



2020 ANNUAL REPORT



DARWIN RACING

DARWIN TURF CLUB INCORPORATED

As at 31 December 2020

GPO Box 589, Darwin NT 0801

Tel: (08) 8923 4222 | Fax: (08) 8923 4233

Email: dtc@darwinturfclub.org.au | Website: www.darwinturfclub.org.au

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 (Commenced as of August 2020), Jon Bourke (Retired as of August 2020), Andrew Giles, Michelle Graham, James Herraman (Retired as of August 2020), Anya Lorimer, Damien Moriarty and Brendan Wilding

Management

Chief Executive Officer:	Brad Morgan
Chief Operating Officer:	Keith Stacy
Chief Financial Officer:	Barry Lloyd
General Manager Marketing & Media:	Jamie Chadwick
Operations, Racing & Facilities Manager:	Cameron Riches
Bar & Functions Manager:	Nikkita Pearson
Human Resources Manager:	Jade Meredith
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

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NOTICE OF MEETING

*Members are advised that the Annual General Meeting of the Darwin Turf Club
Incorporated shall be held at 7:15pm on Monday, 17 May 2020*

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 (COMMENCED AS OF AUGUST 2020)

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 (RETIRED AS OF AUGUST 2020)

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 Practicing 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.



Andrew Giles

BOARD MEMBER

Andrew is currently a practicing solicitor with HWL Ebsworth Lawyers with his core areas of practice being banking and finance law, mergers and acquisitions, all aspects of property law, large scale construction and development projects, and governance and compliance work. Possessing complementary tertiary qualifications in commerce (finance major) and business experience as a director and shareholder of The Trader Bar Darwin Pty Ltd and Subtropical Holdings Pty.

Ltd (which operates the Why Not Festival and several other events within the Darwin region), Andrew retains a strong commercial and practical approach to each project and entity which extends beyond traditional commercial advice. Andrew is committed to ensuring the long term success of horse racing in the Northern Territory and the development of the Darwin Turf Club.



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.



James Herraman

BOARD MEMBER (RETIRED AS OF AUGUST 2020)

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.



Brad Morgan

CHIEF EXECUTIVE OFFICER

Brad Morgan has significant management and executive experience in Australian Casinos and Licensed Clubs having managed several of the largest Clubs in Queensland including the Brisbane Broncos Leagues Club. He was the COO of the Lasseters Group Casino Division based in Alice Springs before joining the SKYCITY Entertainment Group as General Manager of the Darwin Casino being directly responsible for the operations and financial performance along with the development plans of the property.

He was the inaugural CEO of the Ville Resort Casino after Australian entrepreneur Chris Morris purchased the Casino from the Star Group and enticed him to relocate to Townsville from Darwin to oversee the transition and the major redevelopment program.

Prior to joining the Hospitality Industry Brad spent a decade with one of Australia's largest Financial Institutions.

Board Meeting Attendance for 2020

Brett Dixon – 12, Rob Longuet – 12, Cameron McNally – 11, Jon Bourke – 4, Andrew Giles – 12, Michelle Graham – 12, James Herraman – 5, Anya Lorimer – 11, Damien Moriarty – 11, Brendan Wilding – 11, Dale Bicheno – 6.



M E S S A G E F R O M T H E C H A I R M A N

Brett Dixon

On behalf of the Board of the Darwin Turf Club, I am pleased to present the 2020 Annual Report for the Darwin Turf Club Incorporated.

2020 presented some unique and unprecedented circumstances, with the COVID-19 pandemic an event no one could prepare for. The pandemic shut down the entire country, and the Darwin Turf Club with it. We were very fortunate to continue racing throughout the pandemic under strict quarantine rules, with no spectators on site, and limited staff and resources.

I want to again pass on my sincere thanks to our industry, members, and staff, who were patient, malleable and understanding through what was a very difficult and uncertain time.

We welcomed spectators back on track from June 5, and were the first track in Australia to do so, and in just a few weeks organised a four-day modified Great Northern Darwin Cup Carnival for our patrons.

We have stuck by promises from previous years to ensure we not only maintain but improve the Club's facilities, racing product and service for all to enjoy and benefit from, not only during our highly respected Great Northern Darwin Cup Carnival but throughout the whole year.

This has been achievable thanks to the opening of two new facilities on course – Silks Darwin, and the New Public Stand. These two facilities have ensured the future of thoroughbred racing in Darwin remains bright here in the Top End, and in Alice Springs.

The success of Silks Darwin has been phenomenal, with membership exceeding 10,000 in the first six months since opening. Packages for the Great Northern Darwin Cup sold out in a fortnight, and the popularity of the venue throughout the dry season and over the racing carnival was extraordinary. The venue continued to prove its popularity over the wet, with different events demonstrating that the venue was a viable function space for many events over the Christmas and New Years

period. Silks Darwin continues to perform, and we are very excited to share more exciting events over the 2021 Great Northern Darwin Cup Carnival and beyond.

Controversy aside, the New Public Stand has over and over again proved to be a worthy investment for Territorians. The venue was sold out over each of the four days of the 2020 Great Northern Darwin Cup Carnival, and corporate boxes continued to sell well, even out of the confines of the Great Northern Darwin Cup Carnival. The venue has been used for functions outside of racing, including school formals, gala dinners, awards events, Christmas parties and more. On race days, the air-conditioned ground floor of the New Public Stand has been a draw card for many who enjoy a day at the races without the stifling heat of the wet season. It's also the only place on course where tap beer is served, its popularity proved through the sheer numbers of schooners served since opening.

While numbers were down due to the COVID-19 pandemic, a last-minute hotspot announcement from Brisbane in the days before the running of the Darwin Cup, the ongoing lockdown in Melbourne and uncertainty around other major cities, the success of the modified 2020 Great Northern Darwin Cup Carnival over such a difficult year speaks for itself. Attended proudly by Territorians, as well as some interstate visitors, 2020 showed Australia and the world that the Northern Territory was the safest place in Australia and why the Cup Carnival proves again and again why it continues to be the largest social and sporting event in the Northern Territory. The race was viewed by millions around Australia through our trusted and highly valued media partner SKY Racing across the four days of racing.

Review of Operations

The 2020 Annual Report is for the 12 month period from 1st January 2020 to 31st December 2020, including the 2020 Carlton Mid Darwin Cup Carnival.

The Club recorded a surplus of \$10,346,264 for the year. This was an increase on the surplus recorded in 2019 of \$3,402,366. The Northern Territory Government Multi-purpose Grandstand Grant accounted for \$8.763m of this surplus.

Silks Darwin Racing Hospitality & Gaming

The Darwin Turf Club's vision to secure other sourced revenues for the Northern Territory racing industry, came to fruition with the completion of the NT's newest Hospitality and Gaming Venue – Silks Darwin Racing, for an initial investment of \$11.7m. Opening its doors on the 5th June 2020, this represented a significant milestone for the Club in achieving its vision, and fulfilling one of its major strategic objectives.

Silks has grown to be a popular club with over 10,000 members, and their guests who enjoy a range of hospitality, TAB and gaming related services.

The venue generated \$4.063m in gaming revenue and paid \$1.7m in Gaming Tax to the NTG since opening its doors. Net Profit generated by Silks for the 2020 year was \$254,890.

Silks Darwin Racing also contributed \$40,454 in cash directly to local community based clubs such as Riding for the Disabled NT (\$10,000), and the Wanderer's Football Club (\$30,000). It also provided \$6,500 of in-kind benefits to other various local organisations.

Darwin Racing

The racing operation was significantly impacted by COVID-19, however the Club was fortunate to be able to run a four meeting carnival. Operating income (Bar, Catering, Function and Tab Commissions) fell by almost \$1.5m to \$2.1m in 2020, however operating expenses also fell by \$1.85m. This reduction in costs came from hireage, wages, and the Darwin Turf Club Gala Ball. Our special thanks also go out to our major Corporate Partners that stood by the Club during the

pandemic, as gross sponsorship sales only fell \$349,308 to \$1.3m in 2020.

Racemeeting income fell \$256,727 from a reduction in admissions, and other income rose by \$380,809 as a result of a range of COVID-19 hardship relief measures received.

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Product fees also grew during the year and increased by \$432,558 to \$1,635,829.

Major capital works completed during the year include the replacement of structural steel and the re-roofing of stable block 13 (\$102,330), the installation of a concrete drain, walkway culvert, and retaining wall at stable block 4 (\$46,077), and the completion of the Multi-Purpose Grandstand (\$12.71m).

Total Borrowings at December 2020 total \$9,399,156, and cash held at end of year was \$2,526,761.

2020 Great Northern Darwin Cup Carnival, Qantas Darwin Turf Club Gala Ball and Events

Though it was an economically challenged year, the modified 2020 Great Northern Darwin Cup Carnival, Qantas Darwin Turf Club Gala Ball and other associated featured events were all significant



achievements, organised in an incredibly short time frame thanks to the dedication and passion of staff and industry. Racing was highly competitive and very exciting, and the hard work of staff and support from sponsors did not go unnoticed.

The Great Northern Darwin Cup was a huge day. Joining with the bet365 Palmerston Sprint on the same day, patrons enjoyed a 12-race day where local trainers, jockeys and thoroughbreds shone. Sold out two days prior, tickets were in high demand and while not without its challenges due to COVID-19 restrictions, it was overall a very successful day. Congratulations to the big grey Ihtsahymn, jockey Peter Hall, and trainer Robert Gulberti who took home the Darwin Cup for the second year in a row.

It was unfortunate to see long-term sponsor Qantas leave after so many decades supporting the Qantas Darwin Turf Club Gala Ball. This was the last year of Qantas' involvement, with the COVID-19 pandemic forcing the unfortunate end of a long partnership. Held for the first time on the lawns of the Darwin Turf Club and with just 600 in attendance, the Gala Ball was a huge success, with feedback from members, patrons and guests suggesting there may be benefit in hosting there again in future years.

The Ladbrokes Let's Talk Racing Luncheon again proved to be one of the most successful days on track, with more than 400 people packing the TAB Pavilion for

that event. Although this year there was no tried horse sale, patrons enjoyed the banter from beloved host Greg Radley, who interviewed a number of successful jockeys, with digital appearances by the favourite entertainer Rhonda Burchmore and race caller Darren McAuley.

While there was much to be disappointed about in 2020, the Great Northern Darwin Cup Carnival was not it. The Darwin Turf Club team and board have shown versatility and resilience, and managed to stay optimistic while adapting to the many challenges the COVID-19 pandemic threw at them, and organising what they did under those circumstances and time frame should not and has not gone unnoticed.

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 2020 financial year were \$672.73

Acknowledgments

2020 proved a difficult year for many partners who in the past had supported the Darwin Turf Club for many years. We understand the difficult decisions many sponsors had to make over 2020, including long-standing sponsor Qantas who this year supported their last Darwin Turf Club Gala Ball, and other sponsors unable to commit financially under such testing times. We understand the trying times of 2020, and hope we can continue the many relationships we have had with local businesses when they are ready.

On the other hand, the confidence in the Darwin Turf Club saw many stick with us, and we send our heartfelt thanks to all sponsors for their ongoing confidence in our product.

Our Principal Sponsor is again Carlton & United Breweries and this year we send our deepest thanks for standing by the Darwin Turf Club over such an uncertain and unusual time.

We are honoured to continue our relationship with Lincoln Jenkin, NT General Manager and Carlton & United Breweries. This long-standing relationship is the envy of many and I take this opportunity to sincerely thank you Lincoln and Carlton & United Breweries for your highly valued, ongoing commitment to the Darwin Turf Club and the Great Northern Darwin Cup Carnival.

To all our major sponsors I thank you all for your committed support of our feature race days and our many other sponsors acknowledged later in this Annual Report. The Darwin Turf Club is truly indebted to each and every sponsor. It is through your sponsorship that Darwin Racing continues to grow and we appreciate your backing all year round, especially over 2020.

I again send my thanks to all board members, who not only have a passion and love of thoroughbred racing, but for the success and growth of the Northern Territory. Your board are cohesive and fully committed to the success and growth of the club, and I take this opportunity to sincerely thank and acknowledge them all for their support and dedication throughout the year.

The Management Team, Brad Morgan and his entire staff are also sincerely thanked for their tireless hard work, and the efforts they went to in pulling together the 2020 Great Northern Darwin Cup carnival with just six weeks' notice.

Our owners, trainers, jockeys, stable hands, staff and thoroughbreds; collectively you are Darwin Racing and my sincere thanks to you all. We continue to have good communication within our Industry on matters relating to safety, programming and track and stables, and we look forward to continuing this positive relationship.

The highly valued support and commitment from our Racing Minister The Hon Natasha Fyles and the Northern Territory Government to the Racing Industry in the Northern Territory is truly acknowledged and appreciated. To Thoroughbred Racing Northern Territory, led by chief executive officer Andrew O'Toole and our Stewards, led 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.

Members, on behalf of your Board, thank you all. Your unwavering support over 2020 is highly appreciated and valued, and your patience during the unknown did not go unnoticed.

Evolution has been a critical element at the Darwin Turf Club and has enabled us to remain relevant and successful even during one of the most testing years on record. We must continue to move our business forward, without ever losing the essence of what we represent here in the Top End – a bucket list experience for many who want to experience thrill of thoroughbred racing, the unmatched weather of our dry season and the uniqueness of all that comes with the Northern Territory. Understanding our patrons, the challenges and trials of the sport of racing, as well as the benefits of participation in this wonderful sport, have never been more important.

On behalf of the Darwin Turf Club Board, I sincerely thank you all for your continued support and look forward to us all sharing in growth of not only the Great Northern Darwin Cup Carnival but racing all year round, and continuing to develop the Darwin Turf Club as the Northern Territory's premium function and entertainment venue.



Brett Dixon
CHAIRMAN OF THE BOARD

CHIEF EXECUTIVE'S REPORT

Brad Morgan

Introduction

New to the Darwin Turf Club in 2020, my focus was on the successful opening of Silks Darwin and the New Public Stand, and delivering both for the 2020 Great Northern Darwin Cup Carnival and beyond, but what no one was ready for was the COVID-19 pandemic. Shutting down the entire course for nearly two months, the pandemic thankfully did not slow the construction or opening of either of the two venues, but it did stymie the much-anticipated 2020 Great Northern Darwin Cup Carnival and other events.

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The uncertainty and time it took for quarantine operations to be put in place in other states meant uncertainty for travellers, but it also saw the Northern Territory become the safest place in Australia, and operating almost as normal as the rest of Australia grappled with lockdowns and community transmission of the virus. While we continued to race without crowds during lock down, the lack of life around the track was noticeable, and all were excited to welcome crowds back to the track in early June.

From shut down to a modified Great Northern Darwin Cup Carnival in six weeks, these accomplishments would not have been possible without the support of our members, sponsors, industry stakeholders, patrons, the Northern Territory Government and Thoroughbred Racing NT. It is with this support that we have been able to endure the pandemic and consequently have a very rewarding 2020 for the club, delivering a very strong but modified Great Northern Darwin Cup Carnival, associated events and continued improvements to the club's facilities. The New Public Stand continues to receive rave reviews since its opening mid year and will undoubtedly prove to be a valuable asset for your club as it looks to increase commercial revenue streams not only through race day events but also non racing activities and in so doing, attracting a new audience to the property.

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

The Darwin Turf Club and Silks Darwin is proud to support its community and charities. Throughout the year it has provided support to the following entities.

- Northern Territory Racehorse Owners Association of the Northern Territory
- Wanderers Football Club
- Riding for The Disabled
- Bushfire Appeal

I take this opportunity, on behalf of the Darwin Turf Club, to express our most sincere thanks and



appreciation to all our partners for their unwavering support over 2020. I particularly acknowledge and thank our principal corporate partner, Carlton & United Breweries. The commitment provided by Lincoln Jenkin and his dedicated team is truly unrivalled. It is through the support, cooperation and assistance of our partners that the Darwin Turf Club operates successfully, grows its racing product and helps create additional economic benefits to the Northern Territory. I send our most sincere appreciation and thanks to:

Principal Corporate Partner

- Carlton & United Breweries

Major Corporate Partners

- Asian United Food Service
- bet365
- Bridge Toyota
- Great Northern Brewing Co.
- Darwin Corporate Park
- HOT100
- Ladbrokes
- Schweppes
- SKY Racing
- Tabcorp

- 7 Darwin
- Allora Gardens
- Aertex Group
- Ascend Sales & Trophies
- Bernborough Club of the NT
- Betfair
- Darwin Horse Floats
- Darwin Racing Photos
- Fusion Exhibitions
- Garrard's Horse & Hound
- Lexus Darwin
- Magic Millions
- Mitty's
- MIX1049
- NT News
- Paspaley Pearls
- Racehorse Owners & Trainers Association NT
- Shenannigans Irish Pub
- Campaign Edge Sprout
- Ten Darwin
- Territory Insurance Office (MACC)
- Top Country 92.3
- Cleanaway
- Treasury Wine Estates
- Women in Thoroughbred Racing
- NT Private Dining

Private Dining Partners – Ted Bailey Grandstand Tables

- 7 Darwin
- Gusher

The Year Ahead and Thank You

We now move forward with implementing strategy and plans into the next 12 months, two, five and 10 years, and determine the success of our strategy and plans across a number of key measures beyond traditional financial measures including customer satisfaction, employee engagement, partner relationships and key

racing metrics such as track quality and wagering turnover. As we move forward with new and exciting products and offerings, targets for these measures will be key to measuring wholistic performances within the Darwin Turf Club.

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Thank you to all who have supported the Darwin Turf Club over 2020, and we look forward to continuing to evolve the club in the years ahead to ensure we deliver on our strategy and the expectations of our members and other key stakeholders.

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I take this opportunity to sincerely thank our Board for their commitment, leadership and guidance throughout this trying year. Their passion ensures we collectively achieve not only the best possible Great Northern Darwin Cup Carnival with the highest possible service at all times but also every race day, function and event we hold throughout the year.

Thank you to all who have supported the Darwin Turf Club over 2020, and we look forward to continuing to evolve the club in the years ahead to ensure we deliver on our strategy and the expectations of our members and other key stakeholders.

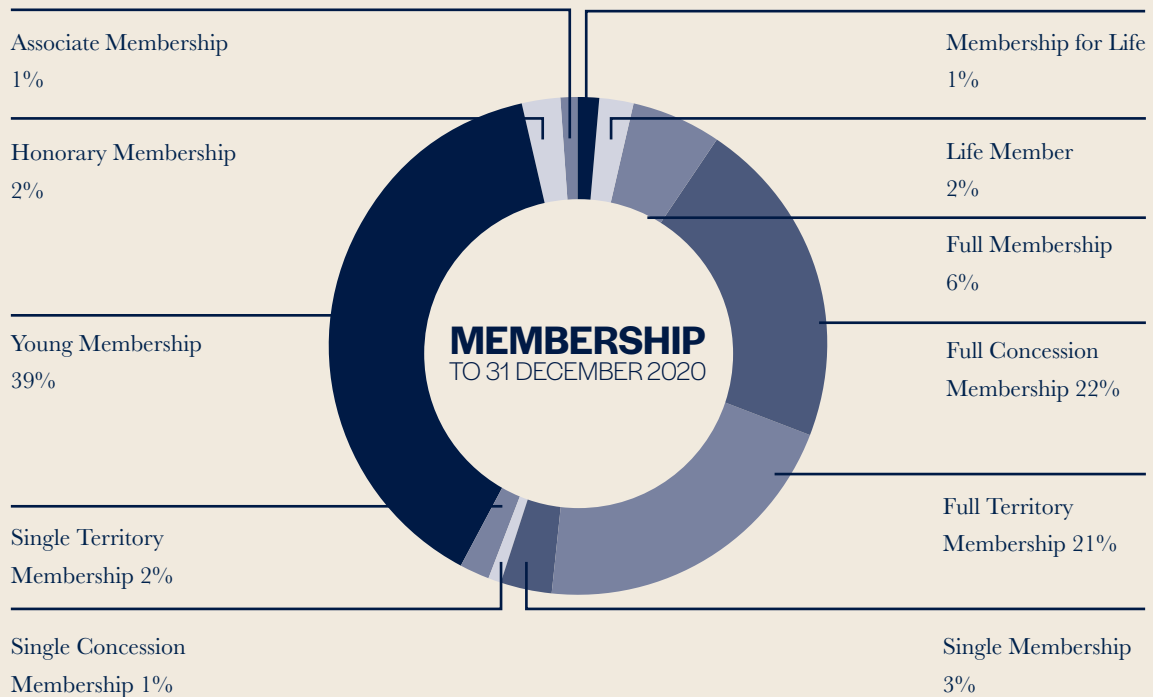


Brad Morgan
CHIEF EXECUTIVE OFFICER



DARWIN TURF CLUB

2020 at a glance



26
THE NUMBER
OF PERMANENT
STAFF EMPLOYED
BY THE DTC IN
THE YEAR 2020

NUMBER OF
RACES RUN 2020

170

TOTAL RETURN TO PARTICIPANTS 2020

\$4,831,694

35
NUMBER OF
TROPHIES
PRESENTED

DARWIN CUP RECORD TIME
(HELD BY ITSAHYMN 2020)

2:05:64mins

+7.46%
INCREASE IN FACEBOOK
LIKES IN 2020

17
NUMBER OF
LOCAL LICENSED
TRAINERS

RACING FACTS 2020

RACING FACTS	2020	2019	2018	2017
Runners	1,459	1,734	1,871	1,805
Races	170	212	216	219
Meetings	33	37	36	38
Average runners per race	8.58	8.18	8.66	8.24
Stakes	\$4,045,109	\$4,900,000	\$4,993,500	\$4,865,000
Licensed Jockeys	8	12	14	12
Licensed Apprentices	1	0	0	1
Licensed Trainers	17	20	19	20

RETURN TO PARTICIPANTS	2020	2019	2018	2017
Prize Money	\$4,045,109	\$4,900,000	\$4,993,500	\$4,865,000
Unplaced Runners	\$536,750	\$663,900	\$733,835	\$691,800
Unplaced Jockeys Fees	\$228,020	\$286,366	\$317,215	\$326,972
TOTAL	\$4,831,694	\$5,850,266	\$6,044,550	\$5,883,772

2020 TOP END RACING AWARDS

The Top End Racing Horse of the Year Awards were held on Friday, 9 October 2020 in the New Public Grandstand at the Darwin Turf Club. We acknowledge all recipients listed below and congratulate them on a successful 2020 racing season.

Leading Trainer:	Gary Clarke	Three-year-old of the Year:	Escondido
Leading Jockey:	Jarrodd Todd	Sprinter of the Year:	The Captain
Leading Carnival Trainer:	Gary Clarke	Middle Distance/Stayer:	Skaldak
Leading Carnival Jockey:	Jarrodd Todd	Out-of-Carnival Performer:	Smuggling
Bernborough Club NT		Horse of the Year:	The Captain
Strapper of the Year:	Taylor Pope	Character of Racing:	Wayne Davis

CARNIVAL STATISTICS

341

THE NUMBER OF
CASUAL STAFF
EMPLOYED FOR
2020 CUP DAY

NUMBER OF
STARTERS

346

\$1,060,000

TOTAL PRIZE MONEY FOR 2020 CARNIVAL

24

BOOKMAKER
STANDS ON
DARWIN CUP DAY

11,298

ATTENDEES THROUGH
THE GATES

8

NUMBER
OF VISITING
TRAINERS

\$100,000

THE GREAT NORTHERN
DARWIN CUP STAKES

	2020*	2019	2018	2017	2016
Nominations	444	805	749	909	917
Acceptances	361	609	569	631	664
Starters	346	542	517	569	587
Races	36	58	59	59	60
Fields Less than 8 Starters	3	14	20	11	11
Prize money	\$1,060,000	\$1,960,000	\$1,956,000	\$1,923,000	\$1,944,800
Attendance	11,298	34,453	35,159	36,864	37,009
Sponsorship	\$1,228,302	\$1,493,535	\$1,464,296	\$1,590,088	\$1,597,248
Bar Sales	\$679,392	\$1,157,539	\$1,256,965	\$1,187,876	\$1,198,307
On course TAB					
• Totalisator	\$473,302	\$1,586,489	\$1,749,413	\$1,793,124	\$2,817,674
• Fixed Price	\$387,865	\$996,736	\$908,222	\$901,127	\$1,419,917
TAB TOTAL	\$831,167	\$2,583,225	\$2,657,635	\$2,694,251	\$4,237,519

*2020 Carnival was reduced to four days due to Covid-19

TRACK RECORD HOLDERS

DISTANCE	TIME	HORSE	DATE
900 m	51:33	TERM	16/07/2003
1000 m	56:07	I'M TOO HOT	05/08/2019
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
2050 m	02:05:64	ITSAHYMN	03/08/2020



P A S T W I N N E R S

Great Northern Darwin Cup 2000m

1956	NT	SATAN'S SON	P McCracken
1957	NT	DAWN SHADOW	A Meredith
1958	NT	BRIGHT GUN	M Bray
1959	NT	WOOD	V Oldfield
1960	NT	WOOD	W Perks
1961	NT	WOOD	W Perks
1962	NT	WOOD	W Perks
1963	NT	HALF HOUR	R Snelling
1964	NT	SANDBOY	D Kelly
1965	QLD	DARING MAN	R Snelling
1966	NT	BONTEENA	R Caton
1967	NT	INCISIVE	M Hanna
1968	NT	THE YANK	A May
1969	NT	LITTLE RASCAL	C Brown
1970	NT	RAY WITT	N Mifflin
1971	NT	APIAN	A Meredith
1972	NT	SON OF CYRUS	J Morrison
1973	NT	HEPBURN	B Wakefield
1974	NT	CHATELL	C Brown
1975	NT	LORD TINY	M Hanna
1976	NT	LORD TINY	G Lane
1977	NT	FINAL HOPE	G Lane
1978	NT	VERNAL	A Trevena
1979	NT	CHOSEN	B Potter
1980	NT	NASTARSE	J Courtney
1981	NT	THURSO	C Brown
1982	NT	PLAIN MICK	D Balfour
1983	QLD	KERR STREET	K Ballard
1984	QLD	KERR STREET	D Kolpin
1985	NT	RARE METAL	R Lloyd
1986	NT	FLAUGH-A-BALLAGH	R Kemp
1987	NT	SCARVILA	R Lloyd
1988	NT	TEMPLEMAN	G Hall

P A S T W I N N E R S

Great Northern Darwin Cup 2000m

1990	NT	LORD CHAMBERLAIN		N Paine
1991	VIC	SILVER SHARK		T Arnold
1992	VIC	CLAM'S COMET		W Davis
1993	NT	INSTANT POLICY	2:01.40	D Beadman
1994	NT	LOTHAWAY COUNTY	2:02.74	S King
1995	NT	LOTHAWAY COUNTY	2:02.47	P Payne
		DEAD HEAT		
	NT	KINGSTON RESERVE	2:02.47	S Arnold
1996	NT	VENTILAGO	2:02.24	D Coffey
1997	NT	TUCKER BOX	2:03.58	K Dodge
1998	NT	BELLILE	2:01.70	C Williams
1999	NT	ON THE BEAM	2:04.18	P Denton
2000	NT	STAR BULLET	2:03.63	G Clarke
2001	ACT	MCJOEY	2:03.14	D Bates
2002	NT	BRAVE DECISION	2:02.10	N Paine
2003	NSW	WILD HEART	2:03.00	C Munce
2004	NT	MR TAMBOURINEMAN	2:02.26	J Hallam
2005	NT	LANSON	2:01.51	D Bates
2006	SA	NOZI	2:02.16	S Cahill
2007	SA	GENERAL MARKET	2:01.95	M Pegus
2008	NT	CLUB LIQUID	2:01.22	N Stanley
2009	NT	ACTIVATION	2:01:33	S Ridler
2010	NT	SHOUT OUT LOUD	2:01.79	R Fradd
2011	VIC	HAWKS BAY	2:02.49	S Arnold
2012	VIC	HAWKS BAY	2:02.71	S Arnold
2013		RACE NOT RUN		
2014	SA	PRETTY BLONDE	2:01.80	J Potter
2015	NT	LIGHTINTHENITE	2:00.23	H Bowman
2016	SA	CANNY BALLAD	2:01:49	R Vigar
2017	VIC	ROYAL REQUEST	2:01.90	J Todd
2018	NT	ZAHSPEED	2:01.35	B Davis
2019	WA	ITSAHYMN	2:00.67	P Hall
2020	WA	ITSAHYMN	2:05.64	P Hall

P A S T W I N N E R S

bet365 Palmerston Sprint 1200m

2008	NT	JADE CITY	1:08.97	P Shiers
2009	NT	FAR HORIZONS	1:08.67	P Shiers
2010	NT	LUCID REFLECTION	1:08.00	K Gladwin
2011	VIC	SENSE OF SUN	1:10.04	P Denton
2012	VIC	YOUBOLT	1:10.06	J Beriman (A)
2013	VIC	ACTION AGAIN	1:10.10	A Nicholls
2014	NT	EIGHT BILLS	1:09.03	D Yendall
2015	NT	MOSS'N TIME	1:09.45	P Denton
2016	NT	HANDSOME TYCOON	1:08.51	P Denton
2017	NT	NICCOCO	1:09.42	R Vigar
2018	NT	CAPTAIN PUNCH	1:08.06	B Davis
2019	NT	CAPTAIN PUNCH	1:07.70	B Davis
2020	NT	ENIGMAN	1:09.38	P.Shiers

P A S T W I N N E R S

Darwin Guineas 1600m

2008	SA	HE'S HERE	1:36.97	P Shiers
2009	VIC	HAWKS BAY	1:37:01	P Shiers
2010	NT	MAHAFFEY ROAD	1:35.75	R Oakford
2011	VIC	THE RUFFIAN	1:36.27	L Hopwood
2012	NT	SNITZEL'S CHOICE	1:35.37	V Arnott
2013	VIC	HOST OF THE PARTY	1:38:30	P Shiers
2014	NT	GRAVITATIONAL	1:37:86	P Shiers
2015	NT	MAVERICKS	1:35.96	C Spry
2016	NT	FINKE	1:34.81	B Davis
2017	VIC	KRUSTY	1:36.95	P Denton
2018	NT	BRUNSWICK STREET	1:36.14	P Shiers
2019	SA	POETS LANDING	1:36.23	P Shiers
2020	NT	AUTOCRATIC	1:16.06 *1300m	J. Todd

P A S T W I N N E R S

Ladbrokes NT Derby 2000m

2008	NT	PROTESTA	2:03.92	K Gladwin
2009	VIC	HAWKS BAY	2:02:80	P Shiers
2010	NT	MACCAS DREAM	2:04:66	C Haddon
2011	VIC	THE RUFFIAN	2:04.74	P Shiers
2012	NT	THE THIRD BASEMAN	2:06.38	K Gladwin
2013	VIC	HOST OF THE PARTY	2:04:90	P Shiers
2014	VIC	ROYAL REQUEST	2:04:09	J Todd
2015	NT	FLYING TORMENTA	2:03.67	RVigar(A)
2016	NT	FINKE	2:03.73	B Davis
2017	SA	BILLET DOUX	2:03.42	P Shiers
2018	SA	TURF MAN	2:01.94	J Maskiell
2019	SA	POETS LANDING	2:03.64	P Shiers
2020	NT	BUDGET KING	1:35:36 *1600m	P. Shiers



STATEMENT OF COMPREHENSIVE INCOME

for the year end 31 December 2020

<i>In AUD</i>	Note	2020	2019
Revenue			
Operating Income	2	2,100,733	3,583,005
Racemeeting Income	3	1,547,802	1,804,529
Racing Income		442,470	475,289
Rental Income	4	1,474,698	1,542,220
Gaming Operation Income		7,675,776	-
Product Fee Income		1,635,829	1,203,271
TRNT Operational Grants		2,232,642	2,232,642
Other Income	5	680,868	300,059
Total Revenue		17,790,818	11,141,015
Expenses			
Operating Expenses	6	2,440,089	4,293,622
Racemeeting Expenses	7	585,505	808,490
Racing Expenses		182,521	307,677
Gaming Operation Expenses		6,621,039	561
Administration Expenses	8	4,969,124	5,345,956
Depreciation and Impairment Expense		1,679,041	787,714
Other Expenses		320,065	317,621
Total Expenses		16,797,384	11,861,641
Operating Surplus before Capital Grants		993,434	(720,626)
TRNT Capital Grants		589,908	747,033
NTG Capital Grant - Multi-purpose Grandstand		8,762,922	3,376,159
Net Result for the Reporting Period		10,346,264	3,402,566

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 2020

<i>In AUD</i>	Note	2020	2019
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,526,761	12,405,513
Trade and Other Receivables	10	678,501	522,304
Inventories	11	212,224	76,747
Prepayments and Other Current Assets		280,328	116,490
Total Current Assets		3,697,814	13,121,054
NON-CURRENT ASSETS			
Investment in Silks Management Unit Trust		80	80
Plant and Equipment	12	33,965,268	19,285,509
Other Non-Current Assets		5,385	5,385
Other Intangible Assets		104,932	104,932
Total Non-Current Assets		34,075,665	19,395,906
Total Assets		37,773,479	32,516,960
CURRENT LIABILITIES			
Trade and Other Payables	13	2,674,942	4,358,364
Unexpended NTG Grant - Multi-purpose Grandstand		-	8,733,946
Provisions	14(a)	396,236	487,487
Borrowings	15(a)	1,232,255	83,895
Total Current Liabilities		4,303,433	13,663,692
NON-CURRENT LIABILITIES			
Provisions	14(b)	72,020	68,346
Borrowings	15(b)	8,166,901	3,900,061
Total Non-Current Liabilities		8,238,921	3,968,407
Total Liabilities		12,542,354	17,632,099
Net Assets		25,231,125	14,884,861
Accumulated Funds			
Retained Profits		25,231,125	14,884,861
Total Equity		25,231,125	14,884,861

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

S T A T E M E N T O F C A S H F L O W S

for the year end 31 December 2020

<i>In AUD</i>	Note	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Customers		15,370,789	8,884,878
Receipts from TRNT Funding		2,822,550	2,979,675
Receipts from NTG Capital Grant - Multi-purpose Grandstand		-	12,000,000
Interest Received		29,529	111,747
Payments to Suppliers and Employees		(16,857,790)	(8,733,000)
Interest and Cost of Finance Paid		(264,280)	(34,417)
Net Cash Provided by/ (Used In) Operation Activities	18	1,100,798	15,208,883
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Purchase of Plant and Equipment		(16,404,500)	(8,274,154)
Investment in Silks Management Unit Trust		-	(80)
Net Cash (Used In)/Provided by Investing Activities		(16,394,750)	(8,274,234)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from borrowings		6,839,028	4,900,061
Repayments of borrowings		(1,423,828)	(1,186,451)
Net Cash Provided by/ (Used In) Financing Activities		5,415,200	3,713,610
Net (Decrease) Increase in Cash Held		(9,878,752)	10,648,259
Cash at the Beginning of the Financial Year		12,405,513	1,757,254
Cash at the End of the Financial Year		2,526,761	12,405,513

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 2020

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 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

for the year ended 31 December 2020

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.

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

Capital Grants – Grants are recognised as income when/as the association fulfils the obligation in the funding.

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 Statement of Comprehensive Income in the year of purchase.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Class	Depreciation Rate
Buildings	2.00% - 10.00%
Building Improvements	3.33% - 20.00%
Course Improvements	3.33% - 33.33%
Stable Complex & Improvements	2.50% - 25.00%
Plant & Equipment	4.00% - 33.33%
Furniture & Fittings	5.00% - 33.33%
Motor Vehicles	10.00% - 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.

The Association recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost or fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

At each reporting date, the Association recognises the movement in the loss allowance as an impairment gain or loss in the Statement of Comprehensive Income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

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.

(m) Comparatives

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

(n) 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.

(o) 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 amortized. Liquor licenses are tested for impairment annually and at any indication of the existence of impairment. Any impairment is directly recognized 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 amortized. These assets are annually tested for impairment and whenever there is an indication of existence of impairment. Impairment is directly recognized in the income statement.

(p) Construction Costs

Construction costs are recognised as Construction (Work in Progress) in the reporting period in which the construction activity is performed and transferred to the appropriate asset class upon construction completion.

(q) Provisions

A Provision for Gaming Jackpot is recognised in the Statement of Comprehensive Income at the end of the financial year based on the value of all linked jackpots. During the year, non-linked jackpots are recognised as an expense in the Statement of Comprehensive Income as they are won.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

2 OPERATING INCOME

<i>In AUD</i>	2020	2019
Bar	1,073,329	1,580,829
Catering	543,808	743,128
Functions	327,749	1,003,434
Tab Commissions	155,847	255,614
	2,100,733	3,583,005

3 RACE MEETING INCOME

<i>In AUD</i>	2020	2019
Admissions	514,604	757,472
Race Books	27,834	53,698
Merchandise	4,265	51,733
Advertising & Sponsorship	1,001,099	941,626
	1,547,802	1,804,529

4 RENTAL INCOME

<i>In AUD</i>	2020	2019
Bookmakers	812,595	703,551
Douglas St Stable Complex	556,047	643,819
Other	106,056	194,850
	1,474,698	1,542,220

5 OTHER INCOME

<i>In AUD</i>	2020	2019
Livestock Scheme	-	139,500
Membership Fees	104,735	126,217
COVID19 Relief	567,942	-
Interest Received	553	1,641
Insurance Recoveries	3,136	32,701
Other Income	4,502	-
	680,868	300,059

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

6 OPERATING EXPENSES

<i>In AUD</i>	2020	2019
Bar & Catering Cost of Sales	657,247	824,294
Bar, Catering & Function Expenses	176,149	249,812
Hireage	440,459	957,503
Bar, Catering, Function and TAB Salaries and Wages	1,000,757	1,462,817
Gala Ball	160,020	787,931
UBET Agency Expenses	5,457	11,265
	2,440,089	4,293,622

7 RACEMEETING EXPENSES

<i>In AUD</i>	2020	2019
Advertising	356,649	418,159
Raceday Cost of Sales	75,809	131,190
Racing Salaries and Wages	51,289	138,691
Sponsorship Costs	46,799	79,220
Sundry Expenses	54,959	41,230
	585,505	808,490

8 ADMINISTRATION EXPENSES

<i>In AUD</i>	2020	2019
Administration Expenses	532,499	364,455
Insurance Claim Expenses	20,359	13,210
Borrowing Expenses	264,280	34,417
Marketing Expenses	289,035	448,049
Occupancy Expenses	846,904	996,717
Repairs and Maintenance Expenses	653,338	773,268
Salaries and Employee Benefit Expense	2,362,483	2,535,046
Livestock COGS	226	180,794
	4,969,124	5,345,956

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

9 CASH AND CASH EQUIVALENTS

<i>In AUD</i>	2020	2019
Cash on Hand	449,610	88,640
Cash at Bank	2,077,151	1,878,514
Cash at Bank - NTG Grandstand Grant	-	10,438,359
	2,526,761	12,405,513

10 TRADE AND OTHER RECEIVABLES

<i>In AUD</i>	2020	2019
<i>Current</i>		
Debtors	190,746	269,263
less Provision for Doubtful Debts	(9,902)	(9,902)
Accrued Income	497,657	262,943
	678,501	522,304

11 INVENTORIES

<i>In AUD</i>	2020	2019
<i>Stock on Hand</i>		
Bar	91,867	75,071
less Provision for Obsolete Inventory	(9,142)	(9,142)
Catering	128,169	9,488
Merchandise	1,330	1,330
	212,224	76,747

12 PLANT AND EQUIPMENT

<i>In AUD</i>	2020	2019
Building at Cost		
At Cost	32,866,815	11,418,728
Building Improvements	1,265,871	1,261,796
Accumulated Depreciation	(7,006,218)	(5,997,008)
	27,126,468	6,683,516
Course Improvements at Cost		
At Cost	3,252,459	3,053,004
Accumulated Depreciation	(1,010,839)	(821,093)
	2,241,620	2,231,911

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

12 PLANT AND EQUIPMENT (continued)

<i>In AUD</i>	2020	2019
Stable Complex and Improvements at Cost		
At Cost	3,735,625	3,689,548
Accumulated Depreciation & Impairment	(2,149,199)	(2,018,865)
	1,586,426	1,670,683
Plant and Equipment		
At Cost	3,287,063	1,034,990
Accumulated Depreciation	(953,000)	(786,583)
	2,334,063	248,407
Furniture & Fittings at Cost		
At Cost	944,511	236,340
Accumulated Depreciation	(284,267)	(195,029)
	660,244	41,311
Motor Vehicles at Cost		
At Cost	52,022	52,022
Accumulated Depreciation	(38,635)	(35,839)
	13,387	16,183
Work in Progress		
At Cost - Silks Venue	-	5,017,339
At Cost - Multi-purpose Grandstand	-	3,376,159
At Cost - Hill Development	3,060	-
	3,060	8,393,498
Total Property, Plant and Equipment		
Total at Cost	45,407,426	29,139,926
Accumulated Depreciation	(11,442,158)	(9,854,417)
Total Written Down Amount	33,965,268	19,285,509

13 TRADE AND OTHER PAYABLES

<i>In AUD</i>	2020	2019
Creditors and Accrued Expenses	1,536,856	3,162,783
Receipts in Advance	1,164,912	1,195,549
GST Payables/(Receivable)	(26,826)	32
	2,674,942	4,358,364

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

14 PROVISIONS

<i>In AUD</i>	2020	2019
(a) Current		
Employee Entitlements		
- Annual Leave	260,677	420,993
- Long Service Leave	59,627	66,494
Other		
- Provision for Gaming Jackpot	75,932	-
Total Current Provisions	396,236	487,487
(b) Non- Current		
Employee Entitlements		
- Long Service Leave	72,020	68,346
Total Non-Current Provisions	72,020	68,346

15 BORROWINGS

<i>In AUD</i>	2020	2019
(a) Current		
Loans - Extra Building	-	30,074
Loans - Marquee	-	53,821
Loans - Equipment	19,558	-
Loans - Insurance Premium Funding	240,242	-
Loans - Silks	837,779	-
Lease Liabilities - Silks	134,676	-
Total Current Borrowings	1,232,255	83,895
(b) Non-Current		
Loans - Equipment	22,041	-
Loans - Silks	6,871,775	3,020,061
Loans - Alice Springs Turf Club Investment in Silks	1,040,000	880,000
Lease Liabilities - Silks	233,085	-
Total Non-Current Borrowings	8,166,901	3,900,061

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

<i>In AUD</i>	2020	2019
16 STATEMENT OF CASH FLOWS		
(a) Reconciliation of Operating Result to Net Cash used		
In Operating Activities		
Net Surplus	10,346,264	3,402,566
Depreciation	1,679,041	787,714
Loss on Sale of Plant and Equipment	35,950	70,789
<i>Changes in Assets and Liabilities</i>		
- Increase in Debtors and Accrued Income	(156,197)	(26,498)
- Decrease (Increase) in Inventory	(135,477)	18,157
- Increase in Prepaid Expenses and Other Current Assets	(163,838)	(21,404)
- Increase (Decrease) in Creditors, Accrued Expense and Other Payables	(1,652,785)	2,183,401
- Increase (Decrease) in Revenue in Advance	(30,637)	4,645
- Increase (Decrease) in NTG Unexpended Grants	(8,733,946)	8,733,946
- Increase (Decrease) in Provisions	(87,577)	55,567
Net Cash Provided by (Used In) Operating Activities	1,100,798	15,208,883

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	Brad Morgan
Public Officer	Brad Morgan
Board Member	Brendan Wilding
Board Member	Michelle Graham
Board Member	Anya Lorimer
Board Member	Andrew Giles
Board Member	Damien Moriarty
Board Member	Dale Bicheno (appointed 10 August 2020)
Board Member	James Herraman (retired 10 August 2020)
Board Member	Jon Bourke (retired 10 August 2020)

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 \$10,346,264, the prior year was a surplus of \$3,402,566.

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 2020 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 13th day of April 2021.

	
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 2020, 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 2020 presents fairly, in all material respects, the financial position of Darwin Turf Club Incorporated as at 31 December 2020 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 2020 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
Date: 13 April 2021





DARWIN RACING

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08 8923 4222

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