

TRUSTEES ALBION PARK PACEWAY
CHAIRMAN'S REPORT
AND
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30 1991

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CHAIRMAN'S ADDRESS TO THE MINISTER

Dear Mr Gibbs

It is my pleasing duty as Chairman to present my first report to you which is the ninth annual report of the Trustees of the Albion Park Paceway for the year ended June 30 1991 containing financial and other statements as prescribed in Section 15 of the Racing Venues Development Act 1982-1988.

The Trustees operation at Albion Park is in a sound financial position which is evidenced by the attached documentation. It is pleasing to note that the Trust is cash positive to the tune of \$ 135,651 in these trying economic times.

The Trustees have taken the initiative in accordance with a resolution made on the 21st June 1991 to take over the Catering and Liquor Operation as from July 1 1991. I would like to place on record the Trustees sincere appreciation to P&O Catering & Services Pty Ltd for the way in which they managed this operation over the past two (2) years.

Another major initiative that will come to fruition in September/October of this year are Sunday Markets, for which we thank you and your staff for implementing the necessary authorisations in relation to their operation. This arm of our operation at the Paceway will contribute significantly towards our income generation.

The Trustees, in co-operation with both the Harness and Greyhound Racing Control Boards have conducted a feasibility study into dual utilisation of the complex for both Harness and Greyhound Racing. We are confident that if the decision to relocate the Greyhounds at Albion Park is taken, it can only benefit both industries and the complex in the long term.

The Albion Park Harness Racing Club Limited conducted some 102 race meetings during the year which is an integral part of the successful operation of the complex. The Trustees would like to place on record their appreciation to the Club for yet another co-operative year as a major tenant of the complex.

The Brisbane Polo Club have conducted several successful meetings at Albion Park on Saturdays and Sundays and are currently negotiating more meetings for the 1991/92 year.

It is pleasing to note that the highly successful Brisbane section of the Foster's Australian Gold Yearling Sales was again conducted at Albion Park in May 1991.

The Long Track Australian Open Championship will be conducted at Albion Park on Friday November 8 1991 under the auspices of Mr Ivan Mauger, O.B.E. M.B.E. nine (9) times world champion of long track bike racing. This initiative is expected to attract some 10,000 to 15,000 patrons which will introduce the complex to a broader spectrum of clientele.

It would be remiss of me not to mention all the companies who lease signs here at Albion Park, either commercially or under a rights agreement. These companies contribute significantly to the Trust income which is greatly appreciated:-

*Australian Airlines
Australian Guarantee Corporation
Brambles Tanker Division
Bundaberg Rum
Byrne Ford
Carlton & United Breweries
Cleanaway
Coca-Cola Bottlers (Brisbane) Ltd
Commonwealth Industrial Gases
Dulux Australia
F A I Insurance
Jones Lang Wootton
Minder Building Maintenance & Control Engineers
Nashua (Brisbane)
Silk's Restaurant
Streets Ice Cream Pty Limited
Trotguide*

These projects, together with the dissemination of information to the media, has stimulated a great deal of public interest in the complex.

The Trustees are ever mindful of the onerous responsibility they hold with regard to this State Government asset and to this end have ensured that the Albion Park Paceway has been maintained to the best possible standard with the resources available to them.

To you Mr Gibbs, and to the Director of Racing Dr Bob Mason and your respective staff, our sincere appreciation for your valued counsel, support and co-operation throughout the year.

In conclusion, I wish to pay tribute to the past Chairman of the Trust, Mr Carl C Robertson and his fellow Trustees Mr John Hicks and Mr Kevin Seymour, for their valued contribution to the complex over many years, as well as the recently appointed Trustees Mr Mike Pelly, Mr Walter Tutt and Mr Jeff Slowgrove for their dedication, support and input over the past nine (9) months.

Yours sincerely



*Dr Fabian R Fay BVSc MRCVS
Chairman
Trustees Albion Park Paceway
June 1991*

THE TRUST

The Trustees of the Albion Park Paceway are a statutory body established under the provisions of the Racing Venues Development Act 1982.

The principle place of business is at Amy Street Breakfast Creek.

The inaugural Trustees were appointed by an Order in Council dated the eighteenth day of October 1984, in which His Excellency the Governor in Council, acting by and with the advice of the Executive Council and in pursuance of the provisions of the Racing Venues Development Act 1982, appointed three (3) Trustees.

On the twentieth day of September 1990, His Excellency the Governor in Council, acting by and with the advice of the Executive Council and in pursuance of the provisions of the Racing Venues Development Act 1982-1988, issued a further Order in Council notifying that the number of Trustees of the Albion Park Paceway be altered by increasing the number to four (4), and by appointing the following as Trustees:

<i>Fabian Roscoe Fay</i>	<i>(Chairman)</i>
<i>Michael Francis Blake Pelly</i>	
<i>Jeffrey John Slowgrove</i>	
<i>Walter Henry Tutt</i>	

THE ROLE OF THE TRUST

The Trustees of the Albion Park Paceway, under Clause 4 of the Racing Venues Development Act 1982-1988, were appointed to be Trustees to control the land known as the Albion Park Paceway with a view to the Trustees establishing, extending or developing that land as a racing venue and for the following purposes:-

- (a) the provision of -
 - (i) horse selling facilities
 - (ii) sport and recreation
- (b) the establishment and operation of a restaurant which may include a restaurant being operated subject to the licensing provision of the Liquor Act 1912-1989.

The Trust's staff structure comprises:

The Secretary

This position is admirably held by Mr Damian J Raedler, who handles his duties with a professional and dedicated approach. Mr Raedler is responsible for the overall management of the Trust's activities in accordance with the policies laid down by the Trust.

Administrator

This position was created in late May 1991 for the purpose of managing the Catering and Liquor operation at Albion Park and to manage and co-ordinate the Sunday Markets initiative. The Trustees were fortunate in obtaining the services of Mr Michael R Cox for this position and look forward to his expertise in furthering the development of the Paceway.

Administration Manager/Accountant

Financial activities of the Trust are ably managed by Mrs Elizabeth A Fawkes, again in accordance with policies laid down by the Trustees. She is responsible for the investment of temporarily surplus funds, all accounting functions and for the day-to-day management of all other financial activities. Mrs Fawkes administers her duties in an exemplary manner.

Foreman

Mr Trevor J Jorgensen is responsible for the care and upkeep of the lands managed by the Trustees. He is required to supervise a staff of nine (9) groundsmen in the ongoing maintenance of this large complex. Mr Jorgensen is a valuable employee of the Trustees, who handles his duties in an excellent manner.

CORPORATE OBJECTIVES

The Trust seeks to carry out its role in accordance with their charter under the Racing Venues Development Act 1982-1988 through the following objectives:

1 *Harness Racing*

The Albion Park Harness Racing Club Limited will race at Albion Park on a regular basis in 1991/92 at a current rental of \$3,500 per week.

2 *Greyhound Racing*

The Trustees, in co-operation with the Greyhound Racing Control Board and the Queensland Harness Racing Board, are investigating the feasibility of Greyhound Racing at Albion Park.

3 *Sunday Markets*

The Trustees will commence Sunday Markets at Albion Park in September/October 1991 and are confident this project will net in the vicinity of \$125,000 in the 1991/92 year.

4 *Catering and Liquor Operation*

The Trustees will assume responsibility for the Catering and Liquor operation at Albion Park from July 1 1991. They are confident in the current economic climate that turnover will be in the order of \$3M.

5 *Exclusive Rights Contracts*

The Trustees hold exclusive rights contracts with Carlton United Breweries, Coca-Cola Bottlers (Brisbane) and Streets Ice Creams, which will generate some \$250,000 for the complex and Harness Racing in the 1991/92 year.

6 *Signage*

Sale of rights to signage at Albion Park will generate budgeted income of \$110,000 for the Trust in the 1991/92 year.

7 *Australian Long Track Open Championship*

Ivan Mauger, nine (9) times Speedway and Long Track world champion, will conduct the inaugural Australian Long Track Motor Cycle Championship at Albion Park on Friday night, November 8 1991. The Trust will receive a fixed rental of \$8,000 for the night and will also enjoy exclusive rights to Catering and Liquor, which should generate significant income for the Trust as the promotor is budgeting for a crowd in the order of 10,000 to 15,000 people. This event is expected to be held on an annual basis.

8 *Polo*

Albion Park has been the venue for Polo this year on a trial basis. The executive of the Brisbane Polo Club have been more than happy with the exercise. Polo at Albion Park on a long term basis is on hold until a decision is made with regard to Greyhound Racing coming to Albion Park.

The Trustees will continue to investigate business initiatives suitable to Albion Park as their commitment to multi-usage of the complex. With the predicted income available to them from these resources, the Trustees are confident that the complex will be maintained to the highest possible standard.

REVIEW OF OPERATIONS

This years activities have resulted in a net operating deficit of \$ 362,880 compared to a deficit of \$364,747 in the previous year. It should be noted that this result was achieved after charging depreciation of \$ 498,531 in accordance with generally accepted accounting principles.

The Trust is in a sound financial cash situation and an amount of \$750,000 is held in cash on the short-term money market for asset replacement when needed.

Income for the year was down by 10.16% compared to the previous year. This was due in part to a reduction in the Catering and Beverage income than had been enjoyed over the past few years. Interest earned on the short-term money market was down by some 11.51% compared to the previous twelve (12) months.

Expenses were kept well below the budgeted figures, in fact, 8.13% below the 89/90 operating expenditure, which in the current economic climate is a more than satisfactory result.

MEETINGS:

		<u>Possible To Attend</u>	<u>Attended</u>
C C Robertson	(resigned 31.07.90)	1	1
J E Hicks	(removed from office 20.09.90)	2	2
K W Seymour	(removed from office 20.09.90)	2	2
F R Fay	(appointed 20.09.90)	7	6 *
M F B Pelly	(appointed 20.09.90)	7	6 *
W H Tutt	(appointed 20.09.90)	7	7
J J Slowgrove	(appointed 20.09.90)	7	7

* (Leave of absence granted)

TRUSTEES OF THE ALBION PARK PACEWAY

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 1991

PURPOSE AND SCOPE

The Trustees of the Albion Park Paceway are constituted under the *Racing Venues Development Act 1982* to administer the complex known as the Albion Park Paceway and are a Statutory Body within the meaning given in the *Financial Administration and Audit Act 1977*.

These Statements have been prepared -

- . to provide an accounting for the custody and management of moneys and resources under the control of the Trustees; and
- . to disclose the results of operations of the Trustees during the year and to indicate the financial position of the Trustees at the end of that year.

The Statements are general purpose in nature and reflect the whole of the financial activities of the Trustees.



TRUSTEES OF THE ALBION PARK PACEWAY

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 JUNE 1991

	Notes	1991 \$	1990 \$
OPERATING INCOME			
Lease Rentals	1	729,215	854,361
Licence Fees	2	249,333	248,000
Advertising Rentals		143,690	143,096
Interest		89,445	101,074
Other		18,188	22,381
		<hr/>	<hr/>
TOTAL OPERATING INCOME		1,229,871	1,368,912
		<hr/>	<hr/>
OPERATING EXPENDITURE			
Depreciation		498,531	499,354
Repairs and Maintenance		381,858	378,228
Distribution - Licence Fees	3	240,000	270,904
Administration	4	181,677	160,044
Salaries, Wages and Associated Costs		159,389	132,040
Cleaning		82,867	87,676
Promotion and Advertising		24,787	7,913
Grant - Albion Park Harness Racing Club	5	18,750	197,500
Loss on Disposal of Non-Current Assets		4,892	..
		<hr/>	<hr/>
TOTAL OPERATING EXPENDITURE		1,592,751	1,733,659
		<hr/>	<hr/>
OPERATING DEFICIT		362,880	364,747
ACCUMULATED FUNDS 1 JULY		2,306,794	2,671,541
		<hr/>	<hr/>
ACCUMULATED FUNDS 30 JUNE		\$1,943,914	\$2,306,794
		<hr/>	<hr/>

The accompanying notes form part of these accounts



TRUSTEES OF THE ALBION PARK PACEWAY

BALANCE SHEET

AS AT 30 JUNE 1991

	Notes	1991 \$	1990 \$
CURRENT ASSETS			
Investments		743,795	637,317
Receivables	6	71,502	74,554
Cash		37,550	14,453
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		852,847	726,324
		<hr/>	<hr/>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	13,380,918	13,822,594
Intangibles	8	5,000	5,000
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		13,385,918	13,827,594
		<hr/>	<hr/>
TOTAL ASSETS		14,238,765	14,553,918
		<hr/>	<hr/>
CURRENT LIABILITIES			
Creditors and Borrowings	9	248,128	209,806
Provisions	10	19,833	10,428
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		267,961	220,234
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Borrowings	11	12,026,890	12,026,890
		<hr/>	<hr/>
TOTAL LIABILITIES		12,294,851	12,247,124
		<hr/>	<hr/>
NET ASSETS		\$1,943,914	\$2,306,794
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Accumulated Funds		\$1,943,914	\$2,306,794
		<hr/> <hr/>	<hr/> <hr/>



The accompanying notes form part of these accounts

TRUSTEES OF THE ALBION PARK PACEWAY
STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS
YEAR ENDED 30 JUNE 1991

	1991	1990
	\$	\$
SOURCES OF FUNDS		
OPERATIONS		
Inflows of Funds from Operations		
General Revenue	1,140,426	1,267,838
Interest	89,445	101,074
Proceeds from Disposal of Non-Current Assets	20	..
	<hr/>	<hr/>
	1,229,891	1,368,912
Less Outflows of Funds from Operations	1,084,835	1,233,699
	<hr/>	<hr/>
FUNDS FROM OPERATIONS (NOTE A)	145,056	135,213
REDUCTION IN ASSETS		
Current Assets		
Receivables	3,052	6,262
Non-Current Assets		
Plant and Equipment Disposals	4,912	..
INCREASE IN LIABILITIES		
Current Liabilities		
Creditors and Borrowings	38,322	57,719
	<hr/>	<hr/>
TOTAL SOURCES OF FUNDS	\$191,342	\$199,194
	=====	=====



TRUSTEES OF THE ALBION PARK PACEWAY
STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS
YEAR ENDED 30 JUNE 1991

	1991	1990
	\$	\$
APPLICATIONS OF FUNDS		
INCREASE IN ASSETS		
Current Assets		
Cash	23,097	14,253
Investments	106,478	134,696
Non-Current Assets		
Property, Plant and Equipment Acquisitions	61,767	50,245
	<hr/>	<hr/>
TOTAL APPLICATIONS OF FUNDS	\$191,342	\$199,194
	=====	=====

NOTE A

	1991	1990
	\$	\$
Reconciliation of Operating Deficit to Funds from Operations :		
Operating Deficit	362,880	364,747
Less: Depreciation	498,531	499,354
Provision for Annual Leave	4,046	606
Provision for Long Service Leave	5,359	..
	<hr/>	<hr/>
Funds from Operations	\$145,056	\$135,213
	=====	=====



TRUSTEES OF THE ALBION PARK PACEWAY

NOTES TO AND FORMING PART OF THE ACCOUNTS

YEAR ENDED 30 JUNE 1991

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATION OF ITEMS SHOWN IN THE FINANCIAL STATEMENTS

Note (a) **Basis of Preparation of the Accounts**

The accounts have been prepared on an accrual accounting basis and in accordance with the historical cost convention and do not reflect changes in either the general purchasing power of the dollar or in the value of specific assets.

Accounting policies adopted comply with the Public Finance Standards, Statements of Accounting Concepts and applicable Australian Accounting Standards.

(b) **Investments**

Investments, consisting of Bank Accepted Bills and Deposits at Call, are recorded at cost.

(c) **Non-Current Assets**

Non-Current Assets are recorded at cost and, with the exception of Track Construction and Improvements, are depreciated so as to allocate the net costs thereof over the estimated economic lives of the assets. Plant and Equipment with a value of \$200 or more is capitalised, items under this value being charged as an expense in the year of purchase.

Track Construction and Improvements are not depreciated as substantial yearly expenditure is incurred in maintaining the track to racing condition standards.

Depreciation is calculated on a straight line basis for all other recorded assets except Plant and Equipment and Computer Hardware which are depreciated under the diminishing value method.

Although the Trustees have control over the land and buildings comprising the Albion Park Paceway, title to the land is vested in the Racing Development Corporation under the provisions of the *Racing Venues Development Act 1982*. Accordingly, the land and buildings comprising the Paceway are not represented in these accounts. However, Grandstand and Site Improvements subsequently acquired are recorded in the accounts.

(d) **Employees' Entitlements**

Provision for long service leave is made in the accounts to the extent of the legal liability of the Trustees.

Provision is also made in the accounts for annual leave on the basis of the value of all such leave due but not taken at 30 June.

The Trustees also contribute to an employees' defined contribution Superannuation Plan.



TRUSTEES OF THE ALBION PARK PACEWAY

NOTES TO AND FORMING PART OF THE ACCOUNTS

Note (e) Contingent Assets/Liabilities

There were no known contingent assets/liabilities of a significant nature at 30 June 1991.

(f) Segment Reporting

The Trustees operate predominately in administering the Albion Park Paceway complex in Brisbane, Queensland.



TRUSTEES OF THE ALBION PARK PACEWAY

NOTES TO AND FORMING PART OF THE ACCOUNTS

	1991 \$	1990 \$
Note 1 Lease Rentals		
Silk's Restaurant	525,000	650,000
Albion Park Harness Racing Club	182,000	185,500
Other	22,215	18,861
	<u>729,215</u>	<u>854,361</u>
	\$729,215	\$854,361
	=====	=====
 2 Licence Fees		
Bundaberg Rum/Fosters Sponsorship -		
. Albion Park Harness Racing Club	120,000	120,000
. Sires Stakes	60,000	60,000
. Ancillary	40,000	40,000
Other	29,333	28,000
	<u>249,333</u>	<u>248,000</u>
	\$249,333	\$248,000
	=====	=====
 3 Distribution - Licence Fees		
Albion Park Harness Racing Club	140,000	140,000
Sires Stakes	60,000	60,000
Ancillary	40,000	70,904
	<u>240,000</u>	<u>270,904</u>
	\$240,000	\$270,904
	=====	=====
 4 Administration		
Rates	48,872	43,806
Insurance	36,304	44,103
Legal and other Professional Fees	31,093	14,694
Trustees Fees	16,500	13,500
Office and Operating Expenses	12,233	12,689
Telephone, Fax and Postage	11,622	8,909
Audit Fees	6,573	8,090
Security	5,090	3,000
Fringe Benefits Tax	4,761	4,316
Printing and Stationery	2,913	4,065
Electricity	774	755
Sundry Expenses	4,942	2,117
	<u>181,677</u>	<u>160,044</u>
	\$181,677	\$160,044
	=====	=====
 5 Grant - Albion Park Harness Racing Club	\$ 18,750	\$197,500
	=====	=====



This Grant was made to assist the Club to promote harness racing through the provision of increased prizemoney.

TRUSTEES OF THE ALBION PARK PACEWAY

NOTES TO AND FORMING PART OF THE ACCOUNTS

		1991 \$	1990 \$		
6	Receivables				
	Trade Debtors	65,372	68,391		
	Less Provision for Doubtful Debts	400	..		
		<u>64,972</u>	<u>68,391</u>		
	Accrued Interest	3,816	5,065		
	Prepayments	1,964	348		
	Security Deposits	750	750		
		<u>\$71,502</u>	<u>\$74,554</u>		
		=====	=====		
7	Property, Plant and Equipment				
		Cost	Accumulated	1991 Net	1990 Net
		\$	Depreciation	Book Value	Book Value
			\$	\$	\$
	Grandstand and Site				
	Improvements	12,860,974	1,606,854	11,254,120	11,568,753
	Plant and Equipment	1,446,562	854,263	592,299	629,027
	Track Construction				
	and Improvements	741,468	..	741,468	741,468
	Lighting System	646,113	161,530	484,583	516,889
	Semaphore Board	603,713	301,855	301,858	362,229
	Computer Hardware	9,037	2,447	6,590	4,228
		<u>\$16,307,867</u>	<u>\$2,926,949</u>	<u>\$13,380,918</u>	<u>\$13,822,594</u>
		=====	=====	=====	=====
				1991	1990
				\$	\$
8	Intangibles			\$5,000	\$5,000
				=====	=====
	This amount represents the cost of acquisition of the business name "Silk's Restaurant".				
9	Creditors and Borrowings (Current)				
	Creditors and Accrued Expenses			211,077	184,974
	Lease Rentals in Advance			37,050	24,833
				<u>\$248,128</u>	<u>\$209,806</u>
				=====	=====



TRUSTEES OF THE ALBION PARK PACEWAY

NOTES TO AND FORMING PART OF THE ACCOUNTS

	1991	1990
	\$	\$
10 Provisions		
Annual Leave		
Balance 1 July	10,428	9,822
Provision for Year	4,046	606
	<u> </u>	<u> </u>
Balance 30 June	\$14,474	\$10,428
	<u> </u>	<u> </u>
Long Service Leave		
Balance 1 July
Provision for Year	5,359	..
	<u> </u>	<u> </u>
Balance 30 June	\$ 5,359	..
	<u> </u>	<u> </u>
Total	\$19,833	\$10,428
	<u> </u>	<u> </u>

11 Borrowings (Non-Current)		
* Queensland Racing Finance Ltd	\$12,026,890	\$12,026,890
	<u> </u>	<u> </u>

* This loan was advanced to the Trustees for the purpose of the redevelopment of the Albion Park Paceway. The loan is interest free and repayable on demand. Current advice is that repayment will not be required in the foreseeable future.



CERTIFICATE OF TRUSTEES OF THE ALBION PARK PACEWAY

We have prepared the foregoing annual financial statements pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and certify that -

- (a) the foregoing financial statements and notes to and forming part thereof are in agreement with the accounts and records of the Trustees of the Albion Park Paceway;
- (b) in our opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the foregoing annual financial statements have been drawn up so as to present a true and fair view, on a basis consistent with that applied in the financial year last preceding, of the transactions of the Trustees for the period 1 July 1990 to 30 June 1991 and of the financial position as at the close of that year.



E.A. FAWKES
Secretary



F.R. FAY
Chairman

Date: 10.10.91



AUDIT CERTIFICATE

I have examined the accounts of the Trustees of the Albion Park Paceway as required by the *Financial Administration and Audit Act 1977* and certify as follows -

- (a) I have received all the information and explanations which I have required;
- (b) the foregoing Income and Expenditure Account, the Statement of Sources and Applications of Funds and the Balance Sheet are in agreement with those accounts; and
- (c) in my opinion, apart from the exclusion of certain land and buildings from the accounts as recorded in Note (c) -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the foregoing statements have been drawn up so as to present a true and fair view in accordance with prescribed accounting standards of the transactions of the Trustees for the period 1 July 1990 to 30 June 1991 and of the financial position as at 30 June 1991.



A handwritten signature in black ink, appearing to read "P B Nolan".

P B NOLAN
AUDITOR-GENERAL