



Max Laughton
President • Chairperson



Ronald Hutchison
Vice President • Deputy Chairperson



John Minter
Director



Max Graham
Director



Don Clough
Director



James Mason OAM
Treasurer



Scott Adams
Director



Joyce Storr
Director



Ray Hunnam
Director



Ron Payne
Director



Lorraine Pozza ACCM
CEO • Secretary/Manager



Brian Munday
Director

CLUB
Paceway
2009-2010

PATRON: Councillor Kevin Crameri, Mayor of the City of Penrith

AUDITOR: Peter J. Mannering **HONORARY SOLICITOR:** Greg Harris

NOTICE OF MEETING

The ANNUAL GENERAL MEETING of the Society will be held in the Members Room, Penrith Showground, corner Station and Ransley Streets, Penrith on Wednesday 15th September, 2010 at 8pm.

Business to be conducted at the Annual General Meeting

- 1 Apologies
- 2 Minutes of the Annual General Meeting held on 16th September, 2009
- 3 Chairman's Annual Report
- 4 Treasurers report of Income, Expenditure and Balance Sheet
- 5, Declaration of Election Results
- 6 Resolutions

ORDINARY RESOLUTION 1.

1. The members hereby approve and agree to expenditure by the Society in a sum not exceeding \$55,000 (including the application of GST) until the next Annual General Meeting of the Society for the following activities of Directors:
 - (a) The reasonable cost of a meal and beverage for each Director immediately before, during or immediately after a Race Meeting on the day of that Meeting, where that Meeting corresponds with a normal meal time;
 - (b)(i) Reasonable expenses incurred by Directors in relation to such other activities including entertainment of special guests to the Society,
 - (ii) Expenses involved in attendance at Intra-Society activities, sponsorship of sporting events deemed by the Directors to be of benefit to the Society and/or the community and other promotional activities performed by Directors.
 - (iii) Reasonable costs of Directors attending all functions and activities at the Society deemed by the Directors to be of benefit to the Society.
2. (a)(i) The reasonable cost of Directors attending Seminars, Lectures, Trade Displays, organised Study Tours, fact-finding Tours and other similar events as may be determined by the Board from time to time;
 - (ii) The reasonable cost of Directors attending other Societies or a similar type of business for the purpose of observing their facilities and methods of operation;
 - (iii) Attendance at functions with spouses where appropriate, and required, to represent the Society.
 - (iv) The provision of a blazer, 2 pair of trousers and 2 shirts or 2 skirts and 2 blouses for the use of Club Directors when representing the ClubWith the expenses from any of the aforementioned activities to be approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.
- (b) The Members acknowledge that the benefits in previous paragraphs are not available to Members generally but only to those who are Directors of the Society and those Members directly involved in the above activities.

Moved: Don Clough **Seconded:** Ron Payne

ORDINARY RESOLUTION 2.

Members hereby approve that the member elected as Chairperson to receive an honorarium in the sum of \$10,000 per annum.

Moved: Ron Payne **Seconded:** Max Graham

NOTES TO MEMBERS

The following is to be read in conjunction with the proposed resolutions:-

1. The first resolution is to have the members in General Meeting approve an amount no greater than \$55,000 for expenditure by the Society in relation to duties performed by the Society's Directors and in attending Seminars, Lectures, Trade Displays and other similar events.
2. To also visit other Society's to enable the Society's governing body to be kept abreast of current trends and developments which may have a significant bearing on the nature and way in which the Society conducts its business.
- 3 The second resolution is to provide for out of pocket expenses incurred by the Chairperson in carrying out duties in representing the Society during their tenure of Office.
- 4 Each of the resolutions must be passed as a whole and cannot be amended on motions from the floor of the Meeting or divided into two or more separate resolutions.
5. To be passed each ordinary resolution must receive votes in its favour from not less than a simple majority of those Members who, being entitled to do so, vote in person at the Meeting.

7. APPOINTMENT OF PATRON

8. DETERMINATION OF AUDITORS' FEES

9. NOTICES OF MOTION

Must be in writing and submitted 28 days prior to annual meeting; Rule 48

CHAIRMAN'S REPORT

I have great pleasure this year to be able to report to our members that the Club has turned around the loss last year into a profit of \$93,000. This is certainly pleasing under the present troubled economic times.

This figure could not be achieved without the support of our loyal members.

The renovations that were put on hold last year have now been started with stage one, our Level One Lounge complete and well accepted. Stage two the new outdoor Terrace will soon be underway.

Our Annual Show proved to be a success and I would like to thank our sponsors, volunteers and to all our exhibitors who put so much time in preparing their exhibits.

This year our Annual Show will have a new look and a new feel with the old poultry pavilion demolished and a new exhibition shed erected. This has opened up our grounds and will make for a great display on Show Day.

The removal of the old buildings has enhanced the appearance of the Paceway grounds and we hope to be able to continue to beautify the grounds over the next twelve months.

Ground Manager Rob McDougall and staff need to be commended for their effort in the upgrade of the grounds and also for their efforts throughout the year.

Our Catering Manager Janet Howell has certainly put in a big effort over the last twelve months implementing new menus for the new Level One Lounge and also introducing some super specials in our Club. Thank you to Janet and team.

I would like to say thank you to our CEO Lorraine Pozza whom I am sure has had some challenges over the last twelve months and with the change of race dates next year I am sure there will be challenges to come.

Thank you to our Club Operations Manager Brendan Kirkwood, Lisa Catterson Administration Manager and all of the Club staff thank you for your hard work and

friendly service to our patrons over the past year.

To my fellow directors thank you for your support and friendship during the year.

To all of our staff keep up the good work!

My sincere thanks to all of our Club Members thank you for your continued support and I look forward to your company in the coming year.

MAX LAUGHTON

Chairman

TREASURER'S REPORT



Although experiencing a decrease in profits from the Club trading of some \$244,000 due to a downturn in the poker machine income I am pleased to report a net income of over \$93,000 compared to a loss in the previous 12 months of \$197,000.

This profit would not have been possible with the continued support of our loyal members and supporters and the hard work and dedication of all our staff.

Continued improvements to the showground have been made in the past 12 months with the demolition of the old poultry and goat sheds. A new pavilion has now been erected next to the Print Museum.

The 2009 annual show was outstanding both financially and socially and I congratulate all involved in the important annual event.

Despite unpredictable weather on many occasions the weekly markets continue to provide the Society with valuable income.

I would like personally to thank, the Chairman, Board of Directors, C.E.O Lorraine Pozza, all the staff and members for their continued support and assistance to me especially in the past six months during my health problems.

Again the next 12 months and beyond will continue to bring many challenges to the society, namely changes

To the race days, addressing the downturn in poker machines income and the general uncertainty of our economy.

However I am confident that with the continued support of our members, supporters and staff we will be able to ably address these challengers.

JAMES S. MASON OAM
Treasurer

ANNUAL RACE MEETING STATISTICS FOR THE YEAR ENDED 30 JUNE 2010

Year	No. of Mtgs.	Average Attendance	Average On Course Tote	Average Off Course Tote	Average Bookmaker Turnover	Leading Drivers	Leading Trainers
80-81	23	2591	70063	190142	306891	C J Caffyn	
81-82	21	2471	78281	216494	328136	K Newman	
82-83	23	2270	80939	222341	290017	O W Glendenning	
83-84	24	2070	70971	189240	250072	B Forrester	
84-85	24	2125	87552	233721	312412	D Lee	
85-86	26	2009	101452	228963	326103	C Gleeson	
86-87	28	1838	99314	219955	314162	C J Caffyn	
87-88	29	1800	85016	221985	286877	D Aitken R Adams/D Williams	
88-89	27	1705	101246	223911	314952	R Adams	
89-90	28	1528	104136	223035	299677	A Turnbull A S Turnbull	
90-91	29	1521	79747	190242	242995	R W Adams	T J Clyburn
91-92	28	1458	79946	205508	191528	S M Adams	A S Turnbull
92-93	28	1410	101438	213165	176014	A J Lewis	D Royle
93-94	31	1388	100134	286451	155291	A D Turnbull	A S Turnbull A D Turnbull
94-95	31	1277	93474	276630	135656	A S Turnbull	A S Turnbull
95-96	29	1269	95485	266235	120690	I Thorn	I Thorn
96-97	28	1251	109191	374170	94534	A J Lewis	I McIntyre
97-98	29	1155	86023	306575	72815	A S Turnbull	A S Turnbull
98-99	29	1000	81760	382751	93174	R Byrnes	P Lasnick
99-2000	29	Comp.Entry	75225	329966	27782	A S Turnbull	A S Turnbull
2000-01	30	Comp.Entry	Note 1		39630	G Bennett	A S Turnbull
2001-02	30	Comp.Entry	Note 1		27687	G Bennett	D Baxter Snr
2002-03	31	Comp.Entry	Note 1		26473	G Bennett	A S Turnbull
2003-04	30	Comp.Entry	Note 1		64911	G Fitzpatrick	P Fitzpatrick
2004-05	49	Comp.Entry	Note 1		34159	G Bennett	P Fitzpatrick
2005-06	50	Comp.Entry	Note 1		21208	G Bennett	P Fitzpatrick
2006-07	48	Comp.Entry	Note 1		18256	G Bennett	P Fitzpatrick
2007-08	27	Comp.Entry	Note 1		14923	B Fitzpatrick	P Fitzpatrick
2008-09	49	Comp.Entry	Note 1		13453	C Fitzpatrick	P Fitzpatrick
2009-10	49	Comp.Entry	Note 1		12810	G Bennett	P Fitzpatrick

Note 1: Owing to confidential agreements signed with the TAB, we are unable to provide these figures.

FEATURE RACE WINNERS IN 2009-2010 SEASON

PRIZE	DISTANCE	RACE	HORSE	DRIVER	MILE RATE
\$15,000	2525M	Chippys Food Dist Cup	Royal Surprise	S Turnbull	2.01.2
\$50,000	2525M	Schweppes Renshaw Cup	Western Cam	N. Rasmussen	1.59.7
\$15,000	2095M	Barrier One Media PJ Hall Memorial	Appeal A Lot	J. Pengilly	1.59.9
\$8,000	2525M	Presidents Cup	Jacka Singh NZ	J. Ponsonby	1.58.6
NSW SIRES STAKES					
\$10,000	1720	2YO Fillies	Sounds So Good	D. Picker	2.02.9
\$10,000	1720	2YO Colts	Wotattitude	J. Brown	2.00.6



CHIEF EXECUTIVE OFFICER'S REPORT

I am very happy this year to be able to report a profit of \$93,000 this is a good turn around from the \$197,000.00 loss last year.

The Paceway has weathered a few storms in the last two years and even with the with the downturn in the economy and interest rates etc we have continued to climb up.

Our newly renovated Level One Lounge have proved very popular especially in the cold weather with our loyal racing fans.

A big thank you to our Catering Manager Janet Howell and her team who continue to excel and have produced an excellent menu in our new Level One Lounge on racenight, this being an all you can eat Buffet for \$18.00 and has proved to be a great success.

New renovations will soon be starting on our outdoor gaming terrace this I am sure will open up the Club and allow people to take full advantage of our lovely Paceway grounds.

Our picturesque grounds would not look that way if not for our Grounds Manager Rob McDougall and team.

Our Club Managers continue to look after our Patrons, thank you to Brendan Kirkwood Operations Manager and Lisa Catterson our Administration Manager and all the Club staff.

The next big challenge that we have is the change that has been implemented for the race dates by Harness Racing NSW for The Paceway, as in the past we have run every Thursday night, starting from January 2011 for a six months trial period to end of June 2011 our Harness Racing will alternate between Wednesday and Thursday night. However, I am sure that with our loyal patrons and racing fans we will be able to still achieve a good outcome.

Thank you to our loyal racing sponsors for your continued support.

Also to the President Max Laughton and Directors I would like to express my appreciation for the support and time that you continue to give to myself and the Paceway in general,

helping to run the Club, Horse Trials, Annual Shows, Harness Racing and too many more to mention, your efforts are priceless.

To my support team Cindy, Tash, Constance, Gracie and all staff in general thank you all for working so well together as a team.

I have left the most important to last to our loyal members thank you for supporting your Club and I look forward to you all enjoying our new renovations especially our new terrace which should be finished in time for the festive season.

LORRAINE POZZA ACCM
Chief Executive Officer



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Statement of Significant Accounting Policies

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board.

It has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies are consistent with those of the previous year.

(b) Revenue Recognition - Note 2

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority.

Sale of Goods: Revenue from sales of goods and services comprises revenue earned from the provision of food, beverage and other goods is recognised (net of rebates, returns, discounts and other allowances) when control of the goods and services passes to the customer.

Rendering of Services: Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised when the services are provided.

Interest Revenue: Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Sale of Property, Plant and Equipment: The gross proceeds of property, plant and equipment sales are recognised as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs)

Contribution of Assets: Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the company gains control of the contribution.

(c) 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 Taxation Office.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

(d) Borrowing Costs

Borrowing costs include interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

(e) Income Tax – Note 5

Methods adopted reflect current government policy.

(f) Acquisition of Assets

All assets acquired including property, plant and equipment and intangibles other than goodwill are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided.

Expenditure is only recognised as an asset when the company controls future economic benefits as a result of the costs incurred that are probable and can be measured reliably.

Subsequent Additional Costs: Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the company in future years.

(g) Cash Assets

Cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

(h) Receivables – Note 6

Trade debtors and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

(i) Inventories – Note 8

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the first-in first-out/weighted average basis.

(j) Leased Assets

Leases under which the company assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Finance Leases - Note 13: A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

Operating Leases: Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

(k) Goodwill

Goodwill represents the excess of the purchase consideration plus incidental costs over the fair value of the identifiable net assets acquired.

(l) Recoverable Amount of Non-Current Assets Valued on Cost Basis

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at reporting date.

In assessing recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value.

(m) Revaluations of Non-Current Assets (if fair value used for any class of assets)

Potential capital gains tax is only taken into account if the asset is held for sale.

(n) Depreciation and Amortisation

Complex Assets: The components of major assets that have materially different useful lives, are effectively accounted for as separate assets, and are separately depreciated.

Useful Lives: All non-current assets; including intangibles, have limited useful lives and are depreciated/amortised using the straight line method over their estimated useful lives.

Assets are depreciated or amortised from the date of acquisition.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

The depreciation/amortisation rates or useful lives used for each class of asset are as follows:

Property, plant and equipment	2010	2009
Buildings	1%	1%
Leasehold improvements	1%	1%
Plant and equipment	5%	5%
Leased plant and equipment	5%	5%
Vehicles and Equipment	12.5%	12.5%
<u>Intangibles</u>		
Goodwill	N/A	N/A

(o) Payables - Note 12

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days.

(p) Interest-Bearing Liabilities – Note 13

Bank loans are recognised at their principal amount, subject to set-off arrangements.

(q) Employee Benefits – Note 14

Wages, Salaries, Annual Leave Sick Leave and Non-Monetary Benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave expected to be settled within 12 months of the year-end represent present obligations resulting from employees' services provided to reporting date.

Long Service Leave: The provision for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history.

Superannuation Plan: The company contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are made.

(r) Directors Remuneration

The number of directors of the company whose income from the company or any related party falls within the following bands:

	2010	2009
\$10,000 - \$19,999	1	1
Total income paid or payable, or otherwise available, to all directors of the company from the company or any related party	\$10,000	\$10,000

(s) Related Parties

No director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year end.

Loans to Directors: There are no Loans to Directors

Directors' Transactions with the Company: From time to time directors of the company may purchase goods from the company or participate in other Club activities. These purchases and participations are on the same terms and conditions as those entered into by any other member of the Club.

(t) Company Details

The Club is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$1 per member in the event of the winding up of the Society

The registered office of the company is:

140-147 Station Street Penrith NSW 2750

(u) Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company or the results of those operations.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2010**

2009		2010
\$2,494,825	Revenue from Sale of Goods	\$2,368,270
\$6,191,984	Revenue from Rendering of Services	\$5,522,199
\$2,753,199	Other Revenue from Ordinary Activities	\$3,181,152
\$11,440,008	TOTAL REVENUES	\$11,071,621
\$4,716,091	Raw materials and consumables used	\$4,234,819
\$1,981,514	Employee Benefits	\$1,961,180
\$459,072	Entertainment, Marketing and Promotional Costs	\$427,384
\$510,831	Poker Machine Licences & Taxes	\$410,111
\$195,961	Occupancy Expenses	\$226,760
\$3,487,115	Other expenses from ordinary activities	\$3,434,581
\$11,350,585	TOTAL EXPENSES	\$10,694,836
\$89,423	Earnings before depreciation and amortisation expenses, borrowing expenses and Grants paid	\$376,785
\$195,434	Depreciation and amortisation expenses	\$211,521
\$79,148	Borrowing Cost	\$54,603
\$12,000	Grants paid	\$17,000
\$286,582	Total depreciation, amortisation, borrowing expenses and Grants paid	\$283,124
\$(197,159)	Net Revenue from Ordinary Activities before Income Tax	\$93,660
NIL	Income Tax Expense relating to ordinary activities	NIL
\$(197,159)	Net Revenue from Ordinary Activities after Income Tax	\$93,660

The Statement of Financial Performance is to be read in conjunction with the Notes to the Financial Statements

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2010**

2009		2010
	<i>CURRENT ASSETS</i>	
\$45,951	Cash Assets	\$45,191
\$97,759	Receivables	\$75,813
\$48,604	Other	\$49,104
\$192,314	Total Current Assets	\$170,108
	<i>NON-CURRENT ASSETS</i>	
\$7,257,852	Property, Plant and Equipment	\$7,226,328
\$1,385	Intangible Assets	\$1,385
\$7,259,237	Total Non-Current Assets	\$7,227,713
\$7,451,551	TOTAL ASSETS	\$7,397,820
	<i>CURRENT LIABILITIES</i>	
\$348,882	Payables	\$248,984
\$1,177,387	Interest-Bearing Liabilities	\$1,105,819
\$41,411	Current Tax Liabilities	\$34,221
\$205,831	Provisions	\$237,096
\$1,773,512	Total Current Liabilities	\$1,626,121
	<i>NON-CURRENT LIABILITIES</i>	
\$2,790,598	Racecourse Development Fund	\$2,790,598
\$4,564,110	TOTAL LIABILITIES	\$4,416,719
\$2,887,441	Net Assets	\$2,981,102
	<i>MEMBERS' FUNDS</i>	
\$3,084,600	Retained Profits	\$2,887,441
\$(197,159)	Accumulated surplus (deficit)	\$93,660
\$2,887,441	TOTAL MEMBERS FUNDS	\$2,981,102

*The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation report.*

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

2009		2010
	<i>CASH FLOW FROM OPERATING ACTIVITIES</i>	
\$11,440,008	Receipts from customers	\$11,071,62
\$(11,416,858)	Payments to Suppliers and employees	\$(10,962,788)
\$23,150	Net cash provided by (used in) operating activities (note 2)	\$108,833.24
	<i>CASH FLOW FROM INVESTING ACTIVITIES</i>	
\$(264,193)	Payments for property, plant and equipment	\$(179,997)
\$(264,193)	Net cash provided by (used in) investing activities	\$(179,997)
	<i>CASH FLOW FROM FINANCING ACTIVITIES</i>	
\$444,788	Repayment of borrowings	\$313,525
\$444,788	Net cash provided by (used in) financing activities	\$313,525
\$(256,583)	Net increase (decrease) in cash held	\$242,362
\$(290,028)	Cash at the beginning of the year	\$(546,611)
\$(546,611)	Cash at the end of the year (note 1)	\$(304,250)

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

\$41	Cash At Bank	\$91
\$(598,162)	Cheque Account	\$(355,041)
\$910	Cash on hand	\$910
\$42,762	Change On Hand	\$42,912
\$620	Change On Hand - Market	\$620
\$1,618	EFTPOS	\$658
\$5,600	Security Deposit TAB Club	\$5,600
\$(546,611)		\$(304,250)

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

\$(197,159)	Operating profit (loss) after tax	\$93,660
\$195,434	Depreciation	\$211,521
	Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:	
\$(1,295)	(Increase) decrease in trade and term debtors	\$20,054
\$(8,993)	(Increase) decrease in raw materials	\$(500)
\$291,688	Increase (decrease) in trade creditors and accruals	\$(99,898)
\$18,963	Increase (decrease) in employee entitlements	\$27,997
\$(275,488)	Increase (decrease) in sundry provisions	\$(144,001)
\$23,150	Net cash provided by operating activities	\$108,833

*The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation report.*

**AUDITORS REPORT TO MEMBERS OF PENRITH DISTRICT AGRICULTURAL
HORTICULTURAL AND INDUSTRIAL SOCIETY LIMITED**

IN MY OPINION, THE ACCOMPANYING ACCOUNTS WHICH HAVE BEEN PREPARED UNDER THE HISTORICAL COST CONVENTION STATED IN NOTE 1[A], ARE PROPERLY DRAWN UP SO AS TO GIVE A FAIR AND TRUE VIEW OF THE RESULT OF THE PENRITH DISTRICT AGRICULTURAL HORTICULTURAL AND INDUSTRIAL SOCIETY LIMITED [AN INCORPORATED PUBLIC COMPANY LIMITED BY GUARANTEE] FOR THE YEAR ENDED 30 JUNE 2010 AND THE STATE OF ITS AFFAIRS AT THAT DATE

SIGNED and DATED: 20th July 2010

Ken Neyle: Registered Company Auditor No. 2908 per PETER J MANNERING

THE REPORTING PERIOD FOR CLUB PACEWAY is 30/06/2010

1 IMPORTANT NOTES

1.1 The Registered Clubs Act 1976 defines a TOP EXECUTIVE as being one of the five highest paid employees of the club at each separate premises of the club.

2 DISCLOSURE OF INTERESTS OF DIRECTORS IN CONTRACTS WITH THE CLUB - SECTION 41C

2.1 Club members may inspect the original of these disclosures and declarations by making a written application to the Secretary.

2.2 The Registered Clubs Act 1976 requires DIRECTORS who have a material personal interest in matters that relate to the affairs of the club to declare the interest at a board meeting AND the club to display the declaration on the club's notice board.

2.3 A contract is any commercial arrangement whether written or not.

2.4 In the reporting period there were no occasions when DIRECTORS reported a material personal interest in a matter relating to the club's affairs.

3 FINANCIAL INTERESTS IN HOTELS - SECTION 41D

3.1 Club members may inspect the original of these disclosures and declarations by making a written application to the Secretary.

3.2 In the reporting period there were no occasions when DIRECTORS reported a financial interest in a hotel in NSW.

3.3 In the reporting period there were no occasions when TOP EXECUTIVES reported a financial interest in a hotel in NSW.

4 GIFTS TO DIRECTORS AND STAFF - SECTION 41E AND SECTION 41F

4.1 Club members may inspect the original of these disclosures and declarations by making a written application to the Secretary.

4.2 An affiliated body of the club includes subsidiary clubs, and any body which the club made a grant to within the previous 12 months.

4.3 A gift includes money, hospitality, or discounts.

4.4 A gift valued at more than \$500 must be disclosed; gifts from CONTRACTORS must be disclosed if they total more than \$500 from an individual contractor in the reporting period.

4.5 Directors

4.5.1 In the reporting period there were no occasions when DIRECTORS of the club reported receiving gifts from AFFILIATED BODIES.

4.5.2 In the reporting period there were no occasions when DIRECTORS of the club reported receiving gifts from CONTRACTORS.

4.6 Top Executives and Employees

4.6.1 In the reporting period there were no occasions when TOP EXECUTIVES of the club reported receiving gifts from AFFILIATED BODIES.

4.6.2 In the reporting period there were no occasions when EMPLOYEES of the club reported receiving gifts from CONTRACTORS.

4.7 Value of Gifts

4.7.1 The total value of all gifts that DIRECTORS and TOP EXECUTIVES received from AFFILIATED BODIES in the reporting period is nil.

4.7.2 The total value of all gifts that DIRECTORS and EMPLOYEES received from CONTRACTORS in the reporting period is nil.

5 TOP EXECUTIVES - S.41H (1)(b)

5.1 The number of club TOP EXECUTIVES whose total remuneration for the reporting period falls within each successive \$10,000 band commencing at \$100,000 is nil.

5.2 NIL

6 OVERSEAS TRAVEL - S.41H (1)(c)

6.1 In the reporting period the club incurred the following costs for the overseas travel of DIRECTORS and EMPLOYEES:

6.2 \$2,000

7 LOANS TO STAFF - S.41H (1)(d)

7.1 The Registered Clubs Act 1976 requires the club to report loans to EMPLOYEES of \$1,000 or more.

7.2 In the reporting period, the club made the following loans to EMPLOYEES:

7.3 NIL

8 CONTRACTS APPROVED BY BOARD - S.41H (1)(e)

8.1 During the reporting period the Board approved 5 contracts relating to the remuneration of the club's TOP EXECUTIVES.

8.2 The Registered Clubs Act 1976 defines a Controlled Contract as being a club contract:

8.2.1 in which a DIRECTOR or TOP EXECUTIVE has a pecuniary interest, or

8.2.2 for provision of professional advice relating to the following,

a) significant change to management structure or governance of the club; b) significant change to the financial management of the club;

c) disposal of land; and d.) the amalgamation of the club.

8.3 During the reporting period controlled no contracts were approved by the Board and forwarded to the Director of Liquor and Gaming of which:

8.3.1 no such contracts related to contracts in which a DIRECTOR or TOP EXECUTIVE has a pecuniary interest.

8.3.2 no such contracts related to the provision of professional advice. These contracts fall into the following advice categories:

8.3.3 there was no significant change to the management structure or governance of the club.

8.3.4 there were no significant changes to the financial management of the club.

8.3.5 there was no disposal of club land.

8.3.6 there was no amalgamation of the club.

9 EMPLOYEES RELATED TO DIRECTORS AND TOP EXECUTIVES- S.41H (1)(f)

9.1 A CLOSE RELATIVE is defined in section 41B of the Registered Clubs Act 1976 and includes the immediate family.

9.2 In the reporting period, the club employed the following persons who were a close relative of a DIRECTOR or TOP EXECUTIVE of the club.

9.3 NIL

10 PAYMENTS TO CONSULTANTS - S.41H(1)(g) and (h)

10.1 During the reporting period there were no instances where the club engaged a consultant.

10.2 The total costs paid by the club to consultants in the reporting period was nil.

10.3 Which included the following instances when consultants were paid \$30,000 or more.

10.4 NIL

11 DETAILS OF SETTLEMENTS PAID BY THE CLUB - S.41H (1)(i)

11.1 In the reporting period the club made no legal settlements with either a director or club employee. Being

11.1.1 nil with a director of the club.

11.1.2 nil with a club employee.

11.2 The total value of all legal settlements was nil.

11.3 The total legal costs paid by the club for such settlements was nil.

12 LEGAL FEES PAID BY THE CLUB - S.41H (1)(j)

12.1 In the reporting period, there were no instances when the club paid legal fees for DIRECTORS and EMPLOYEES. This included:

12.1.1 no instances for DIRECTORS and

12.1.2 no instances for EMPLOYEES

12.2 In the reporting period the club paid a total of nil being for legal fees paid for DIRECTORS and EMPLOYEES.

13 GAMING MACHINE PROFIT - S.41H (1)(k)

13.1 Gaming machine profit and the gaming machine tax period are defined in the Gaming Machine Tax Act 2001.

13.2 In the most recent gaming machine tax period, the total profit from gaming machines was \$2,102,546

14 AMOUNT PAID TO COMMUNITY DEVELOPMENT - S.41H (1)(l)

14.1 Clubs earning in excess of \$1,000,000 p.a. in gaming machine profit can apply part of such profit to community development and support.

14.2 In the reporting period the Club applied \$17,000 to community development and support.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2010

Your directors present their report together with the financial report of Club Paceway (the company) for the year ended 30 June 2010 and the auditor's report thereon.

DIRECTORS

The directors of the company in office at any time during or since the end of the financial year are:

Name	Age	Qualifications, experience, special responsibilities and period of directorship
M L Laughton	81	Retired Chief of Police Chairperson 23 years Directorship - 44 years
R Hutchison	81	Retired Directorship - 26 Years
J Mason	68	Retired Treasurer 25 years Directorship - 29 years
R Payne	79	Retired Directorship - 41 years
M Graham	77	Retired Directorship - 23 Years
D Clough	84	Retired Directorship - 17 Years
J Storr	64	Company Directorship Directorship - 14 Years
J Miniter	70	Emeritus Surveyor Directorship - 21 Years
S Adams	46	Company Director Directorship - 11 Years
B Munday	62	Company Director Directorship - 7 Years
R Hunnam	60	Retired Sergeant of Police Directorship - 4 Years

DIRECTORS' MEETINGS

The number of directors' meetings including meetings of committees of directors and number of meetings attended by each of the directors of the company during the financial year are:

Director	BOARD MEETINGS		OTHER MEETINGS	
	No. of mtgs attended	No. of mtgs held*	No. of mtgs attended	No. of mtgs held*
M L Laughton	12	12	3	3
R Hutchison	11	12	2	3
J Mason	8	12	3	3
D Clough	12	12	2	3
R Payne	11	12	3	3
J Minitier	12	12	3	3
M Graham	9	12	2	3
J Storr	10	12	3	3
S Adams	10	12	3	3
B Munday	11	12	3	3
R Hunnam	10	12	1	3

*Number of meetings held during the time the director held office during the year.

MEMBERSHIP

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2010 and the comparison with last year is as follows:

	2009	2010
Ordinary	4543	4425
Associate Life	134	135
Hon Life	44	42
	4721	4602

OPERATING RESULT

The net profit from ordinary activities before tax for the year amounted to \$93,660 compared with \$197,158 loss for the prior year. This resulted after charging \$211,521 (2009: \$195,433) for depreciation.

REVIEW OF OPERATIONS

A review of the operations of the company during the financial year and the results of these operations are as follows:

Significant Changes in the State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year:

PRINCIPAL ACTIVITIES

Penrith District A H & I Society Ltd trading as Club Paceway is registered under the rules of the Harness Racing New South Wales and licensed to run Harness Meetings.

The principal activity of the Society during the year has continued to be that of a licensed social club.

There have been no significant changes in the nature of these activities during the year

EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Likely and Future Developments and Expected Results

The directors do not anticipate any particular developments in the operations of the company, which will affect the results in subsequent years.

ENVIRONMENTAL REGULATION

The company's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

DIVIDENDS

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2009: \$nil).

INDEMNIFICATION OF OFFICERS AND AUDITORS

The company has obtained insurance for the cost of defending legal proceedings in respect of: All Directors and Chief Executive Officer to indemnify those persons for liability in the performance of actions and duties in relation to Penrith District AH&I Society Incorporated. The Policy is underwritten by Lloyds of London and the annual premium is \$7793.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purposes of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

CLUB PACEWAY - PRIVACY POLICY

This Club is subject to the provisions of the Privacy Act 1988 and is committed to safeguarding personal information provided by Members, Visitors and Staff.

We will not disclose your personal information unless there is a threat to life, health or safety.

Your personal information may, with your permission, be used by the Club for marketing purposes.

You also have the right to access the personal information we hold about you.

For further information please contact Club Administration

DIRECTORS' DECLARATION

In the opinion of the directors of Club Paceway (the company):

(a) the financial statements and notes, set out on pages 10 to 19, are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(ii) give a true and fair view of the financial position of the company as at 30 June 2010 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and

(b) at the date of this declaration 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 dated at Penrith this 10th day of July 2010.

Chairman: Maxwell L Laughton

Treasurer: James Mason OAM

PENRITH DISTRICT AGRICULTURAL, HORTICULTURAL AND INDUSTRIAL SOCIETY LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2010

1. ACCOUNTING METHODS:

[A] THE ACCOMPANYING FINANCIAL STATEMENTS HAVE BEEN PREPARED IN ACCORDANCE WITH CONVENTIONAL HISTORICAL COST PRINCIPLES AND HAVE NOT BEEN ADJUSTED TO RECORD EITHER CHANGES IN THE GENERAL PURCHASING POWER OF THE DOLLAR OR CHANGES IN THE PRICES OF SPECIFIC ASSETS.

[B] DEPRECIATION OF FIXED ASSETS IS CALCULATED ON A STRAIGHT LINE BASIS USING RATES CONSISTENT WITH PREVIOUS PERIODS DESIGNED TO WRITE THE ASSETS OFF OVER THEIR USEFUL LIFE

[C] LONG SERVICE LEAVE PROVIDED FOR ALL EMPLOYEES AFTER 5 YEARS OF SERVICE

2. TAB DISTRIBUTION RECEIVABLE: THIS AMOUNT IS THE BALANCE OF THE JUNE DISTRIBUTION RECEIVABLE IN JULY 2010

3. BANK LOAN: THIS LOAN WAS ESTABLISHED FOR CLUB PACEWAY

4. RACECOURSE DEVELOPMENT FUND INTERIM LOAN:

THESE LOANS WERE GRANTED BY THE RACECOURSE DEVELOPMENT COMMITTEE FREE OF INTEREST UNDER THE FOLLOWING CONDITIONS:- THIS LOAN WOULD NOT BE SUBJECT TO CALL UNLESS:-

1. THE SOCIETY CARRIED OUT ITS RACING ACTIVITIES IN SUCH A MANNER AS TO JEOPARDISE ITS FINANCIAL STABILITY; AND/OR

2. DISPOSED OF THE FREEHOLD PROPERTY ON WHICH THE IMPROVEMENTS ARE LOCATED

PENRITH HRC

HORSE and LOCAL TRAINER OF THE YEAR



Penrith HRC Local Trainer of the Year

Winner: Ross Adams

*Presented by Max Laughton
President, Penrith HRC*

Penrith HRC Horse of the Year

Won by: Serene Flight

*Owners: Graham Underhill, Debbie Underhill,
Scott Adams and Sue Adams*

*Presented by Ron Hutchison
Vice President, Penrith HRC*



PANTHERS TRAINER-DRIVER PREMIERSHIP



Panthers Premiership Trainer of the Year

Won by: Paul Fitzpatrick

*Presented by Michael Leary
Panthers RLC CEO, Max Laughton
President, Penrith HRC
and CEO Lorraine Pozza ACCM*

Panthers Premiership Driver of the Year

Won by: Greg Bennett

*Presented by Don Feltis
Chairman, Panthers RLC
and CEO Lorraine Pozza ACCM*



PACEWAY'S CUP WINNERS 2009-2010



SCHWEPPES RENSHAW CUP
 Winner: *Western Cam*
 Owners: *C M Rassmussen, J C Jeffrey*
 Trainer: *Natalie Rassmussen (Tamborine)*
 Driver: *Natalie Rassmussen*



PFD CHIPPYS CUP
 Winner: *Royal Surprise*
 Owner: *J D Polson*
 Trainer: *Steve Turnbull (The Lagoon)*
 Driver: *Steve Turnbull*



MAYOR'S CUP
 Winner: *Don Franco*
 Owner: *Tony Licastro*
 Trainer: *Mark Rolfe*
 Driver: *Greg Bennett*



SINCLAIR CUP
 Winner: *Anvil Blueboo NZ*
 Owners: *R J Heffernan, H C Schryver*
 Trainer: *Peter Russo*
 Driver: *Ashlee Siejka*



BARRIER ON MEDIA PJ HALL CUP
 Winner: *Appeal A Lot*
 Owner: *Solid Earth P/L*
 Manager: *K Seymour*
 Trainer: *Richard Baverstock*
 Driver: *Joel Pengilly*





OBITUARY

We record with profound sorrow the passing of the following Members during the year.

Their companionship will be sadly missed and the sympathy of the Board of Directors and all the Members is conveyed to the relatives and friends of our late Members.

- Jenny Morrison
- Kenneth Deacon
- Melvin Pearson
- Ronald Pearson
- Peter Dawson
- Pamela Harris
- Ron Austin
- Ryan Dwyer
- Dorothy Cooke
- James Monroe
- Eunice Milsom
- Beryl Adams
- Rodney Walsh
- Keith Cattermole
- Frederick Hinton
- Leo Campbell
- Kevin Houseman
- Betty Miles



**Toasted BLT Sandwich •
Chicken Caesar Salad •
Paceway Beef Burger •
Fish of the Day •**



Café 140

