

Broome Turf Club Incorporated

ABN 11 670 116 476

FINANCIAL REPORT

For the year ended 31 August 2021

Prepared by
Male & Co Pty Ltd
C/- Male & Co Pty Ltd
PO Box 21
BROOME WA 6725

Broome Turf Club Incorporated

ABN 11 670 116 476

FINANCIAL REPORT

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Broome Turf Club Incorporated

ABN 11 670 116 476

INCOME STATEMENT

For the year ended 31 August 2021

| | Note | 2021 \$ | 2020 \$ |
|---|------|-------------------------|-------------------------|
| Sales revenue | 2 | 1,344,395 | 3,745 |
| Cost of sales | 3 | (581,321) | - |
| Gross surplus | | 763,074 | 3,745 |
| Other revenues from ordinary activities | 4 | 3,256,168 | 312,178 |
| Other income | 5 | 19 | 185 |
| Utilities & maintenance expenses | 6 | (304,013) | (89,868) |
| Administrative expenses | 7 | (98,498) | (65,170) |
| RWWA expenses | 8 | (1,424,011) | (1,207) |
| Race day expenses | 9 | (515,277) | (20,065) |
| Motor vehicle expenses | 10 | (27,481) | (12,019) |
| Other operating expenses | 11 | (173,261) | (14,599) |
| Personnel expenses | 12 | (641,438) | (270,519) |
| Depreciation expenses | 13 | (86,540) | (83,773) |
| Other expenses | 14 | (27) | (252) |
| SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES | | <u>748,714</u> | <u>(241,364)</u> |
| Retained surplus at the beginning of the financial year | | <u>2,058,644</u> | <u>2,300,008</u> |
| TOTAL AVAILABLE FOR APPROPRIATION | | <u><u>2,807,358</u></u> | <u><u>2,058,644</u></u> |

This statement should be read in conjunction with the notes to the financial statements.

Broome Turf Club Incorporated

ABN 11 670 116 476

BALANCE SHEET

As at 31 August 2021

| | Note | 2021 \$ | 2020 \$ |
|----------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash assets | 15 | 926,569 | 200,014 |
| Receivables | 16 | 151,195 | 68,726 |
| Other assets | 17 | 15,948 | 24,994 |
| TOTAL CURRENT ASSETS | | 1,093,712 | 293,735 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 18 | 2,036,910 | 1,833,656 |
| TOTAL NON-CURRENT ASSETS | | 2,036,910 | 1,833,656 |
| TOTAL ASSETS | | 3,130,622 | 2,127,391 |
| CURRENT LIABILITIES | | | |
| Payables | 19 | 277,138 | 45,150 |
| Interest bearing liabilities | 20 | - | 6,524 |
| Employee entitlements | 21 | 20,514 | 13,737 |
| Personnel-related items | 22 | 25,612 | 3,336 |
| TOTAL CURRENT LIABILITIES | | 323,264 | 68,747 |
| TOTAL LIABILITIES | | 323,264 | 68,747 |
| NET ASSETS | | 2,807,358 | 2,058,644 |
| EQUITY | | | |
| Accumulated surplus | | 2,807,358 | 2,058,644 |
| TOTAL EQUITY | | 2,807,358 | 2,058,644 |

This statement should be read in conjunction with the notes to the financial statements.

Broome Turf Club Incorporated
ABN 11 670 116 476
STATEMENT OF CHANGES IN EQUITY
As at 31 August 2021

| | Retained Earnings | Total Equity |
|---|--------------------------|-------------------------|
| | \$ | \$ |
| Balance at 1 September 2020 | 2,058,644 | 2,058,644 |
| Profit/(Loss) for the year | 748,714 | 748,714 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>748,714</u> | <u>748,714</u> |
| Balance at 31 August 2021 | <u>2,807,358</u> | <u>2,807,358</u> |
| | | |
| Balance at 1 September 2019 | 2,300,008 | 2,300,008 |
| Profit/(Loss) for the year | (241,364) | (241,364) |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>(241,364)</u> | <u>(241,364)</u> |
| Balance at 31 August 2020 | <u>2,058,644</u> | <u>2,058,644</u> |

This statement should be read in conjunction with the notes to the financial statements

Broome Turf Club Incorporated
ABN 11 670 116 476
STATEMENT OF CASH FLOWS
As at 31 August 2021

| | Note | 2021 \$ | 2020 \$ |
|---|------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Bar Receipts | | 1,940,748 | 3,745 |
| Receipts from TAB and RWWA | | 1,883,750 | 187,384 |
| Other receipts | | 751,082 | 124,569 |
| Interest received | | 19 | 185 |
| Interest paid | | (27) | (252) |
| Payments to Employees | | (673,679) | (267,240) |
| Payments to Suppliers | | (1,476,668) | (664,238) |
| Payments to RWWA | | (1,388,649) | (1,207) |
| Net Cash Provided by / (Used in) Operating Activities | 23 | 1,036,576 | (617,054) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of Non-Current Assets | | (303,473) | - |
| Net Cash Provided by / (Used in) Investing Activities | | (303,473) | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net Repayment of loans | | (6,548) | (6,548) |
| Net Cash Provided by / (Used in) Financing Activities | | (6,548) | (6,548) |
| Net increase in cash held | | 726,555 | (623,602) |
| Cash at the beginning of the year | | 200,014 | 823,616 |
| Cash at the end of the year | 15 | 926,569 | 200,014 |

This statement should be read in conjunction with the notes to the financial statements

Broome Turf Club Incorporated
ABN 11 670 116 476
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | |
|------|------|
| 2021 | 2020 |
| \$ | \$ |

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements for the Constitution and the Associations Incorporation Act (WA) 2015. The Committee has determined that the association is not a reporting entity

The financial report has been prepared in accordance with the requirements of the Australian Accounting Standards including AASB1031 Materiality, AASB110 Events after the Balance Sheet Date and AASB1041 Revaluation of Non-Current Assets.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial report.

a. Basis of Going Concern

The Committee has resolved after reviewing the financial result for the previous year, the cashflow budget for the ensuing year, and considering increased cashflow opportunities through stricter money-handling controls and reduction in variable outgoings, that Broome Turf Club Incorporated will be able to pay its debts as and when they fall due and will continue operation for the foreseeable future.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

b. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods is recognised upon satisfaction of performance obligations.

Sales revenue is recognised upon satisfaction of performance obligations.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date.

Revenue from grant funding, provided under contractual arrangements is recognised upon satisfaction of performance obligations.

c. Income Tax

The Association has an exemption from Income Tax from the Australian Taxation Office.

Broome Turf Club Incorporated
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

2021 2020
 \$ \$

d. Non-Current Assets

Non-current assets are brought to account at cost or at independent or directors' valuation. It is anticipated that a market revaluation will be undertaken every 3-5 years.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

f. Employee Entitlements

Provision has been made for annual leave liability accrued at balance date. Annual leave is expected to be settled within 12 months and has been measured at nominal value. Long service leave is accrued for employees from 7 years of service.

g. Economic Dependency

The ongoing operation of Broome Turf Club Inc. is dependent upon the continued receipt of funding from Racing and Wagering Western Australia.

h. Leasing Commitments

| | 2021 | 2020 |
|---|---------|---------|
| Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but payable minimum lease payments: | | |
| - not later than 12 months | \$9,800 | \$9,800 |
| - between 12 months and five years | \$8,000 | \$8,000 |
| - later than five years | \$6,000 | \$8,000 |

Broome Turf Club Incorporated
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | 2021 | 2020 |
|--|-----------|---------|
| | \$ | \$ |
| NOTE 2: BAR SALES REVENUE | | |
| Bar trading sales | 1,339,500 | 528 |
| Sundry income | 4,895 | 3,216 |
| | 1,344,395 | 3,745 |
| NOTE 3: COST OF BAR SALES | | |
| Purchases: | | |
| Bar trading purchases | 440,610 | - |
| Bar consumables | 33,291 | - |
| Bar wages | 107,420 | - |
| | 581,321 | - |
| NOTE 4: OTHER REVENUE | | |
| ATO Cash Flow Boost | 5,466 | 38,262 |
| Annual member subscriptions | 228,034 | 1,555 |
| Calcutta proceeds | 11,219 | - |
| Catering, tentland & hire income | 61,745 | - |
| Covid Dividend | 175,469 | - |
| GST Rebate income | 15,727 | - |
| Gaming income | 4,692 | - |
| Gate admissions incl Day memberships | 282,806 | - |
| Grants & subsidies | 28,500 | 5,909 |
| JobKeeper Income | 46,950 | 49,500 |
| Kiosk merchandise sales | 8,236 | - |
| RWWA distribution & funding | 482,964 | 130,519 |
| RWWA meeting stakes | 1,130,140 | - |
| RWWA tote income | 259,683 | 56,865 |
| Racebook sales | 22,299 | 245 |
| Rental Hire - Caterers | 6,364 | - |
| Rental Income - Caretakers | 13,000 | - |
| Sponsorship | 472,874 | 29,323 |
| | 3,256,168 | 312,178 |
| NOTE 5: OTHER INCOME | | |
| Interest received | 19 | 185 |
| NOTE 6: BUILDING & MAINTENANCE EXPENSES | | |
| Assets \$5,000 & under | 23,840 | 908 |
| Electricity | 30,544 | 5,311 |
| Freight | 1,319 | 1,334 |
| Insurance | 26,888 | 34,738 |

Broome Turf Club Incorporated
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | 2021 | 2020 |
|-----------------------------------|---------|--------|
| | \$ | \$ |
| Repairs & maintenance - buildings | 71,880 | 17,516 |
| Repairs & maintenance - grounds | 6,124 | 4,906 |
| Repairs & maintenance - office | 688 | 1,113 |
| Repairs & maintenance - track | 26,032 | 650 |
| Sponsors Expenses | 17,261 | 345 |
| Waste disposal - general | 57,683 | 3,291 |
| Water | 41,754 | 19,756 |
| | 304,013 | 89,868 |

NOTE 7: ADMINISTRATIVE EXPENSES

| | | |
|------------------------------------|--------|--------|
| Accounting fees | 5,976 | 6,893 |
| Advertising | 22,527 | 3,646 |
| Audit Fees | 9,060 | 5,764 |
| Bank charges | 80 | 3,013 |
| Bookkeeping fees | 30,735 | 13,671 |
| Computer Exp | 3,366 | - |
| Legal fees | 2,994 | 8,150 |
| Office post, stationery & software | 16,103 | 4,926 |
| Refunds Provided | - | 1,425 |
| Subscriptions | 4,141 | 10,335 |
| Telephone & website | 3,516 | 7,348 |
| | 98,498 | 65,170 |

NOTE 8: RWWA EXPENSES

| | | |
|--------------------------------------|-----------|-------|
| Club top-up stakes | 34,700 | - |
| RWWA & Other tote on course expenses | 35,462 | 1,207 |
| RWWA base & feature stakes | 1,132,640 | - |
| RWWA distribution and funding | 221,209 | - |
| | 1,424,011 | 1,207 |

NOTE 9: RACE DAY EXPENSES

| | | |
|--|---------|-------|
| Ambulance & emergency services | 11,251 | - |
| Catering | 41,495 | - |
| Food & bev for officials, trainers & jockeys | 6,697 | - |
| Members expenses | 4,541 | 8,036 |
| Merchandise purchases | 14,000 | - |
| Race Day Expenses 2019FY | - | 1,859 |
| Race day cleaning | 30,957 | - |
| Race day electrician & audio-visual techs | 41,226 | - |
| Race day entertainment | 40,064 | - |
| Race day equipment hire | 3,563 | - |
| Race day flights & accomodation | 111,046 | - |

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | 2021 | 2020 |
|-------------------------|---------|--------|
| | \$ | \$ |
| Race day gate & parking | 10,000 | - |
| Race day photographer | 8,200 | - |
| Race day printing | 48,988 | - |
| Race day security | 106,043 | - |
| Travel | - | 9,996 |
| Trophies & awards | 8,399 | 175 |
| Veterinarian costs | 28,805 | - |
| | 515,277 | 20,065 |

NOTE 10: MOTOR VEHICLE EXPENSES

| | | |
|--|--------|--------|
| Vehicle & equipment fuel | 11,350 | 4,774 |
| Vehicle & equipment registration & insurance | 5,198 | 4,236 |
| Vehicle & equipment repairs & maintenance | 10,933 | 3,009 |
| | 27,481 | 12,019 |

NOTE 11: OTHER OPERATING EXPENSES

| | | |
|---------------------------------|---------|--------|
| Bad debt | - | 4,623 |
| Borrowing costs | 6 | 114 |
| Donation | - | 500 |
| Hire of plant & equipment | 151,755 | 2,297 |
| Lease & Rental | 12,000 | 6,369 |
| Licenses, permits & memberships | 4,523 | 697 |
| Merchant fees | 4,977 | - |
| | 173,261 | 14,599 |

NOTE 12: PERSONNEL EXPENSES

| | | |
|----------------------------------|---------|---------|
| Accrued Wages & Superannuation | 8,070 | (7,723) |
| Accrued annual leave | 6,776 | 4,322 |
| Committee allowances | 700 | 2,308 |
| Consultant services | 25,000 | - |
| Staff accommodation | 31,200 | 30,000 |
| Staff amenities | 3,433 | 339 |
| Staff training and welfare | - | 280 |
| Superannuation contributions | 50,661 | 17,298 |
| Tote & other contractors | 25,650 | - |
| Wages - administration | 183,255 | 163,583 |
| Wages - operations & maintenance | 105,594 | 29,476 |
| Wages - professionals | 1,708 | - |
| Wages - race day casuals | 150,331 | 9,919 |
| Wages - totalisator | 44,959 | 750 |
| Workers compensation insurance | 4,101 | 19,967 |
| | 641,438 | 270,519 |

Broome Turf Club Incorporated
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | 2021 | 2020 |
|---|-----------|-----------|
| | \$ | \$ |
| NOTE 13: DEPRECIATION EXPENSES | | |
| Depreciation - buildings | 41,587 | 40,683 |
| Depreciation - vehicles | 1,499 | 1,499 |
| Depreciation - plant & equipment | 43,454 | 41,591 |
| | 86,540 | 83,773 |
| NOTE 14: OTHER EXPENSES | | |
| Interest | 27 | 252 |
| NOTE 15: CASH ASSETS | | |
| Westpac business account 275253 | 824,113 | 157,571 |
| Westpac reserve account 275261 | 102,456 | 42,444 |
| | 926,569 | 200,014 |
| NOTE 16: RECEIVABLES | | |
| GST Receivable | 52,567 | 7,459 |
| Sundry debtors | 15,727 | 20,020 |
| Accrued Income | 25,000 | - |
| Trade debtors | 57,901 | 38,333 |
| Contra Clearing Account | - | 2,915 |
| | 151,195 | 68,726 |
| NOTE 17: OTHER ASSETS | | |
| Borrowing Costs | - | 6 |
| Prepayments | 13,548 | 22,588 |
| Rental Bond Held | 2,400 | 2,400 |
| | 15,948 | 24,994 |
| NOTE 18: PROPERTY, PLANT AND EQUIPMENT | | |
| Building & improvements at valuation | 1,377,400 | 1,377,400 |
| Buildings & improvements at cost | 243,559 | 42,200 |
| Buildings & improvements accumulated depreciation | (122,081) | (80,494) |
| Motor vehicles at valuation | 18,000 | 18,000 |
| Motor vehicles accumulated depreciation | (4,497) | (2,998) |
| Plant and equipment at valuation | 549,450 | 549,450 |
| Plant and equipment at cost | 101,229 | 12,795 |
| Plant and equipment accumulated depreciation | (126,150) | (82,697) |
| | 2,036,910 | 1,833,656 |
| NOTE 19: PAYABLES | | |
| Trade creditors | 163,423 | 33,087 |
| Bonds held in trust | 1,000 | 1,000 |

Broome Turf Club Incorporated
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | 2021 | 2020 |
|--------------------------|---------|--------|
| | \$ | \$ |
| RWWA liability | 80,329 | - |
| Electronic clearing acct | 5,000 | - |
| Prepaid Memberships | - | 570 |
| Accrued expenses | 27,386 | 10,493 |
| | 277,138 | 45,150 |

NOTE 20: INTEREST BEARING LIABILITIES

| | | |
|------------------------------|---|-------|
| Claas Finance KG3000 (CL) | - | 6,548 |
| Less unexpired interest (CL) | - | (24) |
| | - | 6,524 |

NOTE 21: EMPLOYEE ENTITLEMENTS

| | | |
|----------------------------|--------|--------|
| Provision for annual leave | 20,514 | 13,737 |
|----------------------------|--------|--------|

NOTE 22: PERSONNEL-RELATED ITEMS

| | | |
|--------------------------|--------|-------|
| PAYG withholding payable | - | 3,336 |
| Superannuation payable | 25,612 | - |
| | 25,612 | 3,336 |

NOTE 23: CASH FLOW INFORMATION

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts

a. Reconciliation of Cash

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows :

| | | |
|--------------|---------|---------|
| Cash on hand | 926,569 | 200,014 |
|--------------|---------|---------|

Broome Turf Club Incorporated
ABN 11 670 116 476
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

| | 2021 | 2020 |
|--|-----------|-----------|
| | \$ | \$ |
| <hr/> | | |
| b. Reconciliation of CashFlow from Operations with Profit from Ordinary Activities after Income Tax | | |
| Surplus / (deficit) from ordinary activities | 748,714 | (241,364) |
| Depreciation | 86,540 | 83,773 |
| Accrued Expenses & Prepayments | (26,503) | (88,559) |
| Trade debtors and other receivables | (37,360) | 637,702 |
| Creditor and other payables | 213,585 | (971,130) |
| Other Payables | 51,600 | (37,476) |
| Cash flow from operations | 1,036,576 | (617,054) |

BROOME TURF CLUB INCORPORATED
ABN 11 670 116 476

STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee have determined that Broome Turf Club Incorporated is not a reporting entity and that this special purpose financial report should be prepared in accordance with the *Associations Incorporation Act (WA) 2015* and the accounting policies outlined in Note 1 to the Financial Statements.

In the opinion of the Committee:

1. The financial statements and notes of Broome Turf Club Incorporated satisfy the requirements of the *Associations Incorporation Act (WA) 2015*; and
2. At the date of this statement, there are reasonable grounds to believe that Broome Turf Club Incorporated will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Board by:



Michael Roe
Chairman



Mel Virgo
Vice Chairman

Dated this day of November 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROOME TURF CLUB INC.

Qualified Opinion

We have audited the financial report of Broome Turf Club Inc. (the Club) which comprises the statement of financial position as at 31 August 2021, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report gives a true and fair view of the financial position of Broome Turf Club Inc. as at 31 August 2021, and of its financial performance and its cash flows for the year then ended in accordance with the *Associations Incorporation Act (WA) 2015* and the accounting policies described in Note 1 to the financial statements.

Basis for Qualified Opinion

Cash receipts

As is common for organisations of this type, it is not practical for the Club to maintain an effective system of internal control over cash receipts. Accordingly, our audit in relation to income is limited to amounts recorded in the financial records.

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

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

Emphasis of Matter – Going Concern

We draw attention to Note 1(a) of the financial report, which outlines that the Broome Turf Club Inc. Committee has resolved after reviewing the financial result for the previous year, and the cash flow budget for 2021/22, that the Broome Turf Club Inc. will be able to pay its debts as and when they fall due, and will continue in operation for the foreseeable future.

Emphasis of Matter – Economic Dependency

We draw attention to Note 1(g) of the financial report, which outlines that the ongoing operation of Broome Turf Club Inc. is dependent upon the continued receipt of funding from Racing and Wagering Western Australia.

Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Broome Turf Club Inc. to meet the requirements of the *Associations Incorporation Act (WA) 2015*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

AMD Audit & Assurance Pty Ltd

ACN 145 719 259 t/a AMD

Liability limited by a scheme approved
under Professional Standards Legislation

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Level 1, 53 Victoria Street,

Bunbury WA 6230

PO Box 1306, Bunbury, WA 6231

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act (WA) 2015* and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management are responsible for assessing the Broome Turf Club Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intend to liquidate the Broome Turf Club Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Broome Turf Club Inc.'s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AMD Chartered Accountants



TIM PARTRIDGE
Director

28-30 Wellington Street, Bunbury, Western Australia

Dated this 1st day of November 2021

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 80 OF THE ASSOCIATIONS INCORPORATION ACT (WA) 2015
TO THE COMMITTEE OF BROOME TURF CLUB INC.**

I declare that, to the best of my knowledge and beliefs, during the year ended 31 August 2021 there have been no contraventions of:

- i) The auditor independence requirements as set out in section 80 of the *Associations Incorporation Act (WA) 2015* in relation the audit; and
- ii) Any applicable code of professional conduct in relation to the audit.

AMD Chartered Accountants



TIM PARTRIDGE
Director

Bunbury, Western Australia

Dated this 29th day of October 2021