of the land is the original cost and a subsequent revaluation in a prior period. The Valuer General of New South Wales has valued the freehold value of the land excluding any structural improvements at \$1.85 million as at 1 July 2016 for rating purposes only.

7 Liabilities - equipment loan

Current	<u>0</u>	<u>6,264</u>
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The equipment loan was supplied by Kubota to finance the purchase of two mowers. The loan is secured by a chattel mortgage over the mowers and it is repayable over 3 years commencing on 1 June 2014. The loan is interest free and it was fully repaid during 2017.

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		2017	2016
		\$	\$
8	Commercial Line of Credit The company has a standby credit facility of \$200,000 secured by a mortgage over land and buildings. The facility exists to provide funds in the event of unexpected financial conditions. Interest at 1.2% is payable quarterly as a facility fee only. The facility is renewed annually and it has not been used in the year.	<u>0</u>	<u>592</u>
9	Deferred revenue		
	Current	<u>34,735</u>	<u>30,703</u>
	Non-current	<u>21,873</u>	<u>39,438</u>

During the current and the previous financial year, members were given the opportunity of paying future membership fees in advance. The amounts that relate to future periods are recognised as deferred revenue in accordance with accounting standards.

A government grant of \$15,000 was received in 2017 to assist with property renovations. As the works to which the grant relates will be completed in 2018, the grant has been recognised as a current liability in deferred revenue.



INSTITUTE OF
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Accountants & Business Advisors

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

Reviewer details

Name	Mahesh Naganathan
Business name	Highland Tax and Accounting Pty Ltd
Address	Suite 1A, 341 Bong Bong Street BOWRAL NSW 2576
Postal Address	P O Box 1705 BOWRAL NSW 2576

A Company limited by guarantee

Name	Bong Bong Picnic Race Club Limited
Australian business number (ABN)	43002257658
Address	"WYEERA" Bong Bong Racecourse, 460 Kangaloon Road BOWRAL NSW 2576
Postal Address	P.O.Box 432, Bowral. NSW 2576
Year of income being reviewed	31 December 2017

**TO THE OFFICERS AND MEMBERS
OF THE BONG BONG PICNIC RACE CLUB LIMITED**

We have reviewed the accompanying financial statements of Bong Bong Picnic Race Club Limited, which comprises the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by the management of Bong Bong Picnic Race Club Limited based on the financial reporting provisions of Sec 545(B) of the Corporations Act.

Bong Bong Picnic Race Club Management's Responsibility for the Financial Statements

The Management or those charged with governance ("management") is/are responsible for the preparation and fair presentation of these financial statements in accordance with the Australian Accounting Standards, the Corporations Act 2001 and for such internal controls management determines it is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Assurance practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with Standards on Review Engagements ASRE 2400, Review of a Financial Report Performed by an Assurance Practitioner Who is not the Auditor of the Entity. ASRE 2400 requires us to conclude whether any thing has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with the relevant ethical requirements. I am independent of the Bong Bong Picnic Race Club Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants as required. I have also fulfilled my other ethical responsibilities in accordance with the Code.

A review of the financial statements in accordance with ASRE 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

There procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

My objective is 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 a reviewer's report that includes my conclusion. My assurance is a limited assurance but is not a guarantee that the review conducted in accordance with 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 aggregate, they could reasonably be expected to influence the economic decision of the management and those charged with governance taken on the basis of this financial report.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Reviewers conclusion

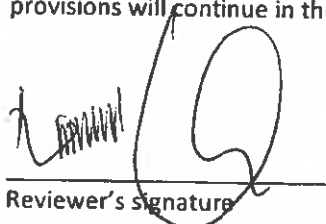
I have performed a limited assurance engagement on the Bong Bong Picnic Race Club to provide a conclusion in relation to its compliance, in all material respects with the applicable provisions of ASRE 2400, and the Australian Accounting Standards. Based on our review, there is nothing that has come to my attention that causes me to believe that the financial position of the Bong Bong Picnic Race Club, as at 31 December 2017 and of its financial performance and cash flows for the year then ended, do not present fairly, in all material respects.

Basis for my conclusion

Without modifying my conclusion, I draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Bong Bong Picnic Race Club Limited to comply with the financial reporting provisions referred therein. Our report is solely for the Bong Bong Picnic Race Club Limited and its members and should not be distributed to or used by parties other than Bong Bong Picnic Race Club Limited and its members.

Inherent limitations

Due to the inherent limitation of a review engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the required provisions may occur and not be detected. A limited assurance engagement does not provide assurance on whether compliance with the required provisions will continue in the future.



Reviewer's signature

Date: 15 | 08 | 2018