

**MINUTES OF THE MEETING OF ANNUAL GENERAL MEETING OF THE AUCKLAND RACING CLUB  
HELD IN THE HUNTERVILLE ROOM IN THE ASCOT STAND ON 31 OCTOBER 2017**

**Present**

P Kenny (Chairman), G Vazey, D Alderslade, F Sing, R Jensen, S Moore, B Cooper, D Nakhle, L Hutchison ONZM, A Seabrook, P Walker, R Warwick, P Wilcox, T Gillespie and the following members:  
L W Allchorne, David Archer, Leslie Archer, Karin Attwood, Robert Bell, Clyde Buckingham, Tui Carrington, John Carter, Victoria Carter ONZM, Colleen Cathro, Maurice Chatfield MNZM, Ron Chitty, Stephen Cole, Robin Collins, Anthony Currie, A P Dell'Isola, Colin Devine, Stephen Donovan, Michael Fisher, William Gianotti, Bruce Goldsworthy, Mark Hoyle, Paul Hutchinson, Colin Jillings, Patricia Kerr, Kevin Masterson, Angela Musson, Vivienne Olsen, Michael Otto, David Paykel, Carey Pearce, Marie Pearman, Jan Skinner, Mark Sumich, Alistair Sutherland, Mark Taylor, Olive Taylor, Ronald Wells, Gary Williams, Jennifer Wyatt Sargent

**Apologies**

Ross Hawthorn, Gary Flynn, Peter Dooly, Jan Mcleod, Edward Malloch, Peter Kiely ONZM, Tom Kiely MBE, Barry Spooner, Brett Harris, Pamela Kean, Rosemary Cribbens, Peter Cribbens, Andrew Kenny, Sarah Miller, Duane Eagle, Shane Compton, Warwick Russell, James Charles, Colin Reynolds, Douglas Lindsay, Sir Patrick Hogan, Richard Ball, John Fitzgerald, Guy Haughton, Virginia Savage, Ken Healy, Ross Healy, Emma Evans, David Ellis, David Benjamin, Jo Wilcox, Peter Woods, Patrick Kennelly, Ian Calderwood, Roy Baddiley, Kevin Hickman, Jonathan Scully, Alastair Scott, Kendall Crooke, Ian Mackie, David Edmunds, Matthew Goodson, Thomas Corrigan, Keryn Corrigan, Paul Phillips, Barbara Anne Ironmonger, Peter Fraher, Evan Thomas, J. N. Murdoch, Eddie Tynan, Jennifer Harkness, Ross Adams, A. O. Trembath, Phillip Bradley, Michael Stedman, Colin Thompson, Ann Kellaway, Graham Wiggins, Andrew Green, Murray McKechnie, Debbie Burrige, Frank Castles, Brenda Gerard, Dawn Wilson, Fraser Bright, Barry Neville White, Murray Goldmore, Mark Chitty, Alan Montgomery, Gerald Shand, Bob Emery, Barry Lee

The motion to accept the apologies was put.

**(Moved L Hutchison / A Musson)**

**Motion Approved**

**Chairman**

P Kenny acknowledged the members that had passed away in the past year.

**Chairman's Report**

P Kenny presented the Chairman's report of the Club.

The motion to accept the Chairman's report was put.

**(Moved P Kenny / L Hutchison)**

**Motion Approved**

A member asked whether the additional stakes payments were enough, with the Board responding that investment funds are for long term and relate to the 125 year lease, and the stakes contribution is achievable in our current budget.

A member asked about the investment portfolio and the remaining monies to be received from the lessee of PC168. The Board advised that \$37m of the \$41.25m had been received and that approx \$33.63m of the \$37m had been

invested with our two fund managers. That \$33.63m invested was valued at \$36.48m at balance date.

## **Finance report**

L Hutchison presented the Financial Report for 2016/17 of the Club.

The motion to accept the Finance Report and accept the Statement of Accounts for 2016/17 was put.

**(Moved L Hutchison / A Seabrook)**

**Motion Approved**

A member asked about the make-up of membership as disclosed in the annual report and whether all were financial members. The Board advised that financial members as per the annual report is actually all members (financial or complimentary) and will make note of that for future annual reports.

A member asked whether the Club has a total return target for its investment portfolio. The Board responded by explaining the Club through its investment policy has an income target of 4.5% per annum.

A member asked whether the returns achieved by the Club were sufficient in light of the return of other investment managers. The Board responded that the Club has a long term investment policy and that annually the investment managers and their performance were reviewed. The member suggested that the Club set targets that are more aspirational and asked about the split between growth and income assets. The Board advised the members that at year end the split was approx. 60% / 40%.

A member asked about the budget for the upcoming season. The Board advised that it forecasts to break-even this season, due to it not being a regular racing season.

A member voiced his concern at the racing facts analysis from the annual report and that there has been a reduction in turnover, races and starters from previous years. The Board acknowledged the concerns and advised the members that work had been approved to improve the facilities and the drainage of the track.

A member asked given the financial viability of the racing industry currently, what is the Club doing to stay afloat. The Board responded by explaining the work various Board members have done regarding the programming and racing pattern in New Zealand. The Board referred to the various income streams the Club has outside of racing, including property, investments and the Ellerslie Event Centre.

A member asked about a new surface at Ellerslie. The Board advised the members as to the process that the Club went through on three separate occasions, and the estimated cost. The advice the Club received most recently was that a drainage upgrade which is due to begin in March 2018 will significantly improve the racing surface. The Club is receptive to upgrading the track to a strathayr or similar but it has to be an industry led initiative. The Board advised the NZTR and NZRB have begun an industry wide review of facilities and infrastructure at a Club level.

## **Rule Changes**

The Board explained that the proposed rule changes were a result of an undertaking by the Club to NZTR in return for a grant assisting in the upgrading of the racecourse irrigation.

A member suggested that the proposed rule change #1 – Disposal of Assets was in conflict with the Racing Act. The Board responded that the rules were proposed by NZTR and that the Club was merely adhering to its undertaking to propose the changes.

The motion to propose the rules changes was put.

**(Moved P Kenny / G Vazey)**

**Motion 1 – Disposal of Assets**  
**Motion Dismissed**

**Motion 2 - No private pecuniary gain or conflict of interest**  
**Motion Approved**

**Motion 3 – Restriction on amendment or alteration of or additional to these Rules**  
**Motion Approved**

## **Election of Officials**

P Kenny announced the election of D Alderslade as Chairman.

P Kenny announced that as nominations for the three positions of Directors did exceed the vacancies there was a vote that was audited by KPMG, the following were appointed as Directors:

- R Warwick
- K Gourdie
- T Barry

P Kenny congratulated the appointed Directors.

D Alderslade as new Chairman thanked Paul Kenny for his substantial contribution to the Club and announced on 30<sup>th</sup> May 2017 the Board elected Paul Kenny as a life member of the Auckland Racing Club.

P Kenny thanked the Board for allowing him to serve the Club.

A member asked about the process for re-election and nomination for Directors. The Board referred to the ARC's Rules and Regulations which require that Directors must seek re-election every three years. D Alderslade resigned as a Director as the rules require that a member is to be voted as Chairman.

A member suggested that the voting process did not work and asked if future voting could occur electronically. The Board advised that the rules around communication and voting would be reviewed and any necessary changes would be submitted at the next AGM.

## **General Business**

P Kenny asked for any General Business or Questions from the floor.

A member asked if next year we could have a roving microphone for the AGM.

A member asked about an underpass for the track, the Board responded that it has been discussed but at this stage it was not financially viable.

A member asked whether the Club could obtain more betting machines, the Board responded that it was a NZRB stock item and that while the Club has requested more, they have not been forthcoming.

There being no further business, the meeting was closed.

Signed \_\_\_\_\_ Date \_\_\_\_\_