



DARWIN RACING

Annual Report 2018





DARWIN TURF CLUB INCORPORATED

AS AT 31 DECEMBER 2018

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PATRON

Her Honour the Honourable Vicki O'Halloran AM

BOARD

Chairman:	Brett Dixon
Vice Chairman:	Robert Longuet
Deputy Vice Chairman:	Cameron McNally
Board:	Dale Bicheno, Jon Bourke, Michelle Graham, James Herraman, Damien Moriarty and Brendan Wilding

MANAGEMENT

Chief Executive Officer:	Keith Stacy
Chief Financial Officer:	Barry Lloyd
Office Manager & EA to the CEO:	Sinead Wormald
Track & Facilities Manager:	Chris McDonald
Operations & Stable Manager:	Cameron Riches
Bar & Functions Manager:	Melissa Wundersitz
Human Resources Manager:	Kate Fraser
TAB Manager:	Carolyn Bulmer
Commentator:	Craig Sant

LIFE MEMBERS

E.J. Bailey AM, C. Bayley*, C. Burkitt, E.V. Brown*, N.L. Buntine*, P.
Cattermole AM, Lt Col W.T. Cawley*, B.J. Coulter AO, E.F.S. D'Ámbrosio
CM. M.B.E*, L. Dean*, P. Delaney*, A. Ford*, E.C. Izod*, G. Kafcaloudes*,
L. Lane, Dr. P.V. Mornane, J.T. McNally, S.T. Parker AOM*, M. Stumbles,
R. Weston*

*denotes deceased Life Member

HONORARY MEMBERS

P. Lalor, J. O'Neil*, J. Russell

NOTICE OF **MEETING**

MEMBERS ARE ADVISED THAT THE
ANNUAL GENERAL MEETING OF THE DARWIN TURF CLUB INCORPORATED
SHALL BE HELD IN THE
TED D'AMBROSIO BAR AT 7PM ON
MONDAY, 13 MAY 2019

TABLE OF CONTENTS

DARWIN TURF CLUB BOARD	3-4
MESSAGE FROM THE CHAIRMAN	5-7
CHIEF EXECUTIVE'S REPORT	8-9
MEMBERSHIP TO 31 DEC 2018	10
DARWIN TURF CLUB 2018 AT A GLANCE	10
RACING FACTS 2018	11
2018 TOP END RACING AWARDS	11
2018 CARLTON MID DARWIN CUP CARNIVAL FEATURE RACE WINNERS	12-13
2018 CARLTON MID DARWIN CUP CARNIVAL CARNIVAL STATISTICS	14
TRACK RECORD HOLDERS AND PAST WINNERS	15-16
STATEMENT OF COMPREHENSIVE INCOME	17
STATEMENT OF FINANCIAL POSITION	18
STATEMENT OF CASH FLOWS	19
NOTES TO THE FINANCIAL STATEMENTS	20-29
STATEMENT BY THE ASSOCIATION MANAGEMENT BOARD	30
AUDITOR'S REPORT	31-32

DARWIN TURF CLUB

BOARD



BRETT DIXON

CHAIRMAN

Originally hailing from Perth, Brett has lived in Darwin since 1981 and is married with three children. Brett has been on the Board since 2001 and was elected as 12th Chairman of the Darwin Turf Club in 2008, following 3 years as Vice-Chairman. He is the Director of several successful companies and brings significant business and leadership credentials to the Darwin Turf Club. He has a passion for thoroughbred racing and has been involved in breeding horses for the past 15 years. As an owner, he has won most feature races in the NT including the 2001 Palmerston Sprint (El Comba) to the 2010 Darwin Cup (Shout Out Loud). Brett is committed to improving facilities for members at the Club, returns to industry participants and is also a Board Member of Thoroughbred Racing Northern Territory. His main objective is to provide the best possible services to members and the industry, while creating a great social hub for the community.



ROB LONGUET

VICE CHAIRMAN

Long time Territorian Rob Longuet joined the Darwin Turf Club Board in 2002. Rob is committed to driving growth in the racing industry across all areas such as horse numbers, prize money and returns to industry participants, he has a strong focus on improving facilities for Members and Trainers alike. An avid racegoer, Rob has been involved in horse racing syndicates since the late 1980s. Holding senior management positions in the retail motor vehicle industry for over 27 years, Rob brings to the Darwin Turf Club Board, not only competencies in sales, marketing and cost management but enthusiasm for racing and the vision for betterment of our local racing industry.



CAMERON MCNALLY

DEPUTY VICE CHAIRMAN

Cameron is a Certified Public Accountant with significant experience in working within the Accounting Profession, particularly in the Audit and Business Services field. Cameron is currently a Director of locally based finance and salary packaging company, Fleet Choice, Northern Territory. Born in Darwin he has had a long association with the Darwin Turf Club and is keen to ensure it maintains a strong financial position, while preserving the Club's ability to continually improve its facilities for all stakeholders. Cameron is passionate about the Club's history as well as ensuring the long-term growth of the Darwin Turf Club.



DALE BICHENO

BOARD MEMBER

Dale Bicheno joined the Darwin Turf Club Board in 2009. Dale has been the Director of plumbing company Carodale Pty Ltd for 22 years, and brings extensive hands-on experience and business knowledge to the Darwin Turf Club. Dale's goal is to see the continued expansion of the club, along with the maintenance and improvement of Members' facilities and privileges. Dale wants to ensure the Northern Territory's Thoroughbred Racing Industry remains a thriving one and having owned horses in Victoria and the NT for over 21 years, Dale understands the highs and lows of the industry. He says his love of racing keeps him involved and currently has interests in a number of Darwin horse syndicates.



JON BOURKE

BOARD MEMBER

Jon Bourke joined the Darwin Turf Club Board in September 2015 and has lived in the Territory for 24 years, originating from Adelaide. Jon worked at TIO for more than 11 years before becoming a Corporate Authorised Representative of a leading National Insurance Broking firm then becoming a Director and major shareholder of this business. He is a Qualified Practising Insurance Broker, a Certified Insurance Professional and a Senior Associate of the Insurance Institute of Australia and New Zealand. Jon has been involved with racehorse ownership for more than two decades and has put together many racing syndicates for the enjoyment of racegoers and considers getting first time owners involved in racing as a great experience. Jon is also the President of the Bernborough Club of the NT a position he has held for 5 years.



MICHELLE GRAHAM

BOARD MEMBER

Originally from Adelaide, Michelle Graham has lived in Darwin for 27 years and is actively involved in the local community. Manager of the Parap Village Apartments since 2002, Michelle joined the Darwin Turf Club Board in 2009. Backed by a 21 year career in the tourism and hospitality industries, she is a valuable asset to the team. She was appointed as the inaugural Chair of Women in Thoroughbred Racing NT in 2010, an association established to promote and foster the ongoing inclusion of women in the Thoroughbred Racing Industry. As both a horse owner and syndicate manager, Michelle enjoys the fun and excitement of Territory racing. She is a Syndicate Member of The Good, The Bad and The Nag and Women in Thoroughbred Racing.

DARWIN TURF CLUB

BOARD



JAMES HERRAMAN

BOARD MEMBER

James has been associated with the Darwin Turf Club for around 15 years and is a passionate supporter of racing in the NT. He and his wife Jess have raced numerous horses over a number of years in a variety of top end stables. With a professional background in Finance, Insurance and Salary Packaging, James has held senior management roles in marketing and customer service. James is currently a director of Fleet Choice NT and Silk Laser Clinics.



ANYA LORIMER

BOARD MEMBER

Originally from country NSW, Anya arrived in the Territory in 1995 and stayed. Anya has a passion for business, events, the arts and is one of the Northern Territory's most experienced marketers. Anya is the director of the largest creative agency and publisher of TQ and Territory Taste Magazines and professionally practices in the areas of advertising, branding, digital marketing, web/online services and integrated communications. Anya completed the Company Board of Director Course in 2017, is a member of the NT Chamber of Commerce and an active participant in BPW. Anya is passionate about promoting the Northern Territory and considers events such as the Darwin Cup Carnival as key to attracting interstate visitors. Anya aims to engage with a younger demographic of race goers in the aim to grow the social and participation side of racing in the NT for many years to come.



DAMIEN MORIARTY

BOARD MEMBER

Hailing from Katherine, Damien has been in and around horses since he could walk and can be seen at the races most meetings. Damien has interests in a few Darwin based horses and has a passion for working with the retired racehorses that he is involved with on his farm. Away from racing, Damien is a Director of a number of firms in the Territory most prominently Killarney Homes, a well known multi award winning Darwin construction firm he co-founded in 2005. Damien enjoys the challenge of continuing the growth of the sport at Fannie Bay and to play a role in maintaining the Darwin Cup Carnival as the premier event on the Northern Territory Calendar.



BRENDAN WILDING

BOARD MEMBER

Brendan is an active member of the NT racing community and joined the Darwin Turf Club Board in 2004. He is past Treasurer of the Bernborough Club and has previously been a member of the Racehorse Owners Association of the Northern Territory and Darwin RSL Services & Social Club committees. Brendan has a background in public service administration and now runs his own business, Darwin Directions Relocation Services. He is keen to see the Darwin Turf Club maintain and improve its infrastructure and services to attract new members whilst recognising the expectations of established members who have contributed to the Club. He is committed to the continued growth of the Darwin Turf Club so that it is universally recognised as the major racing centre in Northern Australia, and ensuring that the Darwin Cup Carnival retains its position as the Territory's leading event.



KEITH STACY

CHIEF EXECUTIVE OFFICER

Keith moved to Darwin in 1986 and holds a Masters in Business Administration. He has extensive experience in Banking and Financial Services and has held numerous Senior Management positions. He joined the Darwin Turf Club in May 2011 as Chief Operating Officer and was appointed Chief Executive Officer in January 2014. Along with a keen focus on continuing the growth and success of the Darwin Cup Carnival, he is passionate about continually developing the Darwin Turf Club as the Northern Territory's premium racing and preferred event and entertainment venue all year round while ensuring it maintains a strong financial position.

BOARD MEETING ATTENDANCE FOR 2018:

Brett Dixon (9), Rob Longuet (10), Cameron McNally (8), Dale Bicheno (9), Jon Bourke (9), Michelle Graham (9), James Herraman (8), Anya Lorimer (2), Damien Moriarty (8) and Brendan Wilding (9).

MESSAGE FROM THE CHAIRMAN

•
Brett Dixon

As your Chairman and on behalf of the Board, I am pleased to present to you the 2018 Annual Report for the Darwin Turf Club Incorporated and report on the Club's activities for the 2018 racing year.

The financial environment we operated within 2018 continued to be very challenging and accordingly your Board and Management have diligently managed the Club's business. Increasing operational costs, particularly power and water, have been persistent, and collectively we have continued to ensure the Club's facilities, racing product, service and staff are of the highest possible standard throughout the year.

The Carlton Mid Darwin Cup Carnival continues to grow in stature both through attendance and through the tens of millions of interstate and international viewers who tune in to our eight days of racing through our trusted media partner SKY Racing. The Carnival remains the largest social and sporting event in the Northern Territory providing unrivalled gross economic contribution to the Darwin and regional community.

Review of Operations

The 2018 Annual Report is for the 12 month period from 1st January 2018 to 31st December 2018, including the 2018 Carlton Mid Darwin Cup Carnival.

The Club recorded a surplus of \$990,751 for the year. This was a decrease on the surplus recorded in 2017 of \$309,442.

In 2018 total revenues fell by \$1,208,778, total expenses rose by \$207,119 and capital works grants rose \$1,106,455. Falls in operating revenue, race meeting income, product fees, TRNT funding, Northern Territory Major Works Grant, offset by a rise in marketing and advertising expenses, were the main drivers for this fall.

Operating revenue fell by \$573,527. Softening of the Darwin economy in 2018 led to a decrease in attendance to our key events during the Carnival, namely the public centre field marquees on Cup day and the ladies day marquee. Ticket sales to these key marquees were down \$240,000, while corporate marquees remained strong with a marginal increase. TAB commissions over the year were down \$119,841 and catering revenue fell \$100,896 primarily due to the daily catering service to a major corporate bookmaker ceasing. Race day bar sales for the year were also down by \$94,946 predominantly owing to the loss of Saint Patrick's Race Day as a result of Cyclone Marcus.

Race meeting revenue fell by \$143,463. The majority of this came from a reduction in cash sponsorship of \$115,320 and as a direct result of a number of long term sponsors tightening their budgets and reducing their financial spend.

The Club received \$471,403 less in Product Fees in 2018 as the prior year included two years of Product Fees for 2016 and 2017. However, this was an increase on the prior year alone of \$107,749 (16.6%).

Operational grants received from TRNT were reduced commencing the 2017/2018 funding year by \$374,000 and this was reflected in the 2018 calendar year by a net reduction of \$187,000.

Total expenditure rose by \$207,119. The significant drivers were an increase in insurance repair costs of \$423,126 following Cyclone Marcus, and an increase in race meeting advertising, marketing and

entertainment costs of \$246,116. This was offset by a reduction in bar, catering and TAB operational expenses of \$235,495 and repairs and maintenance costs of \$235,239 following the large spend in refurbishments in the previous year.

Major capital works undertaken in 2018 totalled \$2.08m. These works included the Wood Lounge extension (\$371,508), the replacement of the race day stalls (\$1.22m) and preliminary work on the new Silks Club (\$408,000).

Current loans outstanding as at December 2018 totalled \$270,346 and cash held at end of year was \$1,757,254.

We continue to restructure our business to contest the slow economy, external cost pressures, improve our facilities and look at ways to return benefits to our valued Industry and Members.

We are earnestly progressing to build the Fannie Bay Racing and Sports Club, to be known as 'Silks'. With finance in place, and planning and building approvals completed, we are confident of completing this very exciting project and opening for Christmas 2019.

2018 Carlton Mid Darwin Cup Carnival and Qantas Darwin Turf Club Gala Ball

In a very challenging year the 2018 Carlton Mid Darwin Cup Carnival, Qantas Darwin Turf Club Gala Ball and other associated Featured Events were a decisive success. The quality of racing from ROANT Day, through the eight days of Carnival, culminating with the Carlton Mid Darwin Cup, was exceptional.

Attendances throughout the Carlton Mid Darwin Cup Carnival were excellent with 37,612 people embracing and enjoying the highest quality racing, social activities and range of events. Attendance achieved in challenging economic conditions, when other major events experienced significant decline in patrons, was gratifying.

The support from Darwin and Northern Territorians is admirable and the interstate and overseas visiting numbers continue to grow, year-on-year. Their presence is clearly evident in the final massive week of the Carnival.

This was the third year of the Carlton Mid Darwin Cup Carnival "Let's Talk Racing" Luncheon, sponsored by Ladbrokes, in the Schweppes Pavilion and it was another sell-out. Guided by the official host from SKY Racing, Greg Radley, the luncheon aims for a frank, topical and entertaining look at the Australian Racing Industry. This year's racing personalities included trainers Darren Weir and Mick Price along with part owner of wonder mare Winx, Peter Tighe. The panel also included regular stars Ron Dufficy and Peter Moody. The Luncheon was followed with the very successful Magic Millions Tried Horse Sale.

The Qantas Darwin Turf Club Gala Ball is an international event without comparison. It was again attended by thousands on a perfect 'Dry Season' evening, under the stars and headlined by our own Jessica Mauboy who truly captivated the crowd, ensuring guests danced the night away. Spectacular fireworks lit up the skies and magnificent food provided by SKYCITY Darwin was enjoyed by all attending. Our sincere thanks to the SKYCITY Darwin Team and we are genuinely indebted to Qantas for their highly valued ongoing sponsorship of the event.

Board Related Costs

The Darwin Turf Club Board Members are elected on an honorary basis and receive no remuneration for their services.

However, on occasion Board Members are entitled to airfares, accommodation and reimbursement of costs that are directly related to the promotion or the representation of the Darwin Turf Club. The application of reimbursement of expenses are strongly scrutinised and only awarded where there is a clear case for that expenditure.

The expenses for the Chairman and the Board for the 2018 financial year were nil.

Acknowledgements

Carlton & United Breweries is our Princip Sponsor and very capably led by Lincoln Jenkin, NT General Manager. The relationship we have with Lincoln and his Team is exemplary and I take this opportunity on behalf of everyone at the Darwin Turf Club to sincerely thank you Lincoln and Carlton & United Breweries for your highly valued, ongoing commitment to the Darwin Turf Club and the Carlton Mid Darwin Cup Carnival.

Many thanks to all our major sponsors for their support of our feature race days and our many other sponsors acknowledged later in this Annual Report. Each and every sponsorship is truly valued and appreciated. Darwin Racing is truly indebted to you all for your support and sponsorship.

I also take this opportunity to personally acknowledge your Board Members. Collectively they all put in often unseen hard work. They are totally committed to the success, growth and development of the Club. We have a cohesive Board and as you would be aware their service is honorary. They are all very passionate in their approach and I thank them all for the work they do all year.

The Management Team and Staff of the Club are also sincerely thanked for their tireless and hard work. Collectively they respond to considerable challenges faced by your Club each year, yet passionately they strive to grow the success of the Carlton Mid Darwin Cup Carnival and other race days and non-racing functions and events.

Our racing participants; owners, trainers, jockeys, stable hands, staff and of course the thoroughbreds, my sincere thanks to you all. The considerable knowledge and experience of the Industry within its trainers is an asset to Darwin Racing. Collectively you all help us through communication and consultation on matters relating to safety, programming, track and stables. Your constructive approach is appreciated and we look forward to continuing our strong relationship.

To the Northern Territory Government, we thank you for your commitment to the Racing Industry in the Northern Territory and highly valued support. Thoroughbred Racing Northern Territory and our Stewards, lead by David Hensler, thank you. Your commitment to not only the Darwin Turf Club but also to the thoroughbred racing industry in the Northern Territory is sincerely appreciated.

Finally, I particularly thank our Members. I have said before that it is through its' Members a Club can measure its success and growth. This is particularly valid in our current economic climate. Your continued support is sought and appreciated.

On behalf of the Darwin Turf Club Board, I sincerely thank you all for valued contributions and look forward to continuing to develop the Darwin Turf Club as the Northern Territory's premier sporting event and entertainment venue all year round.



BRETT DIXON
Chairman of the Board

CHIEF EXECUTIVE'S REPORT

For The Year 2018

INTRODUCTION

As the Chief Executive Officer of the Darwin Turf Club it is my pleasure to report on the 2018 financial year to our Darwin Turf Club Members.

It has been a year of economic challenges in the Northern Territory however, we have been able to achieve good outcomes and consequently a rewarding year for the Club. These accomplishments were achieved by our Board, Management and Staff focusing on our core strengths. These include our commitment to providing our Members and patrons with appreciated experiences and service whilst maintaining good fiscal management.

Additionally the continued support from our Members, Sponsors, Industry Stakeholders, Patrons, the Northern Territory Government and Thoroughbred Racing Northern Territory also contribute greatly to the Club's success.

This support, combined with the passion and tenacity of the Darwin Turf Club Board, Management and Staff, delivered a successful Carlton Mid Darwin Cup Carnival and improvements to the Club.

ANNUAL FINANCIAL STATEMENTS

The Chairman has reported on the financial performance of the Club. In the opinion of the Club's Executive, the Darwin Turf Club is not a reporting entity. The Financial Statements of the Club, included in this Annual Report, have been drawn up as a special purpose Financial Report for distribution to the Members and for the purpose of fulfilling the requirements of the Northern Territory Associations Act.

COMMUNITY SUPPORT AND PARTNERSHIPS

Your Club is conscious of supporting its community and charities. Throughout the year it has provided support to the following entities.

- Cancer Council Northern Territory
- Carers NT
- Darwin RSL
- Government House Foundation
- Helping People Achieve (HPA)
- Henbury Special School
- National Jockeys Trust
- National Seniors Australia, Northern Territory

- Pitch Perfect School Prize
- Prostate Cancer Luncheon "It's a Bloke Thing"
- Racehorse Owners Association of the Northern Territory
- St. John Ambulance Charity Golf Day
- Starlight Foundation Star Ball
- Touch Football Northern Territory
- Women in Thoroughbred Racing Northern Territory

The Darwin Turf Club is indebted and very appreciative of the highly valued partnerships it has with Australia, Darwin and the Northern Territory's leading Companies and Businesses and the support they provide.

I take this opportunity, on behalf of the Darwin Turf Club, to express our sincere thanks and gratitude to them all for their support. I particularly acknowledge and thank our Principal Corporate Partner, Carlton & United Breweries. The support provided by Lincoln Jenkin and his dedicated Team is truly second to none.

It is through the support, cooperation and assistance of these Companies, Businesses and individuals that the Darwin Turf Club may not only operate successfully but grow its racing product and, in turn, generate additional economic benefits to the broader community. Accordingly, I record our sincere appreciation and thanks to:

PRINCIPAL CORPORATE PARTNER

Carlton & United Breweries

MAJOR CORPORATE PARTNERS

- Asian United Food Service
- bet365
- Bridge Toyota
- Carlton Mid
- Darwin Corporate Park
- Harvey Norman
- HOT100
- Ladbrokes
- Northern Territory Government
- Qantas
- Samsung
- Schweppes
- SKY Racing
- Tourism Northern Territory

CORPORATE PARTNERS

- 7 Darwin
- Allora Gardens
- Arafura Line Marking
- Ascend Sales & Trophies
- Avis
- Bernborough Club of the NT
- Betfair
- Cancer Council
- Coates Hire
- Darwin Horse Floats
- Darwin RSL
- Darwin Racing Photos
- Designer Kitchens
- Domain
- Fusion
- Garrard's Horse & Hound
- Gardens Park Golf Links
- HB Group
- Impact Hair
- Imparja
- Industrial Power Sweeping
- Lexus Darwin
- Magic Millions
- Mantra Darwin
- Merit Partners
- Mittys
- MIX1049
- Mrs. Macs
- Nautilus Aviation
- National Seniors Australia, Northern Territory
- NT News
- Paspaley Pearls
- Professional Darwin
- Pearl Galleria
- Racehorse Owners & Trainers Association NT
- QBE
- Shenannigans Irish Pub
- SignCity
- Sitzler
- Sprout
- Ten Darwin
- Territory Insurance Office (MACC)
- Top Country 92.3
- Top End Linemarkers
- Total Event Services
- Toxfree
- Treasury Wines Estate
- UBET
- Women in Thoroughbred Racing NT

PRIVATE DINING PARTNERS - TED BAILEY GRANDSTAND TABLES

- 7 Darwin
- Gusher
- Harvey Norman
- NT Pest Control

THE YEAR AHEAD AND THANK YOU

Though the year ahead may look economically challenging, we can and must look forward with confidence. It is through the strong leadership, commitment and forward planning of our Chairman and Board that the challenges will be met and plans for growth and development will be achieved for the Darwin Turf Club, Darwin Cup Carnival and the Racing Industry.

I take this opportunity to sincerely thank our Board for their passionate commitment, leadership and guidance throughout the year. It is through their passion and dedication to the Club that we are able to consistently surpass year after year. I particularly thank our Chairman, Brett Dixon, Vice Chairman, Rob Longuet and Deputy Vice Chairman, Cameron McNally for their often unseen determination, work and support.

I thank the Management and Staff of the Darwin Turf Club for their dedication and commitment. They all passionately ensure they achieve the best possible Carnival and highest possible service at all times. A Team that I am, and the Club can be, very proud of.

The support of the Northern Territory Government and Thoroughbred Racing Northern Territory to the Darwin Turf Club and racing in the Northern Territory is sincerely appreciated. The relationship we have and support we receive is second to none and extremely valued.

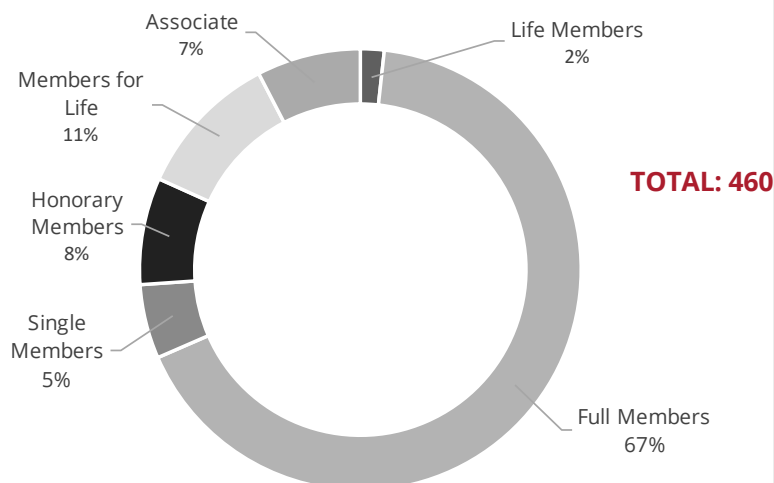
Finally, on behalf of us all at the Darwin Turf Club, sincere thanks to our Members, Sponsors, Trainers, Jockeys, Owners, UBET, Bookmakers, SKY Racing, media partners, patrons, function and event clients, and of course the thoroughbreds.

We look forward to 2019 with optimism and to working with all our associates in a continued partnership of mutual benefit.



KEITH STACY
Chief Executive Officer

MEMBERSHIP TO 31 DEC 2018



DARWIN TURF CLUB 2018 AT A GLANCE

24

THE NUMBER
OF PERMANENT
STAFF EMPLOYED
BY DTC IN 2018

NUMBER OF RACES RUN 2018 **216**

\$4,893,000 TOTAL RETURN TO PARTICIPANTS 2018

67 NUMBER OF TROPHIES PRESENTED

+10.5%

INCREASE IN FACEBOOK
LIKES IN 2018

\$1,301,479
or **28%**

INCREASE IN TOTAL RETURN
TO PARTICIPANTS ON 2015

19 NUMBER OF LOCAL
LICENSED TRAINERS

DARWIN CUP RECORD TIME
(HELD BY LIGHTIN THE NITE 2015)

2:00:23mins

RACING FACTS

2018

RACING FACTS	2018	2017	2016	2015
Runners	1,871	1,805	1,806	1,743
Races	216	219	224	205
Meetings	36	38	40	36
Average runners per race	8.66	8.24	8.06	8.50
Stakes	\$4,893,000	\$4,865,000	\$4,301,000	\$3,950,550
Licensed Jockeys	14	12	12	12
Licensed Apprentices	0	0	1	1
Licensed Trainers	19	20	19	18

RETURN TO PARTICIPANTS	2018	2017	2016	2015
Prize Money	\$4,893,000	\$4,865,000	\$4,301,000	\$3,950,550
Unplaced Runners	\$733,300	\$691,800	\$606,350	\$443,560
Unplaced Jockeys Fees	\$327,248	\$326,972	\$269,757	\$257,959
TOTAL	\$5,953,548	\$5,883,772	\$5,177,107	\$4,652,069

2018 TOP END

RACING AWARDS

The Top End Racing Horse of the Year Awards were held on Saturday, 6 October 2018 in the Silks and Saddles Bar at the Darwin Turf Club. A great night was had by all, and recognised as the racing industry's highest achievers were:

- Leading Trainer: Gary Clarke
- Leading Jockey: Brendon Davis
- Leading Carnival Trainer: Gary Clarke
- Leading Carnival Jockey: Jarrod Todd
- Three-year-old of the Year: Patria
- Sprinter of the Year: Neat Feat
- Middle Distance/Stayer: Senior Council
- Country Performer of the Year: Gamora
- Out-of-Carnival Performer: Neat Feat
- Horse of the Year: Neat Feat

2018 CARLTON MID DARWIN CUP CARNIVAL

FEATURE RACE WINNERS



DAY 1

\$75,000 HOT100 DARWIN GUINEAS (1600M)

BRUNSWICK STREET

Owners – G P Stewart, Mrs A E Stewart, B J Fitzpatrick, D P Stewart, T D Tschirpig, A S Keast, L C Heatley, R I Hollitt, G D Lefoe, M Roditis, Mrs L J Shiers & B S Sherwood
Trainer – Garry Lefoe Jnr, Darwin
Jockey – Paul Shiers
Breeding – 3 g Commands – Quack It (NZ) (Ustinov)

Paul Shiers scored a remarkable eighth win in the Hot 100 Darwin Guineas when guiding the Garry Lefoe Jnr-trained Brunswick Street to a resounding win in the Carnival Day 1 feature. Shiers' Guineas honour roll began in 2004 with Delway, and continued from 2006-2009 with Carygranite, Brad Star, He's Here and Hawks Bay. His sixth Guineas success came aboard Host Of The Party in 2013 and the following year he made it seven with Gravitational before Brunswick Street gave him his eighth victory in the 3yo event in 2018. Shiers gave Brunswick Street a beautiful run in transit, settling third and fourth behind Kronos, Patria and Colesberg. It was evident approaching the home turn that Shiers had a lap full of horse and once he had cleared a momentary pocket on straightening, he set out after Kronos, who found a kick on the point of the home turn. Brunswick Street joined the leader at about the 250m mark and although Kronos never flinched, he was no match for Brunswick Street, who gave his trainer Lefoe Jnr a second Carnival feature after Niccoco had scored in the Palmerston Sprint the previous year. The winning margin was two lengths, with Turf Man putting in an eye-catching run to take third a length and a-quarter away. Turf Man was to prove a star later in the Carnival.



DAY 2

\$60,000 ASIAN UNITED FOOD SERVICE CHIEF MINISTER'S CUP (1600M)

ZAHSPPEED

Owners – M J Burns, B S David, G & C Pastoral Co Pty Ltd, J R Robinson, J A Coleman, M Tripp, Dr J Corcoran, D A Hannon, Mrs S M Clarke, S Ostojic & K F King
Trainer – Gary Clarke, Darwin
Jockey – Brendon Davis
Breeding – 6 g Speed 'N' Power – Zedoble (Zeditave)

Zahspeed, purchased for a six-figure sum by his connections, announced himself as a live Darwin Cup chance by blitzing his rivals in the Day 2 feature. Sent straight to the front by Brendon Davis, Zahspeed set up a lovely tempo, pursued by stablemate Kifaah, Neuschwanstein and Folk Tales. Passing the 600m mark, Davis allowed his mount a little more rein and the response was immediate, Zahspeed putting a margin between himself and the chasing pack. The result was never in doubt from the top of the straight, Davis allowing himself the luxury of a look over the right shoulder with 150m left and Zahspeed hit the line five lengths clear of a game Kifaah, who just shaded an equally brave Neuschwanstein. Royal Request, last year's winner, ran on fairly into fourth ahead of Folk Tales, who had every chance. Trained by Gary Clarke, Zahspeed was having his second Darwin start after disappointing in the ROANT Cup (1300m) on 30 June. His Hall of Fame trainer, who was winning his first Chief Minister's Cup, then elected to miss the Sky Racing Metric Mile on Day 5 of the Carnival and set his charge for a third-up assault on the rich Carlton Mid Darwin Cup on 6 August.



DAY 3

\$50,000 BRIDGE TOYOTA CUP (1600M)

HAMMERED ART

Owners – Miss S A Acornley, T McMullen, L Miller & L F Wetzel
Trainer – Carl Spry, Darwin
Jockey – Carl Spry
Breeding – 6 g Dream Ballad – No Problema (Encosta De Lago)

Hammered Art, runner-up in the St Patrick's Day Cup behind The Wild Side in late March, went one better when storming home late to down Quantum Dot in the Day 3 feature, the Bridge Toyota Cup. Trained and ridden by Carl Spry, Hammered Art had shown good staying ability on numerous occasions and was in his very best form on Ladies Day. Ridden patiently, he settled at the rear as a good speed was set by Our Barty and Golden Buckleboo, and he was still at the tail as the field rounded the home turn and fanned across the track. After trying for a gap between runners, Spry was forced to angle his mount across heels and just when it appeared that Quantum Dot, who hit the lead at the furlong peg, would win his second straight Toyota Cup, Hammered Art sprouted wings and in a tremendous finish, got up in the last stride to win by a head. Grand Teton, who enjoyed a good run in transit and made his challenge towards the inside, was close-up third behind Quantum Dot, with Spartan Eagle a handy fourth and Gracious Prospect next. It was a deserved win by Hammered Art, who took his record to six wins from some 35 starts for his connections, who include Spry's partner Sarah Acornley.



DAY 4

\$135,000 LADBROKES NT DERBY DAY (2000M)

TURF MAN

Owners – J E Hickmott, Miss O A Duffield, J S Duffield & Mrs N M How
Trainer – John Hickmott, Murray Bridge
Jockey – Jason Maskiell
Breeding – 3 g Turffontein – Bags Of Wheat (Mugharreb (USA))

Following his fast-finishing third placing in the Hot 100 Darwin Guineas on Day 1, South Australian 3yo Turf Man was the punters' elect for the Day 4 Blue Riband over 2000m. But it is hard to imagine anyone would have thought that the John Hickmott-trained son of Turffontein would have won by over 10 lengths, eased down. With Jason Maskiell pinch-hitting for the suspended Sairyn Fawke, Turf Man was allowed to find his feet early, and with 1200m to run, had just two behind him. Mazzaro and Mulligan Falls called the tune down the back and by the time the field had reached the 800m mark, Maskiell had allowed Turf Man to improve to midfield. Soon after, he circled those in front of him, along with Colesberg, and on the point of the home turn, Turf Man had taken over and set sail for the judge. Colesberg, try as he might, was no match for Turf Man, who streaked clear over the concluding stages to score by ten and a-quarter lengths, with Maskiell giving him a congratulatory slap down the neck as he reached the line. It was Hickmott's second NT Derby win, 12 years after Bad Boys carried off the feature in 2006.



DAY 5

\$50,000 SKY RACING
METRIC MILE (1600M)

JAVA

Owners – G & C Pastoral Co Pty Ltd (Mgr: V C Oldfield) & Mrs S M Clarke
Trainer – Gary Clarke, Darwin
Jockey – Brendon Davis
Breeding – 6 g Medaglia D'Oro – Dawn Attack (IRE) (Fantastic Light (USA))

Master trainer Gary Clarke proved his class in the training ranks yet again when Java upset some more fancied rivals to score impressively in the Day 5 feature. Better known as a sprinter and having his first start over 1600m, Java went straight to the front in the hands of Brendon Davis and was able to pinch a couple of cheap sectionals down the back. Joined by Gracious Prospect at the 1100m, Davis managed to hold the inside running and passing the 650m mark, he gave Java his head. The response was instantaneous, as Java surged clear approaching the home turn and turned into the straight with a big advantage. He was never in danger of defeat over the final 300m and went to the line with a three-and-a-half-length margin to spare from Gracious Prospect, with a similar distance away to Lotion, who was always handy, and Royal Request, running on from the back. Three starts previously, Java had finished last in the Pioneer Sprint (1200m) in Alice Springs, and Clarke allowed him just two runs in between times, on both occasions finishing out of the money. But he got it right on Metric Mile Day with a dashing display in the big one.



DAY 6

\$40,000 DARWIN
CORPORATE PARK CUP
(1300M)

POT BLACK

Owner – N J Dyer, P F Gilligan, Mrs A I Neville, M Stockwell, W Foenander, G W O'Meara, W Darrington, Mrs L K Thynne, M Meehan, S S O'Meara, R J Thynne, I M Neville OAM, L J Emery, G L Collins & J W Collins, Tat Boys 1 (Mgr: S O'Toole)
Trainer – Neil Dyer, Kyneton
Jockey – Jarrod Todd
Breeding – 7 g Bel Esprit – Mrs Bentley (Euclase)

Pot Black, something of a Darwin specialist, scored his sixth win from 19 starts at Fannie Bay when hitting the line too well for his rivals in the Day 6 feature, the DCP Cup. Ridden by Jarrod Todd, Neil Dyer's seven-year-old jumped well before eventually settling towards the rear in the 1300m event. The Captain and Metallic Crown led the way at an even gallop as the field made its way down the back. Passing the 650m mark, Pot Black loomed large into fourth position but still had two or three lengths to make up on the leading pair, who turned for home with the advantage. The Captain soon after assumed control and looked set for victory, but over the last 100m, Pot Black really hit his straps and grabbed the decision by three-quarters of a-length from a game Metallic Crown, with The Captain close up in third place. Last year's winner Aussie Jack ran home stoutly to take fourth. The win gave Dyer his first victory in the Day 6 feature event, the only "major" over the eight days of the Carnival he hadn't won since he first started coming to the Top End in 2008.



DAY 7

\$135,000 BET365
PALMERSTON SPRINT DAY
(1200M)

CAPTAIN PUNCH

Owners – Mrs S M Clarke, A D Fleming, R J Edmonds, J P Illidge, D A Gebert, D R Marcroft, N Nakov, C R Carter, M J Dillon, C Lambley, A J Perry & D F Jenkin
Trainer – Gary Clarke, Darwin
Jockey – Brendon Davis
Breeding – 7 g Captain Gerrard (IRE) – Punchline (Distorted Humor (USA))

Captain Punch delivered the knockout blow in the bet365 Palmerston Sprint at the third time of asking, streeting his rivals with a dominant display of sustained speed. The son of Captain Gerrard, runner-up to Niccoco in 2017 and unplaced the previous year, was the warmest of favourites and never gave his supporters cause for concern as he sped over the 1200m in 1:08.06, the third fastest time ever run in the Palmerston. His winning margin was seven and a-quarter lengths, and he was in a class of his own after jumping quickly to lead Sacambaya, Jackanory and Niccoco down the back straight. Brendon Davis asked him to extend with about 550m to go and the response was immediate, setting up a four-length lead on the home turn. The big, powerful sprinter dashed away early in the straight and turned the event into a procession, Niccoco doing best of the rest to take second and just a short head to the good of Ruettiger, who made up many lengths over the concluding stages. Sacambaya took fourth ahead of WA visitor Roger the Roman, but the beaten brigade were no match for Gary Clarke's speedster, who gave his trainer a second Palmerston success two years after Handsome Tycoon's memorable victory.



DAY 8

\$200,000 CARLTON MID
DARWIN CUP (2000M)

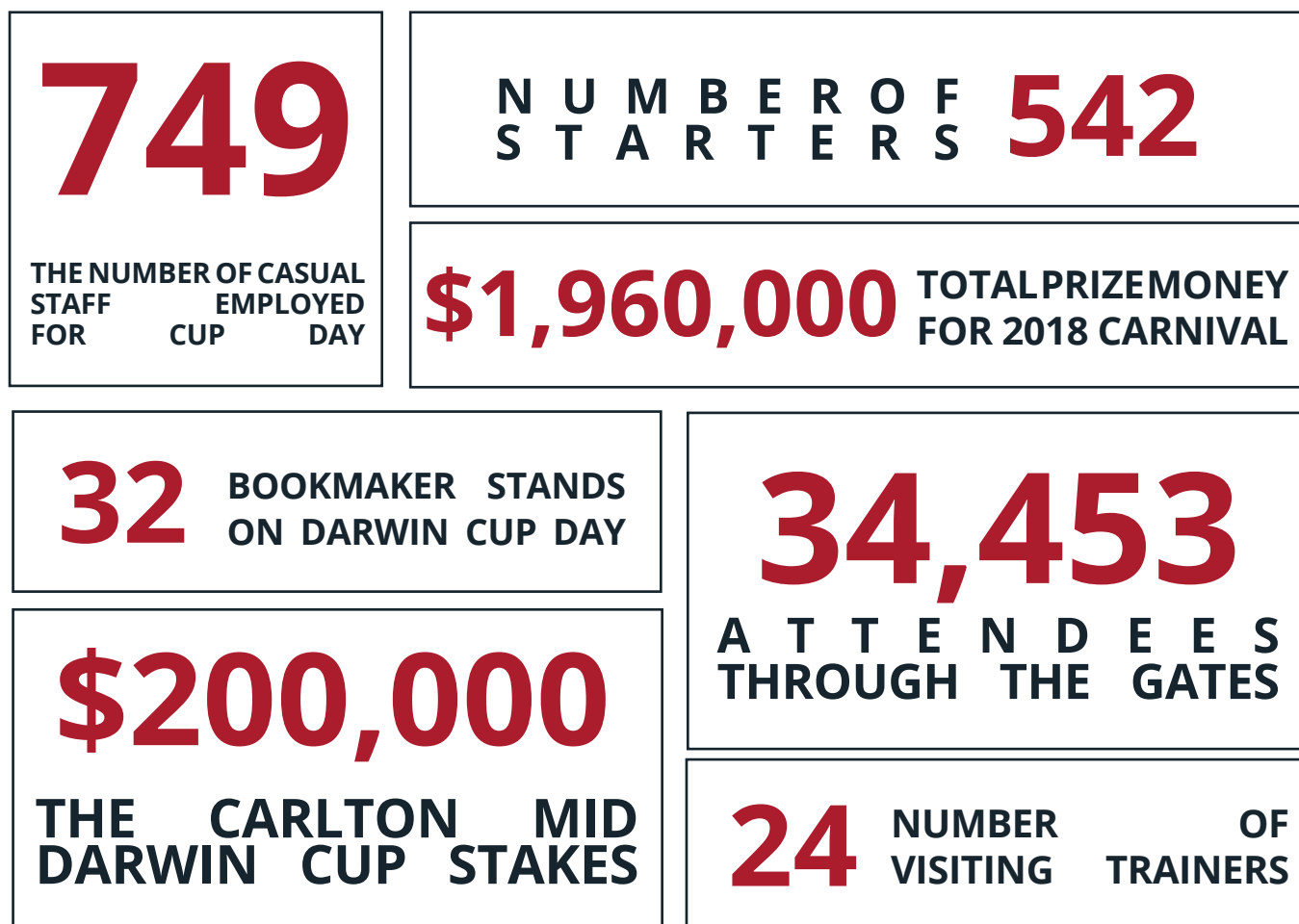
ZAHSPEED

Owners – M J Burns, B S David, G & C Pastoral Co Pty Ltd, J R Robinson, J A Coleman, M Tripp, Dr J Corcoran, D A Hannon, Mrs S M Clarke, S Ostojic & K F King
Trainer – Gary Clarke, Darwin
Jockey – Brendon Davis
Breeding – 7 g Speed 'N' Power – Zedoble (Zeditave)

Zahspeed, superbly prepared by Gary Clarke, provided his trainer with a second Darwin Cup victory in four years when dominating from the front in the NT's flagship event. After an easy win in the Chief Minister's Cup, Clarke elected to keep his mount fresh and purposely missed the Metric Mile, exactly as he had done with Lightinthenite in 2015. The move paid off handsomely as Brendon Davis carried off his first Darwin Cup with a masterful performance in the saddle. The well-supported topweight was sent to the front from the outset but was attacked as the field headed towards the back by Saturday Sorcerer and then Lotion. Davis wasn't flustered however, and even though headed, he refused to let his rivals cross and held the rail down the back. By the 900m mark, Saturday Sorcerer had called it a day but Lotion was still there, with Lieder and Senior Council stalking the pair. However, passing the 600m, Davis asked Zahspeed to produce the afterburners and he exploded clear, rounding the final turn with a five-length advantage. Lieder (Jamie Kah) was the only challenger but he was chasing a memory as Davis kept Zahspeed up to his work over the last 100m, reaching the line some two and a-half lengths clear of Lieder, with Senior Council boxing on resolutely into third over four lengths away and just ahead of Royal Request and Folk Tales.

2018 CARLTON MID DARWIN CUP CARNIVAL

CARNIVAL STATISTICS



	2018	2017	2016	2015	2014
Nominations	805	749	909	917	868
Acceptances	609	569	631	664	610
Starters	542	517	569	587	548
Races	58	59	59	60	56
Fields Less than 8 Starters	14	20	11	11	10
Prize money	\$1,960,000	\$1,956,000	\$1,923,000	\$1,944,800	\$1,863,000
Attendance	34,453	35,159	36,864	37,009	38,392
Sponsorship	\$1,493,535	\$1,464,296	\$1,590,088	\$1,597,248	\$1,494,210
Bar Sales	\$1,157,539	\$1,256,965	\$1,187,876	\$1,198,307	\$1,187,013
On course TAB					
• Totalisator	\$1,586,489	\$1,749,413	\$1,793,124	\$2,817,674	\$2,668,677
• Fixed Price	\$996,736	\$908,222	\$901,127	\$1,419,917	\$1,477,435
TAB TOTAL	\$2,583,225	\$2,657,635	\$2,694,251	\$4,237,519	\$4,146,112
Bookmaker Holds	\$1,421,455	\$1,818,442	\$2,670,679	\$3,366,161	\$3,351,637
Qantas Gala Ball	1,609	1,805	1,866	1,891	2,088

TRACK RECORD HOLDERS

DISTANCE	TIME	HORSE	DATE
900 m	51:33	TERM	16/07/2003
1000 m	56:10	LORD HAROLD	10/07/2004
1100 m	01:01:99	CAPTAIN PUNCH	11/06/2016
1200 m	01:07:42	JADE CITY	09/06/2007
1300 m	01:13:59	SHOUT OUT LOUD	26/06/2010
1500 m	01:29:05	HI TAIL	29/06/2002
1600 m	01:34:53	LIGHTINTHENITE	11/07/2015
1800 m	01:49:28	KINGSTON RESERVE	22/07/1995
1900 m	01:54:40	BRAVE DECISION	20/07/2002
2000 m	02:00:23	LIGHTINTHENITE	03/08/2015

PAST WINNERS

Carlton Mid Darwin Cup 2000m

1956	NT	SATAN'S SON	P McCracken	1990	NT	LORD CHAMBERLAIN	N Paine
1957	NT	DAWN SHADOW	A Meredith	1991	VIC	SILVER SHARK	T Arnold
1958	NT	BRIGHT GUN	M Bray	1992	VIC	CLAM'S COMET	W Davis
1959	NT	WOOD	V Oldfield	1993	NT	INSTANT POLICY 2:01.40	D Beadman
1960	NT	WOOD	W Perks	1994	NT	LOTHAWAY COUNTY 2:02.74	S King
1961	NT	WOOD	W Perks	1995	NT	LOTHAWAY COUNTY 2:02.47	P Payne
1962	NT	WOOD	W Perks			DEAD HEAT	
1963	NT	HALF HOUR	R Snelling		NT	KINGSTON RESERVE 2:02.47	S Arnold
1964	NT	SANDBOY	D Kelly	1996	NT	VENTILAGO 2:02.24	D Coffey
1965	QLD	DARING MAN	R Snelling	1997	NT	TUCKER BOX 2:03.58	K Dodge
1966	NT	BONTEENA	R Caton	1998	NT	BELLILE 2:01.70	C Williams
1967	NT	INCISIVE	M Hanna	1999	NT	ON THE BEAM 2:04.18	P Denton
1968	NT	THE YANK	A May	2000	NT	STAR BULLET 2:03.63	G Clarke
1969	NT	LITTLE RASCAL	C Brown	2001	ACT	MCJOEY 2:03.14	D Bates
1970	NT	RAY WITT	N Mifflin	2002	NT	BRAVE DECISION 2:02.10	N Paine
1971	NT	APIAN	A Meredith	2003	NSW	WILD HEART 2:03.00	C Munce
1972	NT	SON OF CYRUS	J Morrison	2004	NT	MR TAMBOURINEMAN2:02.26	J Hallam
1973	NT	HEPBURN	B Wakefield	2005	NT	LANSON 2:01.51	D Bates
1974	NT	CHATELL	C Brown	2006	SA	NOZI 2:02.16	S Cahill
1975	NT	LORD TINY	M Hanna	2007	SA	GENERAL MARKET 2:01.95	M Pegus
1976	NT	LORD TINY	G Lane	2008	NT	CLUB LIQUID 2:01.22	N Stanley
1977	NT	FINAL HOPE	G Lane	2009	NT	ACTIVATION 2:01.33	S Ridler
1978	NT	VERNAL	A Trevena	2010	NT	SHOUT OUT LOUD 2:01.79	R Fradd
1979	NT	CHOSEN	B Potter	2011	VIC	HAWKS BAY 2:02.49	S Arnold
1980	NT	NASTARSE	J Courtney	2012	VIC	HAWKS BAY 2:02.71	S Arnold
1981	NT	THURSO	C Brown	2013		RACE NOT RUN	
1982	NT	PLAIN MICK	D Balfour	2014	SA	PRETTY BLONDE 2:01.80	J Potter
1983	QLD	KERR STREET	K Ballard	2015	NT	LIGHTINTHENITE 2:00.23	H Bowman
1984	QLD	KERR STREET	D Kolpin	2016	SA	CANNY BALLAD 2:01.49	R Vigar
1985	NT	RARE METAL	R Lloyd	2017	VIC	ROYAL REQUEST 2:01.90	J Todd
1986	NT	FLAUGH-A-BALLAGH	R Kemp	2018	NT	ZAHSPEED 2:01.35	B Davis
1987	NT	SCARVILA	R Lloyd				
1988	NT	TEMPLEMAN	G Hall				
1989	NT	BRINNEY	D Bates				



PAST **WINNERS CONT.**

bet365 Palmerston Sprint 1200m

2008	NT	JADE CITY	1:08.97
2009	NT	FAR HORIZONS	1:08.67
2010	NT	LUCID REFLECTION	1:08.00
2011	VIC	SENSE OF SUN	1:10.04
2012	VIC	YIOBOLT	1:10.06
2013	VIC	ACTION AGAIN	1:10.10
2014	NT	EIGHT BILLS	1:09.03
2015	NT	MOSS'N TIME	1:09.45
2016	NT	HANDSOME TYCOON	1:08.51
2017	NT	NICCOCO	1:09.42
2018	NT	CAPTAIN PUNCH	1:08.06

Hot100 Darwin Guineas 1600m

2008	SA	HE'S HERE	1:36.97
2009	VIC	HAWKS BAY	1:37:01
2010	NT	MAHAFFEY ROAD	1:35.75
2011	VIC	THE RUFFIAN	1:36.27
2012	NT	SNITZEL'S CHOICE	1:35.37
2013	VIC	HOST OF THE PARTY	1:38:30
2014	NT	GRAVITATIONAL	1:37:86
2015	NT	MAVERICKS	1:35.96
2016	NT	FINKE	1:34.81
2017	VIC	KRUSTY	1:36.95
2018	NT	BRUNSWICK STREET	1:36.14

Ladbroke's NT Derby 2000m

P Shiers	2008	NT	PROTESTA	2:03.92	K Gladwin
P Shiers	2009	VIC	HAWKS BAY	2:02:80	P Shiers
K Gladwin	2010	NT	MACCAS DREAM	2:04:66	C Haddon
P Denton	2011	VIC	THE RUFFIAN	2:04.74	P Shiers
J Beriman (A)	2012	NT	THE THIRD BASEMAN	2:06.38	K Gladwin
A Nicholls	2013	VIC	HOST OF THE PARTY	2:04:90	P Shiers
D Yendall	2014	VIC	ROYAL REQUEST	2:04:09	J Todd
P Denton	2015	NT	FLYING TORMENTA	2:03.67	R Vigar(A)
P Denton	2016	NT	FINKE	2:03.73	B Davis
R Vigar	2017	SA	BILLET DOUX	2:03.42	P Shiers
B Davis	2018	SA	TURF MAN	2:01.94	J Maskiell

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2018

in AUD	Note	2018	2017
Revenue			
Operating Income	2	4,137,738	4,711,265
Race meeting Income	3	1,890,026	2,033,491
Racing Income		494,657	527,539
Rental Income	4	1,782,050	1,767,956
Product Fee Income		757,075	1,228,478
TRNT Operational Grants Received		2,232,642	2,419,642
Other Income	5	745,826	560,421
Total Revenue		12,040,014	13,248,792
Expenses			
Operating Expenses	6	4,292,067	4,527,562
Racemeeting Expenses	7	1,046,511	863,249
Racing Expenses		346,441	368,922
Administration Expenses	8	5,614,048	5,311,549
Depreciation and Impairment Expense		745,189	777,456
Other Expenses		265,118	253,517
Total Expenses		12,309,374	12,102,255
Operating Surplus (Deficit) before Capital Grants		(269,360)	1,146,537
Government (TRNT) Capital Grants Received		1,170,111	63,656
Net Result for the Reporting Period		900,751	1,210,193

The Statement of Comprehensive Income is to be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2018

<i>in AUD</i>	<i>Note</i>	<i>2018</i>	<i>2017</i>
CURRENT ASSETS			
Cash and Cash Equivalents	9	1,757,254	1,076,190
Trade and Other Receivables	10	495,806	1,564,555
Inventories	11	94,904	84,667
Prepayments and Other Current Assets		95,086	80,859
Total Current Assets		2,443,050	2,806,271
NON-CURRENT ASSETS			
Plant and Equipment	12	11,869,858	10,533,227
Other Non-Current Assets		5,385	5,385
Other Intangible Assets		104,932	104,932
Total Non-Current Assets		11,980,175	10,643,544
Total Assets		14,423,225	13,449,815
CURRENT LIABILITIES			
Trade and Other Payables	13	2,170,318	1,991,940
Provisions	14(a)	412,226	374,496
Loans	15(a)	185,286	177,150
Total Current Liabilities		2,767,830	2,543,586
NON-CURRENT LIABILITIES			
Provisions	14(b)	88,040	54,456
Loans	15(b)	85,060	270,229
Total Non-Current Liabilities		173,100	324,685
Total Liabilities		2,940,930	2,868,271
Net Assets		11,482,295	10,581,544
Accumulated Funds			
Retained Profits		11,482,295	10,581,544
Total Equity		11,482,295	10,581,544

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

STATEMENT OF CASH FLOWS

for the year ended 31 December 2018

in AUD	Note	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Customers		10,827,367	9,633,253
Receipts from Government (TRNT) Funding		3,003,778	2,695,273
Interest Received	5	2,881	1,934
Payments to Suppliers and Employees		(10,875,262)	(11,232,967)
Interest and Cost of Finance Paid		(18,847)	(31,278)
Net Cash Provided by Operation Activities	16	2,939,917	1,066,215
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Purchase of Plant and Equipment		(2,081,820)	(268,659)
Net Cash (Used In) Investing Activities		(2,081,820)	(268,659)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(177,033)	(455,214)
Net Cash (Used In) Financing Activities		(177,033)	(455,214)
Net Increase in Cash Held		681,064	342,342
Cash at the Beginning of the Financial Year		1,076,190	733,848
Cash at the End of the Financial Year		1,757,254	1,076,190

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

The significant accounting policies which have been adopted in the preparation of these financial statements are:

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

In the opinion of the Management Committee, Darwin Turf Club Incorporated (the Darwin Turf Club) is not a reporting entity because there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy all of their information needs. The financial statements of the Darwin Turf Club have been prepared as a special purpose financial report for distribution to the members and the funding body to meet the requirements of the Northern Territory Associations Act.

The special purpose financial report has been prepared in accordance with the basis of preparation and accounting policies described below.

(b) Basis of Preparation of the Accounts

The financial report is presented in Australian dollars and has been prepared on an accrual basis of accounting.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Darwin Turf Club.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(c) Taxation

The Darwin Turf Club is exempt from the payment of income tax.

(d) Going concern

The financial statements of the Darwin Turf Club have been prepared on the basis that the Darwin Turf Club is a going concern and will continue to operate. The Darwin Turf Club relies on funding provided through Thoroughbred Racing NT Incorporated (TRNT) and the financial statements are prepared on a going concern basis on the understanding that such funding will continue. The current funding agreement between the Northern Territory Government (NTG) and TRNT expires on 30 June 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised.

Government Grants - Grants are taken up as income in the year to which the funds relate.

Membership Fees - Membership fees are recognised on a straight-line basis over the financial year to which they relate.

(f) Goods and Services Tax

Revenues, expenses, assets and liabilities 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 (ATO). In these circumstances, the GST is recognised as part of the acquisition of the asset or as part of an item of the expense.

Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

(g) Cash and Cash Equivalents

Cash and cash equivalents includes notes and coins held and any deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

(h) Receivables

Trade and other receivables are recorded at amounts due, less any provision for doubtful debts.

(i) Property, Plant and Equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Assets are depreciated on a straight-line basis so as to allocate the net costs against revenue over the estimated economic lives of the assets. As a general policy, only assets with a value of \$4,000 or more are capitalised, items under this value being charged as an expense in the income statement in the year of purchase.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The depreciation rates used for each class of depreciable assets are:

Class	Depreciation Rate
Buildings	2.50% - 10.00%
Building Improvements	2.70% - 20.00%
Course Improvements	5.00% - 33.33%
Stable Complex & Improvements	2.50% - 25.00%
Plant & Equipment	4.00% - 33.33%
Furniture & Fittings	5.00% - 33.33%
Motor Vehicles	12.50% - 25.00%

(j) Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the operating surplus.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment. Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjusted for any effects of conditions existing at each balance date.

The recoverable amount of the other assets is the fair value less costs to sell.

(k) Payables

Payables are stated at cost.

(l) Employees' Entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include annual leave and long service leave. Liabilities arising in respect of annual leave and long service leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Long service leave expected to be paid later than one year is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using interest rates on corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The Darwin Turf Club also contributes to various accumulating Employee Superannuation Plans.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Comparatives

Where changes have occurred in the presentation of the Financial Statements, prior year figures have been reclassified for comparative purposes.

(n) Segment Reporting

The Darwin Turf Club operates predominantly in one industry, being that of Thoroughbred Racing in the Northern Territory.

(o) Inventories

Inventories are carried at the lower of cost and net realisable value. Costs are assigned to inventories on a first in first out basis.

(p) Intangible Assets

Liquor licenses - The valuation of liquor licenses is done at cost; also liquor licenses have an indefinite useful life. Therefore, they are not amortised. Liquor licenses are tested for impairment annually and at any indication of the existence of impairment. Any impairment is directly recognised in the income statement.

Gaming licenses - Just like liquor licenses, gaming licenses are valued at cost and are considered to have an indefinite useful life. Therefore, they are not amortised. These assets are annually tested for impairment and whenever there is an indication of existence of impairment. Impairment is directly recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

2. OPERATING INCOME

<i>in AUD</i>	2018	2017
Bar	1,628,241	1,810,757
Catering	810,925	973,669
Functions	1,264,109	1,372,535
Tab Commissions	434,463	554,304
	4,137,738	4,711,265

3. RACE MEETING INCOME

<i>in AUD</i>	2018	2017
Admissions	827,290	858,719
Race Books	67,038	64,328
Merchandise	58,467	58,698
Advertising & Sponsorship	937,231	1,051,746
	1,890,026	2,033,491

4. RENTAL INCOME

<i>in AUD</i>	2018	2017
Bookmakers	958,527	971,822
Douglas St Stable Complex	674,669	662,660
Other	148,854	133,474
	1,782,050	1,767,956

5. OTHER INCOME

<i>in AUD</i>	2018	2017
Livestock Scheme	150,500	156,000
Membership Fees	133,913	141,596
Distributions from Palmerston Sports Club	36,000	48,000
Interest Received	2,881	1,934
Insurance Recoveries	422,532	27,801
NTG Immediate Works Grant	-	185,090
	745,826	560,421

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

6. OPERATING EXPENSES

<i>in AUD</i>	2018	2017
Bar & Catering Cost of Sales	843,404	971,507
Bar, Catering & Function Expenses	164,521	197,434
Hireage	1,083,293	989,880
Bar, Catering, Function and TAB Salaries and Wages	1,552,391	1,720,351
Outsourced Catering and Gala Ball	636,286	634,705
UBET Agency Expenses	12,172	13,685
	4,292,067	4,527,562

7. RACE MEETING EXPENSES

<i>in AUD</i>	2018	2017
Advertising	546,289	426,590
Raceday Cost of Sales	153,170	140,429
Racing Salaries and Wages	215,226	158,849
Sponsorship Costs	72,340	71,423
Sundry Expenses	59,486	65,958
	1,046,511	863,249

8. ADMINISTRATION EXPENSES

<i>in AUD</i>	2018	2017
Administration Expenses	280,653	311,027
Insurance Claim Expenses	423,126	-
Borrowing Expenses	18,847	31,278
Marketing Expenses	564,849	438,432
Occupancy Expenses	1,003,573	944,522
Repairs and Maintenance Expenses	668,784	904,023
Salaries and Employee Benefit Expense	2,498,212	2,504,036
Livestock COGS	156,004	178,231
	5,614,048	5,311,549

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

9. CASH AND CASH EQUIVALENTS

<i>in AUD</i>	2018	2017
Cash on Hand	271,657	375,790
Cash at Bank	1,485,597	700,400
	1,757,254	1,076,190

10. TRADE AND OTHER RECEIVABLES

<i>in AUD</i>	2018	2017
<i>Current</i>		
Debtors	227,630	345,811
<i>less</i> Provision for Doubtful Debts	(27,784)	(27,784)
Accrued Income	295,960	1,246,528
	495,806	1,564,555

11. INVENTORIES

<i>in AUD</i>	2018	2017
<i>Stock on Hand</i>		
Bar	92,515	125,063
<i>less</i> Provision for Obsolete Inventory	(9,142)	(51,596)
Catering	10,201	9,870
Merchandise	1,330	1,330
	94,904	84,667

12. PLANT AND EQUIPMENT

<i>in AUD</i>	2018	2017
Buildings at Cost		
At Cost	11,172,121	11,172,121
Building Improvements	1,567,777	1,238,949
Accumulated Depreciation	(5,968,278)	(5,579,411)
	6,771,620	6,831,659
Course Improvements at Cost		
At Cost	1,790,220	1,775,477
Accumulated Depreciation	(698,904)	(570,601)
	1,091,316	1,204,876

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

12. PLANT AND EQUIPMENT (continued)

<i>in AUD</i>	2018	2017
Stable Complex and Improvements at Cost		
At Cost	3,778,718	3,778,718
Accumulated Depreciation & Impairment	(1,974,619)	(1,832,864)
	1,804,099	1,945,854
Plant and Equipment		
At Cost	1,205,579	1,099,976
Accumulated Depreciation	(869,708)	(805,723)
	335,871	294,253
Furniture & Fittings at Cost		
At Cost	319,173	319,173
Accumulated Depreciation	(243,309)	(224,277)
	75,864	94,896
Motor Vehicles at Cost		
At Cost	76,613	76,613
Accumulated Depreciation	(57,603)	(54,356)
	19,010	22,257
Work in Progress		
At Cost	1,772,078	139,432
	1,772,078	139,432
Total Property, Plant and Equipment		
Total at Cost	21,682,279	19,600,459
Accumulated Depreciation	(9,812,421)	(9,067,232)
Total Written Down Amount	11,869,858	10,533,227

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

13. TRADE AND OTHER PAYABLES

<i>in AUD</i>	2018	2017
Creditors and Accrued Expenses	978,678	356,263
Receipts in Advance	1,190,904	1,261,752
Other Payables	-	374,000
GST Payables/(Receivable)	736	(75)
	2,170,318	1,991,940

14. PROVISIONS

<i>in AUD</i>	2018	2017
(a) Current		
Employee Entitlements		
- Annual Leave	348,579	320,055
- Long Service Leave	63,647	54,441
Total Current Provisions	412,226	374,496
(b)Non- Current		
Employee Entitlements		
- Long Service Leave	88,040	54,456
Total Non-Current Provisions	88,040	54,456

15. LOANS

<i>in AUD</i>	2018	2017
(a) Current		
Loans		
Loans - Extra Building	51,199	48,410
Loans - Marquee	134,087	128,740
Total Current Loans	185,286	177,150
(b) Non-Current		
Loans		
Loans - Extra Building	30,362	81,460
Loans - Marquee	54,698	188,769
Total Non-Current Loans	85,060	270,229

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2018

16. STATEMENT OF CASH FLOWS

<i>in AUD</i>	2018	2017
(a) Reconciliation of Operating Result to Net Cash used in Operating Activities		
Net Surplus	900,751	1,210,193
Depreciation	745,189	777,456
Provision for Obsolete Stock	(42,454)	(11,941)
<i>Changes in Assets and Liabilities</i>		
- Decrease (Increase) in Debtors and Accrued Income	1,068,749	(1,236,397)
- Decrease in Inventory	32,217	29,581
- (Increase) in Prepaid Expenses and Other Current Assets	(14,227)	(758)
- Increase in Creditors, Accrued Expense and Other Payables	249,226	382,055
- (Decrease) in Revenue in Advance	(70,848)	(119,589)
- Increase in Provisions	71,314	35,615
Net Cash Provided by Operating Activities	2,939,917	1,066,215

DARWIN TURF CLUB INC.

Statement by the Association Management Board

BOARD MEMBERS

Chairman	Brett Dixon
Vice-Chairman	Robert Longuet
Deputy Vice-Chairman	Cameron McNally
Secretary	Keith Stacy
Public Officer	Keith Stacy

Board Member	Brendan Wilding
Board Member	Michelle Graham
Board Member	Dale Bicheno
Board Member	James Herraman
Board Member	Damien Moriarty
Board Member	Jon Bourke
Board Member	Anya Lorimer

PRINCIPAL ACTIVITY

The principal activity of the Association during the financial year was to hold race meetings for Thoroughbred horses. This activity has not changed from previous years.

OPERATING RESULT

The net result for the year was a surplus of \$900,751, the prior year was a surplus of \$1,210,193.

In the opinion of the management board of Darwin Turf Club Incorporated (DTC):

- (a) the DTC is not a reporting entity;
- (b) the accompanying financial report, being a special purpose report, is drawn up so as to present fairly the state of affairs of the DTC as at 31 December 2018 and the results of the DTC for the period ended on that date;
- (c) the accounts of the DTC have been properly prepared and are in accordance with the books of account of the DTC; and
- (d) there are reasonable grounds to believe that the DTC will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution by the Management Board.

Dated at Darwin on this 17th day of April 2019.



Chairman



Vice-Chairman

Independent auditor's report to the members of Darwin Turf Club Incorporated

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the accompanying special purpose financial report of Darwin Turf Club Incorporated ("the Association"), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, the statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory notes, and the statement by the Association Management Board.

In our opinion, the accompanying financial report of the Association for the year ended 31 December 2018 presents fairly, in all material respects, the financial position of Darwin Turf Club Incorporated as at 31 December 2018 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for Opinion

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 the Association in accordance with the independence requirements of the Australian professional accounting bodies. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association meet the requirements of the *NT Associations Act*. As a result, the financial report may not be suitable for another purpose.

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 Act* and the Association's constitution and has determined the accounting policies used as described in Note 1 are appropriate to meet the needs of the Association and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 for the year ended 31 December 2018 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 the 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 management 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.



Merit Partners



Matthew Kennon
Director

Darwin

17 April 2019

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