

**MELBOURNE RACING CLUB**  
**MINUTES OF THE 143rd ANNUAL GENERAL MEETING OF MEMBERS**

held in the Committee Room  
Rupert Clarke Grandstand, Caulfield Racecourse  
on Thursday, 26 September 2019 at 6.00 pm.

**Present at Head table**

P. Le Grand (Chairman)  
R. Donazzan (Vice-Chairman)  
M. Cain (Treasurer)  
S. Davidson  
T. Poon  
J. O'Kane  
P. Faulkner  
B. Dawson  
M. Pratt  
N. Hassett  
J. Blanksby (Chief Executive)

**Attendees** As attached

**WELCOME AND OPENING OF MEETING AT 6:04 PM**

As there was a quorum present, the Chairman declared open the 143<sup>rd</sup> Annual General Meeting of the Melbourne Racing Club, and welcomed all present referring to the agenda on the screen. The Chairman advised that the meeting would be recorded on camera.

**NOTICE CONVENING MEETING**

**Note:** Copies of the Notice of the Annual General Meeting had been circulated to members.

**1. APOLOGIES**

Bruce Crawford  
Bruce Evans  
Dale Monteith

**2. CONFIRMATION OF MINUTES OF THE LAST ANNUAL GENERAL MEETING**

The Chairman offered the Minutes from the Annual General Meeting held on 27 September 2018 for approval.

The Chairman then presented the motion:

**#1 MOTION**

That the minutes of the Annual General Meeting held on 27 September 2018, be taken as read and confirmed.

**Moved:** Ms Judith Dunn

**Seconded:** Mr Ian Mcleod

**CARRIED**

### **3. CONFIRMATION OF THE EXECUTIVE COMMITTEE & MAG**

In relation to the Executive Committee, the Chairman advised that three incumbents being Mr Roger Donazzan, Ms Patricia Faulkner and Ms Brooke Dawson had offered themselves for re-election. As there were no further nominations for the Executive Committee, the Chairman advised that Mr Donazzan, Ms Faulkner and Ms Dawson are deemed to be elected for another term.

Mr Peter McNamara queried the notification provided to members regarding the election process, suggesting that he had not received any notification. Mr Greg Reinhardt also suggested that he had not been made aware. In response, the Chairman advised that correspondence had been issued to members and sought a show of hands from the floor to see which members in the room had received the correspondence – close to all members in the room confirming such. Notwithstanding this, the Chairman noted the matter raised by Mr McNamara and Mr Reinhardt.

In relation to the Mornington Advisory Group (MAG), the Chairman advised that two incumbents being Ms Teresa Poon and Ms Debbie Kroger, together with two new members being Mr Alex Campbell and Mr Tim Thwaites, would be appointed for a term. The Chairman noted that the total MAG representation stands at nine.

### **4. LIFE MEMBERSHIP**

The Chairman made note of the 16 life memberships issued during the year and welcomed those accordingly.

### **5. THE YEAR IN REVIEW - CHAIRMAN'S ADDRESS**

The Chairman delivered his year in review address to members.

#### Business Overview

The Chairman provided an overview of the business noting the diversity of the Club's activities, which range from racing, events, pubs and clubs, as well as the Caulfield Village development and master planning activities. It was noted that the racing business is unprofitable, with the Club pursuing alternate revenue streams in order to invest back into, and support, the Club's core activity; racing.

The Chairman highlighted some key activities undertaken during the racing season, including the record number of members (with growth to over 15,500), the securing of a long-term lease at the Caulfield Racecourse Reserve, and relocation of training from Caulfield Racecourse together with a \$40m funding package secured to assist trainers with the relocation process.

#### Membership

The Chairman noted a membership renewal rate of 97.2% for full members, further commenting that the Chairman's Club membership was reaching full capacity and noted the opening of the new members bar, 'The 1876', which had been well received by all.

#### MRC Master Plan

The Club's May announcement of a world class vision for Caulfield Racecourse was highlighted with the vision including installation of a second track, lights, revitalised entrance and all new horse stalls, mounting yard and grandstand facilities.

### Sandown Rezoning

The Chairman confirmed that as part of the Club's ongoing review of assets in the interests of the Club's members, an application to rezone the Club's Sandown landholding will be lodged shortly. The rezoning was noted to include the opportunity for full redevelopment of the venue in order to provide flexible outcomes for the future use of Sandown and helping to secure the vision for Caulfield.

The Chairman noted that the rezoning and redevelopment of Sandown are separate discussions, and that racing would continue at Sandown for the foreseeable future. The Chairman also confirmed that any decisions regarding the future use for Sandown will occur in consultation with members.

### Everest / Schillaci initiative

As part of this year's Caulfield Cup Carnival initiatives, the Chairman highlighted the Everest slot secured by the Club with the winner of the Schillaci on Guineas Day to represent the Club in The Everest. The recent signing of Alfa Romeo was highlighted with the Chairman providing his thanks for their support.

### Caulfield Village

In relation to matters associated with Caulfield Village, the Chairman highlighted the recent completion of works associated with Precinct 2 with more than 320 settlements now achieved. The focus of activities continues onto Precinct 2 north which is planned to include over 400 units together with retail and commercial spaces.

The Chairman noted the high quality nature of the project and the desire to leave a positive long term legacy for the Caulfield area.

### Pegasus Leisure Group (PLG)

Matters relating to Pegasus Leisure Group were highlighted, with the Chairman advising of recent divestment and acquisition activities. Opportunities for growth will continue to be assessed with funds generated being reinvested back into the Club's core racing business.

### Events

The Chairman advised that more than 300 events were hosted and facilitated at the Club's venues last year, with two of the biggest events being the Whisky Wine and Fire (more than 11,100 attendees) as well as the Peninsula Picnic, hosted at Mornington Racecourse.

### MRC Foundation

An overview of activities undertaken by the MRC Foundation was provided, with the Chairman highlighting that more than \$1.28m has been provided in donations and in-kind support since establishment. Led by Executive Committee Member Ms Patricia Faulkner, the Chairman praised the work undertaken by the Foundation which continues to establish itself as an industry leader in improving the well-being of industry participants and the broader community. The Chairman thanked the members and corporate partners who continue to support the Foundation.

The Chairman introduced the Treasurer for his report to members.

## **6. TREASURER'S REPORT**

The Treasurer provided an overview the key financial highlights for 2019, including an EBITDA of \$14.5m, surplus after tax of \$0.5m and an increase in operating cashflows.

The Treasurer noted increasing revenue during 2019 derived from each of wagering and nomination and acceptances increases. Matters relating to Caulfield Village and funding associated with the implementation of the synthetic training track at Mornington were also noted. The performance of the PLG business was highlighted including the acquisition of two new venues, with PLG contributing a large portion of the Club's overall EBITDA and free cash flow.

The EBITDA of \$14.5m was advised to be in line with expectations with the Treasurer confirming that the Club's core business performed well against key metrics. The Treasurer further highlighted that the Club's balance sheet remains the strongest of any Club in Australia with net assets remaining constant year on year of \$474m.

An overview of other key financial matters for the year was provided including the acquisition of two new PLG venues, capital expenditure, matters relating to prize money and the securing of further funding from ANZ during the financial year in support of the Club's business activities.

As a final item, the Treasurer provided thanks to the Club's lead audit partner, Mr Paul Lewis with this year being Paul's last year as audit partner.

The Treasurer handed back to the Chairman for the next items of business with the Chairman also offering his thanks to Mr Lewis for his work.

## **7. TO RECEIVE THE REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

The Chairman explained, as copies of the Annual Report and financial statements had been made available and distributed to members, he would move:

### **#2 MOTION**

That the Annual Report and Financial Statements for the year ended 30 June 2019 be adopted.

**Moved:** Mr Alan Ralph

**Seconded:** Ms Sharyn Smith

**CARRIED**

In response to a question from Mr Tim Kirwan regarding the bakery business, the Chairman advised that the Club was seeking to dispose of the business.

## 8. TO APPOINT AUDITORS

The Chairman explained that PricewaterhouseCoopers (PWC) were the Club's auditors, thanked them for their work, and proposed that PWC would continue in this role in FY2020.

### #3 MOTION

That PricewaterhouseCoopers be re-appointed as the Club's auditors for the current financial year.

**Moved:** Mr Tim Kirwan

**Seconded** Member

**CARRIED**

The Chairman then took the opportunity to provide his thanks to CEO Mr Josh Blanksby and the executive management team for their ongoing work and leadership. The Chairman also thanked members of the Executive Committee for their time and effort dedicated to the business during the year.

## 9. GENERAL BUSINESS

The Chairman opened the meeting for any questions that attendees might like to raise.

Mr Kirwan highlighted concerns with recent changes to the dress code at Mornington. The Chairman confirmed that feedback had been received and the matter was being further considered.

Mr Mcnamara wished to highlight recent media coverage regarding the release of the movie 'Ride Like a Girl'. Further commentary was provided by Mr Mcnamara including a critique of the film and associated recommendation for all to see the film. The Chairman thanked Mr Mcnamara for his overview.

## CLOSURE

The Chairman thanked attendees for their input and invited those present to enjoy the refreshments that were on offer.

**THE ANNUAL GENERAL MEETING CONCLUDED AT 6.35PM.**

**Minutes approved:**

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Signature of Chair

.....  
Date

## Attendees at the 2019 AGM of the Melbourne Racing Club

Alison Saville	Judith Dunn
Alan Ralph	Judy Withers
Alex Campbell	Justin O'Kane
Alex Dobson	Kathleen Murphy
Arnold Mayfield	Kaye Gorcy
Astrid Maccarthy	Marie Calliste
Brenda Cooke	Mark Pratt
Brent Westerbeek	Mark Witkowski
Brian Reckas	Matthew Cain
Brooke Dawson	Nick Hassett
Chris Kearon	Patricia Faulkner
Damian Menz	Peta Webster
Daniel Voets	Peter Le Grand
Erin kensitt	Peter Mcnamara
Garry Cranny	Robert Price
Graeme Shaw	Roger Donazzan
Grant Blythman	Scott Davidson
Grant Padula	Sharyn Smith
Gregory Reinhardt	Stephen Cummins
Ian Mcleod	Teresa Poon
Jake Norton	Tim Kirwan
Jared Newton	Tim Thwaites
Jill Monk	William Bird
Josh Blanksby	