



DARWIN RACING

DARWIN TURF CLUB ANNUAL REPORT 2023





DARWIN TURF CLUB INCORPORATED

AS AT 31 DECEMBER 2023

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PATRON

His Honour Professor the Honourable Hugh Heggie PSM

BOARD

| | |
|--------------------------|---|
| Chairperson: | Craig Trezise |
| Vice Chairperson: | Tony Morgan |
| Deputy Vice Chairperson: | Ainslie Corridon |
| Board: | Daniel Banks, Annette Davis, Phil Grice, Donna Murray, Anthony Schuman, Richard O'Sullivan (Retired August 2023), Leanne Evans (Retired September 2023) |

MANAGEMENT

| | |
|--|-----------------|
| Chief Executive Officer: | Grant Dewsbury |
| Chief Financial Officer: | Lachlan Fairley |
| General Manager Marketing & Media: | Jamie Chadwick |
| General Manager Hospitality: | Russell Reid |
| General Manager People & Culture: | Julie McCarron |
| Operations, Racing & Facilities Manager: | Ben Whitlock |
| 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 6.00pm on Monday, 13 May 2024 at the Darwin Turf Club, Dick Ward Drive Fannie Bay, NT.

DARWIN TURF CLUB BOARD



CRAIG TREZISE
Chairperson



TONY MORGAN
Vice Chairperson



AINSLIE CORRIDON
Deputy Vice Chairperson
Member of Audit, Risk and
Compliance Committee



DANIEL BANKS
Board Member
Member of Facilities Committee



ANNETTE DAVIS
Board Member
Member of Audit, Risk and
Compliance Committee
Member of Facilities Committee



PHIL GRICE
Board Member
Member of Facilities Committee



DONNA MURRAY
Board Member
Member of Audit, Risk and
Compliance Committee



ANTHONY SCHUMAN
Board Member
Member of Facilities Committee

Board meeting attendance 2023

Craig Trezise – 11
Tony Morgan – 7
Ainslie Corridon – 11
Daniel Banks – 9
Annette Davis – 10,
Phil Grice – 9
Donna Murray – 11
Anthony Schuman – 6
Richard O'Sullivan – 6
(Resigned August 2023)
Leanne Evans – 8
(Resigned September 2023)

MESSAGE FROM THE CHAIRPERSON

CRAIG TREZISE

This year has seen the Darwin Turf Club advance its strategic goals and objectives despite facing challenges. The Board has embraced a new, highly regulated decision-making framework, demonstrating commendable commitment and dedication. Notably, the composition of the Board has remained stable, with Richard O'Sullivan and Leanne Evans being the sole changes in the composition of the Directors over the past year.

One of our key strategic goals was to modernize and amend the constitution. I am delighted to report that at a recent Special General Meeting, 5 out of 6 proposed changes were endorsed and have since been implemented. Of particular importance is the amendment enabling electronic communication and voting among our members, thereby streamlining operations and saving both time and resources.

While the adoption of this new framework has caused some delays in the construction of the new stables, we are pleased to announce that the tender for the demolition of Stable 1 has been awarded and will commence following this year's carnival. In the interim, we have initiated public consultation and submitted a development application to repurpose the current visitor stables to accommodate trainers during construction. Additionally, necessary repairs and upgrades to the Ted Bailey Grandstand are underway and will be completed in time for the upcoming carnival.

Exciting developments are also underway regarding the year-round utilization of the infield, with negotiations underway to enhance the DTC Precinct's vibrancy and raise the profile of our facilities.

I extend my sincere gratitude to CEO Grant Dewsbury and the dedicated team for their unwavering hard work and commitment throughout the year.

In the pursuit of continuous improvement, I have

visited several venues across Australia to observe their operations and strategic plans. Eagle Farm in Brisbane, Aquis Park in the Gold Coast, Mooney Valley and Flemington in Melbourne, Morphettville in Adelaide and the Alice Springs Cup. It is evident that venues nationwide are diversifying revenue streams, a trend the Board are actively considering for all our race days.

For transparency, I want to clarify that all personal trips were self-funded, with no expenses incurred by the DTC.

Reflecting on last year's carnival, the successful changes implemented, such as relocating the Ledger Marquee to this side of the track and General Admission to the infield, have garnered positive feedback and will shape future carnivals.

In horse racing news, the Darwin Turf Club hosted 239 races this year up 5% on last year, with an average of 7.94 starters per race. I extend heartfelt thanks to the trainers, jockeys, stable hands, owners, stewards, and staff whose dedication makes our events possible. Special mention goes to Emma Lines for her outstanding win in last year's Guineas, Write your Name's impressive performance in the cup, and the induction of Trudie Clarke as the first female member of the DTC Hall of Fame.

On behalf of the Board and Management, I express gratitude to our members for their support. We look forward to seeing you at the track for another exciting racing season.



Craig Trezise

Chairperson



CHIEF EXECUTIVE OFFICER'S REPORT

GRANT DEWSBURY

INTRODUCTION

Welcome to the 2023 Annual Report of the Darwin Turf Club. I am immensely proud of the successful execution of our plan to enhance the Carnival experience in 2023. Taking into account the feedback from attendees of the 2022 Carnival, we implemented numerous initiatives aimed at improving the overall customer experience. These efforts culminated in creating a vibrant festival-like atmosphere, particularly on Great Northern Darwin Cup Day.

One notable initiative was the opening up of the infield to accommodate General Admission patrons, which proved to be a resounding success. Many patrons remained after the races to enjoy the entertainment, including performances by Shannon Noll, Australian Hip Hop star Illy and renowned DJ duo Mashed N Kutcher as the sun set on another Darwin Cup Day. Additionally, relocating the Ledger Marquee to a prime viewing spot adjacent to the start of the 2050m Darwin Cup proved very popular and continues to be a highlight for this year's Carnival. Furthermore, hosting the Sportsbet Darwin Turf Club Gala Ball in the infield for the first time was met with great success.

Despite facing external challenges that impacted visitation and overall profitability, we were honored to have NT Government cabinet ministers present throughout the Carnival, including Darwin Cup Day. We are also delighted to welcome His Honour Professor the Honourable Hugh Heggie PSM as our new Patron, succeeding the Honourable Vicki O'Halloran, who served as Patron for the past 5 years.

The newly renovated Scarvila Room unveiled in time for the Darwin Cup Carnival, was also well-received by connections celebrating their race wins.

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FINANCIAL PERFORMANCE

The reporting period of January to December 2023 saw economic challenges, including a further increase of 1.25% in the cash rate by the Reserve Bank of Australia, after an unprecedented increase of 3% in 2022. Annual CPI growth of 4% in 2023 follows a 7% increase in 2022.

The DTC's financial statements consolidate the results of Silks Darwin and I would like to draw members attention to the following results. There were again some abnormal expenses during 2023 which had an impact on the profitability of the business.

- Total Revenue decreased by 5% to \$23.6m compared to \$24.9m in 2022.
- Total Expenses increased by 3% to \$27.0m from \$26.1m in 2022.
- Operating Deficit amounted to \$3.4m, compared to a deficit of \$1.2m in 2022.
- Cash balance decreased to \$1.0m, down \$0.9m.
- Net Borrowings increased by \$0.3m, including a \$3.5m offset facility.
- Operational funding received decreased by \$546k.
- An impairment of Silks assets amounted to \$579k.

SILKS & COMMUNITY PARTNERS

Silks Darwin results for 2023, a net loss of \$1.2m (2022 loss of \$0.6m), include a \$579k asset impairment write-down. Gaming machine Turnover was down on the year prior by 5.2%, despite this, Gaming machine Revenue was slightly better than 2022 as a result of a stronger hold percentage. Food and beverage income was down 1.2% or \$57k on the year prior, with total revenues down 0.7% or \$85k. Despite the continued headwinds facing many

hospitality venues in Darwin, Silks finished the year as the number 3 ranked club in the NT.

Despite operational challenges, Silks Darwin remains committed to community partnerships, supporting various sports clubs including Wanderers Football Club, Banks Football and Netball Clubs, Darwin Cricket Club, and Nightcliff Rugby League.

GREAT NORTHERN DARWIN CUP CARNIVAL

The Racing Industry once again showcased the best of thoroughbred racing in the Territory during the Great Northern Darwin Cup Carnival and beyond. New initiatives such as the \$100,000 Ladbrokes Territory Treble and the \$50,000 Darwin Double added excitement to the racing calendar. Noteworthy achievements include Write Your Name's victory in the Great Northern Darwin Cup and jockey Paul Shiers' first Darwin Cup win after a 20+ year career.

Congratulations once again to the combination of jockey, Jarrod Todd and trainer, Gary Clarke on a successful 2023 racing calendar. Gary Clarke was again the leading Carnival trainer for the tenth time and Jarrod Todd, seventh time leading Carnival jockey.

Thoroughbred Racing NT's decision to increase prizemoney by 5% in April 2023 lifted total Carnival prizemoney to a record \$2,096,000.

Our corporate hospitality on Darwin Cup Day was again sold out in record time with approximately 9,100 attendees on course to witness the running of the Darwin Cup, with just over 18,500 in attendance over the 8 days of Carnival.

ACKNOWLEDGMENTS

I extend my sincere gratitude to our Members for their continued support and valuable insights. Thanks to the dedicated DTC staff for their tireless efforts in executing a memorable Darwin Cup Carnival in 2023. Many thanks to our principal racing authority TRNT and the Northern Territory Government for their support to ensure racing is sustainable in Darwin and the Northern Territory. Our Corporate Partners play a significant role in the success of the Darwin Turf Club, and I would like to thank all our sponsors for their ongoing commitment during 2023. To our Principal Corporate Partner and naming rights sponsor of the Darwin Cup Carnival, Carlton & United Breweries, Lincoln Jenkin and the team, I thank you for your long-standing support. To all our 2023 Major Corporate Partners, Asian United Food Service, bet365, Bridge Toyota, Ladbrokes, Jaytex Construction, Tabcorp & Sportsbet, thank you for your continued support of racing and the Darwin Turf Club. To all our Corporate Partners and Sponsors who support the Darwin Turf Club, I thank you and look forward to continued relationships that will allow the club to deliver outstanding results for our members, stakeholders, and visitors. Thanks also to the DTC Chair, Craig Trezise, and the entire Board for their unwavering support.



Grant Dewsbury

Chief Executive Officer

MEMBERSHIPS

AS AT 31 DECEMBER 2023

Associate Member* — 37
(6%)

Honorary* — 24
(4%)

Young Membership (full) — 7
(1%) *New Membership type for 2024*

Young Membership (single) — 100
(15%)

Single Concession Membership — 32
(5%)

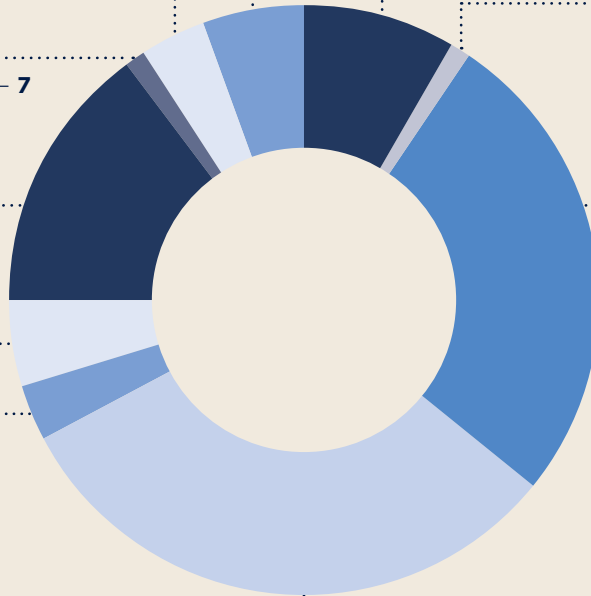
Single Membership — 21
(3%)

Membership for Life — 57
(8%)

Life Member — 7
(1%)

Full Membership — 178
(26%)

Full Concession Membership — 212
(31%)



Races run in 2023

239

Total Return to Participants 2023

\$7,058,038

Number of
Licensed
Trainers

18

Darwin
Turf Club
Members

675

RACING FACTS 2023

| RACING FACTS | 2023 | 2022 | 2021 | 2020 | 2019 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|
| Runners | 1,899 | 1,703 | 1,683 | 1459 | 1734 |
| Races | 239 | 227 | 222 | 170 | 212 |
| Meetings | 39 | 39 | 38 | 33 | 37 |
| Average Runner Per Race | 7.94 | 7.50 | 7.58 | 8.58 | 8.18 |
| Stakes | \$5,786,983 | \$5,444,330 | \$5,090,241 | \$4,045,109 | \$4,900,000 |
| Licensed Jockeys | 8 | 8 | 9 | 8 | 12 |
| Licensed Apprentices | 2 | 2 | 1 | 1 | 0 |
| Licensed Trainers | 18 | 18 | 20 | 17 | 20 |

| RETURN TO PARTICIPANTS | 2023 | 2022 | 2021 | 2020 | 2019 |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Prize Money | \$5,786,983 | \$5,444,330 | \$5,090,241 | \$4,045,109 | \$4,900,000 |
| Unplaced Runners | \$793,100 | \$608,500 | \$584,850 | \$536,750 | \$663,900 |
| Unplaced Jockey Fees | \$323,955 | \$286,527 | \$276,143 | \$249,835 | \$286,366 |
| Trobs | \$154,000 | \$147,000 | \$147,000 | \$149,000 | \$146,000 |
| TOTAL | \$7,058,038 | \$6,486,357 | \$6,098,234 | \$4,980,694 | \$5,996,266 |

2023 TOP END RACING AWARDS

The Top End Racing Horse of the Year Awards were held on 15 September 2023 in The Grandstand at the Darwin Turf Club. We acknowledge all recipients listed below and congratulate them on a successful 2023 racing season

| | |
|---|------------------|
| Champion Trainer of the Year | Gary Clarke |
| Champion Jockey of the Year | Jarrodd Todd |
| Champion Apprentice Jockey of the Year | Emma Lines |
| Leading Carnival Trainer | Gary Clarke |
| Leading Carnival Jockey | Jarrodd Todd |
| Strapper of the Year | Danielle Gilbert |
| Character of Racing | Sonja Logan |
| Women In Thoroughbred Racing NT Leading Trainer | Tayarn Halter |
| Women In Thoroughbred Racing NT Leading Jockey | Sonja Logan |

| | |
|---------------------------------------|-----------------|
| Three-Year-Old of the Year | Century Fox |
| Sprinter of the Year | Early Crow |
| Middle Distance/Stayer of the Year | Write Your Name |
| Out of Carnival Performer of the Year | Siakam |
| Horse of the Year | Write Your Name |
| Lifetime Achievement Award | Trudie Clarke |
| DTC Hall of Fame Inductee | Trudie Clarke |
| Off The Track Aftercare | Ayla Stevens |

CARNIVAL STATISTICS

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| Nominations | 808 | 706 | 739 | 444 | 805 |
| Acceptances | 611 | 546 | 573 | 361 | 609 |
| Starters | 555 | 494 | 517 | 346 | 542 |
| Races | 61 | 59 | 60 | 36 | 58 |
| Fields Less than 8 Starters | 16 | 26 | 17 | 3 | 14 |
| Prize money | \$2,096,000 | \$1,990,000 | \$2,025,000 | \$1,060,000 | \$1,960,000 |
| Attendance | 18,763 | 23,011 | 18,553 | 11,298 | 34,453 |
| Sponsorship | \$1,428,277 | \$1,398,640 | \$1,431,804 | \$1,228,302 | \$1,493,535 |
| Bar Sales | \$1,100,698 | \$1,264,644 | \$1,054,925 | \$679,392 | \$1,157,539 |
| On course TAB | | | | | |
| • Totalisator | \$1,020,171 | \$1,120,790 | \$934,765 | \$473,302 | \$1,586,489 |
| • Fixed Price | \$794,603 | \$720,990 | \$620,633 | \$387,865 | \$996,736 |
| TAB TOTAL | \$1,814,774 | \$1,841,780 | \$1,555,398 | \$831,167 | \$2,583,225 |

TRACK RECORD HOLDERS

| DISTANCE | TIME | HORSE | DATE |
|----------|---------|------------------|------------|
| 900 m | 51:33 | TERM | 16/07/2003 |
| 1000 m | 56:02 | SHECANMIXIT | 08/12/2023 |
| 1100 m | 1:01:84 | PATRIOTIC KING | 09/09/2023 |
| 1200 m | 1:07:09 | CANTON KID | 07/08/2023 |
| 1300 m | 1:13:59 | SHOUT OUT LOUD | 26/06/2010 |
| 1500 m | 1:29:05 | HI TAIL | 29/06/2002 |
| 1600 m | 1:34:22 | DOMINUS | 25/06/2022 |
| 1800 m | 1:49:28 | KINGSTON RESERVE | 22/07/1995 |
| 1900 m | 1:54:40 | BRAVE DECISION | 20/07/2002 |
| 2000 m | 2:00:23 | LIGHTINTHENIGHT | 03/08/2015 |
| 2050 m | 2:02.94 | WRITE YOUR NAME | 07/08/2023 |



PAST WINNERS

Great Northern Darwin Cup 2000m

Run over 2050m since 2020

| | | | |
|------|-----|------------------|-------------|
| 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 |
| 1989 | NT | BRINNEY | D Bates |
| 1990 | NT | LORD CHAMBERLAIN | N Paine |
| 1991 | VIC | SILVER SHARK | T Arnold |
| 1992 | VIC | CLAM'S COMET | W Davis |

PAST WINNERS

Great Northern Darwin Cup 2000m

Run over 2050m since 2020

| | | | | |
|------|-----|------------------|----------|------------|
| 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 |
| 2021 | SA | HIGHLY DECORATED | 2:03.89 | J Philpot |
| 2022 | NT | PLAYOFFS | 2:03.57 | J Todd |
| 2023 | NT | WRITE YOUR NAME | 2:02.94* | P Shiers |

PAST WINNERS

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 | YOUNBOLT | 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 |
| 2021 | NT | MAYAMEEN | 1:08.60 | S Miller |
| 2022 | NT | SYNCLINE | 1:08.66 | J Todd |
| 2023 | NT | EARLY CROW | 1:08.15 | A Sweeney |

PAST WINNERS

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 |
| 2021 | NT | TRIDENT | 1:35.12 | J Lyon |
| 2022 | NT | WOLFBURN | 1:34.88 | A Nicholls |
| 2023 | NT | TUBTHUMPER | 1:35.79 | E Lines (a) |

PAST WINNERS

Ladbrokes NT Derby 2000m

Run over 2050m since 2021

| | | | | |
|------|-----|-------------------|----------------|------------|
| 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 |
| 2021 | SA | SANBLAS | 2:05.56 | S Wiseman |
| 2022 | NT | VENTING | 2:05.57 | P Denton |
| 2023 | NT | ANPHINA | 2:05.93 | P Denton |



FINANCIAL STATEMENTS

Darwin Turf Club Incorporated

ABN 21 373 066 193

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INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF DARWIN TURF CLUB INCORPORATED

Darwin Turf Club Incorporated

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
AS AT 31 DECEMBER 2023**

| | Note | 2023 \$ | 2022 \$ |
|---|-------------|---------------------------|--------------------------|
| Revenue | | | |
| Racing Income | | 854,023 | 738,869 |
| Gaming Operation Income | | 11,595,730 | 11,680,619 |
| Operating Income | 3 | 4,621,861 | 5,124,829 |
| Race meeting Income | 4 | 1,799,380 | 1,996,285 |
| Product Fee Income | 7 | - | 2,822,320 |
| TRNT Operational Grants | 7 | 2,979,200 | 702,413 |
| Rental Income | 5 | 1,101,275 | 1,034,626 |
| Other Income | 6 | 600,333 | 814,258 |
| Total revenue | | <u>23,551,802</u> | <u>24,914,219</u> |
| Expenses | | | |
| Racing Expenses | | 394,611 | 391,113 |
| Gaming Operation Expenses | | 10,603,148 | 10,762,927 |
| Operating Expenses | 8 | 5,428,962 | 4,983,351 |
| Race meeting Expenses | 9 | 896,149 | 938,784 |
| Administration Expenses | 10 | 6,168,258 | 6,302,081 |
| Depreciation and Impairment Expense | | 3,157,530 | 2,517,539 |
| Other Expenses | | 240,177 | 253,444 |
| Loss on disposal of assets | | 67,622 | - |
| Total expenses | | <u>26,956,457</u> | <u>26,149,239</u> |
| Operating deficit before Capital Grants | | (3,404,655) | (1,235,020) |
| TRNT Capital Grants | | <u>281,431</u> | <u>1,542,949</u> |
| Net Result for the Reporting Period for the year | 19 | (3,123,224) | 307,929 |
| Other comprehensive income for the year | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u>(3,123,224)</u> | <u>307,929</u> |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Darwin Turf Club Incorporated

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

| | Note | 2023 \$ | 2022 \$ |
|--|-------------|--------------------|--------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 11 | 969,386 | 1,859,655 |
| Trade and other receivables | 12 | 159,081 | 916,723 |
| Inventories | 13 | 310,151 | 281,482 |
| Prepayments and Other | | 566,518 | 317,779 |
| Total current assets | | <u>2,005,136</u> | <u>3,375,639</u> |
| Non-current assets | | | |
| Investments in Silks Management Unit Trust | | 80 | 80 |
| Property, plant and equipment | 15 | 28,368,138 | 31,054,821 |
| Right-of-use assets | 14 | 2,833 | 153,240 |
| Intangibles | | 104,932 | 104,932 |
| Loan to Silks Management Unit Trust | | 2,630 | 2,630 |
| Prepayments and Other | | 5,385 | 5,385 |
| Total non-current assets | | <u>28,483,998</u> | <u>31,321,088</u> |
| Total assets | | <u>30,489,134</u> | <u>34,696,727</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 16 | 2,874,792 | 4,255,359 |
| Borrowings | 17 | 1,537,931 | 813,714 |
| Provisions | 18 | 416,744 | 389,735 |
| Total current liabilities | | <u>4,829,467</u> | <u>5,458,808</u> |
| Non-current liabilities | | | |
| Borrowings | 17 | 2,337,390 | 2,802,469 |
| Provisions | 18 | 29,431 | 19,380 |
| Total non-current liabilities | | <u>2,366,821</u> | <u>2,821,849</u> |
| Total liabilities | | <u>7,196,288</u> | <u>8,280,657</u> |
| Net assets | | <u>23,292,846</u> | <u>26,416,070</u> |
| Accumulated Funds | | | |
| Retained surpluses | 19 | <u>23,292,846</u> | <u>26,416,070</u> |
| Total accumulated funds | | <u>23,292,846</u> | <u>26,416,070</u> |

The above statement of financial position should be read in conjunction with the accompanying notes

Darwin Turf Club Incorporated

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Note | 2023 \$ | 2022 \$ |
|--|-------------|-----------------------|-------------------------|
| Cash flows from operating activities | | | |
| Receipts from Customers | | 22,219,317 | 24,978,337 |
| Receipts from TRNT Funding | | 2,260,631 | 5,045,362 |
| Payments to Suppliers and Employees | | (25,147,912) | (24,937,878) |
| Interest and other finance costs paid | | <u>(104,978)</u> | <u>(184,440)</u> |
| Net cash (used in)/from operating activities | 20 | <u>(772,942)</u> | <u>4,901,381</u> |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | | (388,063) | (1,024,131) |
| Interest received | | <u>11,597</u> | <u>-</u> |
| Net cash used in investing activities | | <u>(376,466)</u> | <u>(1,024,131)</u> |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 1,321,068 | 1,005,760 |
| Repayment of borrowings | | <u>(1,061,929)</u> | <u>(5,077,685)</u> |
| Net cash from/(used in) financing activities | | <u>259,139</u> | <u>(4,071,925)</u> |
| Net decrease in cash and cash equivalents | | (890,269) | (194,675) |
| Cash and cash equivalents at the beginning of the financial year | | <u>1,859,655</u> | <u>2,054,330</u> |
| Cash and cash equivalents at the end of the financial year | 11 | <u><u>969,386</u></u> | <u><u>1,859,655</u></u> |

The above statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

Note 1. Material accounting policy information

The accounting policies that are material to the Association are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the Directors' opinion, the Association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Northern Territory legislation the *Associations Act 2003* and associated regulations. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the Directors of Darwin Turf Club Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The Association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Grant income

When the Association receives government grants, donations and bequests that are in the scope of AASB 1058 (being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable the Association to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 1. Material accounting policy information (continued)

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

In all other cases (where the contract is not 'enforceable' or the performance obligations are not 'sufficiently specific'), the transaction is accounted for under AASB 1058 where the Association:

- Recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- Considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant applicable Australian Accounting Standard including:
 - contributions by owners (AASB 16)
 - a lease liability (AASB 16)
 - revenue, or a contract liability arising from a contract with a customer (AASB 15)
 - a financial instrument (AASB 9)
 - a provision (AASB 137)
- Recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Membership Fees

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

Sponsorship Income and Costs

Advertising and Sponsorship income has been disclosed as net income reduced by the value of hospitality benefits received by sponsors.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Going concern

The financial statements of the Darwin Turf Club (DTC) have been prepared on the basis that the DTC is a going concern and will continue to operate. The DTC relies on funding provided through Thoroughbred Racing NT Incorporated (TRNT), for which TRNT have given a letter of support for any potential shortfall in cash that may arise. The financial statements are prepared on a going concern basis on the understanding that such funding will continue.

Income tax

As the Association is a tax-exempt institution in terms of subsection 50-10 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

Note 1. Material accounting policy information (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The Association has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Association has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Association recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Association's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

Note 1. Material accounting policy information (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

| | |
|-------------------------------|-----------------|
| 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% |

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 profit or loss and other comprehensive Income in the year of purchase.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 1. Material accounting policy information (continued)

The Association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

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 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 amortized. 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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Association has a present (legal or constructive) obligation as a result of a past event, it is probable the Association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

A provision for Gaming Jackpot is recognised in the Statement of profit or loss and other 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 profit or loss and other comprehensive income as they are won.

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 1. Material accounting policy information (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The Association also contributes to various accumulating Employee Superannuation Plans.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 31 December 2023. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The Association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets

The Association tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Darwin Turf Club Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 3. Operating Income

| | 2023 | 2022 |
|-----------------|------------------|------------------|
| | \$ | \$ |
| Bar | 2,309,650 | 2,427,309 |
| Catering | 1,450,478 | 1,630,177 |
| Functions | 651,923 | 871,573 |
| Tab Commissions | 209,810 | 195,770 |
| | <u>4,621,861</u> | <u>5,124,829</u> |

Note 4. Race meeting Income

| | 2023 | 2022 |
|---------------------------|------------------|------------------|
| | \$ | \$ |
| Admissions | 888,383 | 1,115,891 |
| Race Books | 14,883 | 16,776 |
| Merchandise | 42,123 | 42,638 |
| Advertising & Sponsorship | 853,991 | 820,980 |
| | <u>1,799,380</u> | <u>1,996,285</u> |

Advertising and Sponsorship income has been disclosed as net income reduced by the value of hospitality benefits received by sponsors. Total sponsorship received in 2023 was \$1,428,277 (2022 \$1,398,640). Total value of hospitality received by sponsors in 2023 was \$574,287 (2022 \$577,660).

Note 5. Rental Income

| | 2023 | 2022 |
|---------------------------|------------------|------------------|
| | \$ | \$ |
| Bookmakers | 878,914 | 836,655 |
| Douglas St Stable Complex | 202,792 | 178,718 |
| Other | 19,569 | 19,253 |
| | <u>1,101,275</u> | <u>1,034,626</u> |

Note 6. Other Income

| | 2023 | 2022 |
|----------------------|----------------|----------------|
| | \$ | \$ |
| Membership Fees | 143,830 | 157,673 |
| Interest Received | 11,597 | - |
| Insurance Recoveries | 14,256 | 156,274 |
| Other Recoveries | 177,048 | 207,811 |
| Other Income | 21,602 | 30,000 |
| Livestock Scheme | 232,000 | 262,500 |
| | <u>600,333</u> | <u>814,258</u> |

Darwin Turf Club Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 7. Product fee income and TRNT operational grants

Due to an amendment to the Thoroughbred Racing NT (TRNT) product fee distribution policy in 2023, product fee revenue has been disclosed as nil. In the current year, both product fee income and TRNT operational grants are considered operational funding, and any variances should be reviewed as consolidated line items. Consequently, operational funding received from TRNT decreased from \$3,524,733 in 2022 to \$2,979,200, representing a 15% reduction.

Note 8. Operating Expenses

| | 2023 | 2022 |
|--|------------------|------------------|
| | \$ | \$ |
| Bar & Catering Cost of Sales | 1,148,363 | 1,198,925 |
| Bar, Catering & Function Expenses | 796,974 | 830,088 |
| Hireage | 1,264,927 | 1,224,438 |
| Bar, Catering, Function and TAB Salaries and Wages | 2,218,698 | 1,729,900 |
| | <u>5,428,962</u> | <u>4,983,351</u> |

Note 9. Race meeting Expenses

| | 2023 | 2022 |
|---------------------------|----------------|----------------|
| | \$ | \$ |
| Advertising | 503,195 | 553,438 |
| Raceday Cost of Sales | 143,410 | 138,639 |
| Racing Salaries and Wages | 88,004 | 83,233 |
| Sponsorship Costs | 83,942 | 79,935 |
| Sundry Expenses | 77,598 | 83,539 |
| | <u>896,149</u> | <u>938,784</u> |

Note 10. Administration Expenses

| | 2023 | 2022 |
|---------------------------------------|------------------|------------------|
| | \$ | \$ |
| Administration Expenses | 593,214 | 976,736 |
| Borrowing Expenses | 104,978 | 184,440 |
| Marketing Expenses | 190,333 | 146,175 |
| Occupancy Expenses | 1,029,707 | 1,022,044 |
| Repairs and Maintenance Expenses | 892,495 | 945,883 |
| Salaries and Employee Benefit Expense | 3,083,245 | 2,740,681 |
| Livestock COGS | 274,286 | 286,122 |
| | <u>6,168,258</u> | <u>6,302,081</u> |

Note 11. Cash and cash equivalents

| | 2023 | 2022 |
|-----------------------|----------------|------------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Cash on hand | 424,627 | 375,495 |
| Cash at bank | 544,759 | 1,484,160 |
| | <u>969,386</u> | <u>1,859,655</u> |

Darwin Turf Club Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 12. Trade and other receivables

| | 2023 | 2022 |
|------------------------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Debtors | 145,162 | 244,565 |
| Less: Provision for Doubtful Debts | (1,905) | (1,905) |
| | <u>143,257</u> | <u>242,660</u> |
| Accrued Income | 15,824 | 674,063 |
| | <u>159,081</u> | <u>916,723</u> |

Note 13. Inventories

| | 2023 | 2022 |
|-----------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Bar | 262,417 | 259,734 |
| Catering | 47,734 | 21,748 |
| | <u>310,151</u> | <u>281,482</u> |

Note 14. Right-of-use assets

| | 2023 | 2022 |
|------------------------------------|--------------|----------------|
| | \$ | \$ |
| <i>Non-current assets</i> | | |
| Plant and equipment - right-of-use | 450,603 | 450,603 |
| Less: Accumulated depreciation | (447,567) | (297,363) |
| Less: Impairment | (203) | - |
| | <u>2,833</u> | <u>153,240</u> |

Darwin Turf Club Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 15. Property, plant and equipment

| | 2023 | 2022 |
|--|-------------------|-------------------|
| | \$ | \$ |
| <i>Non-current assets</i> | | |
| Buildings - at cost | 32,866,815 | 32,866,815 |
| Building Improvements | 1,325,367 | 1,309,777 |
| Less: Accumulated depreciation | (11,515,790) | (10,022,643) |
| Less: Impairment | (477,608) | - |
| | <u>22,198,784</u> | <u>24,153,949</u> |
| Course improvements - at cost | 4,374,898 | 4,344,763 |
| Less: Accumulated depreciation | (1,633,815) | (1,420,628) |
| Less: Impairment | (6,762) | - |
| | <u>2,734,321</u> | <u>2,924,135</u> |
| Stable Complex and improvements - at directors valuation | 4,079,660 | 4,071,249 |
| Less: Accumulated depreciation & Impairment | (2,563,631) | (2,421,285) |
| | <u>1,516,029</u> | <u>1,649,964</u> |
| Plant and equipment - at cost | 3,318,103 | 3,272,199 |
| Less: Accumulated depreciation | (1,899,250) | (1,580,066) |
| Less: Impairment | (73,960) | - |
| | <u>1,344,893</u> | <u>1,692,133</u> |
| Fixtures and fittings - at cost | 1,308,595 | 1,181,401 |
| Less: Accumulated depreciation | (805,874) | (601,310) |
| Less: Impairment | (20,687) | - |
| | <u>482,034</u> | <u>580,091</u> |
| Motor vehicles - at cost | 72,472 | 72,472 |
| Less: Accumulated depreciation | (53,753) | (48,473) |
| | <u>18,719</u> | <u>23,999</u> |
| Work in Progress - at cost | 73,358 | 30,550 |
| | <u>28,368,138</u> | <u>31,054,821</u> |
| | 2023 | 2022 |
| Total Property, Plant and Equipment | | |
| Total at Cost | 47,419,268 | 47,149,226 |
| Accumulated Depreciation | (18,472,113) | (16,094,405) |
| Impairment | (579,017) | - |
| | <u>28,368,138</u> | <u>31,054,821</u> |

Darwin Turf Club Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 15. Property, plant and equipment (continued)

As the Darwin Turf Club (DTC) operates as a not-for-profit entity, impairment calculations on its assets are generally excluded. However, an exception is made for the Silks assets, which are considered a cash-generating unit as this segment of the business was specifically established to generate cash flows. Silk assets are measured at fair value, determined by their ability to generate economic benefits through their highest and best use or by selling them to another market participant that would utilize the assets similarly. The value in use of the Silks assets is measured internally each year, forecasting future cash flows and discounting them to calculate the present value. If there are any indications of impairment, Silks assets are to be independently reviewed. For the year ending 31 December 2023, indications of impairment were identified, prompting the DTC board to engage Knight Frank for an independent valuation of the Silks assets. Both the internal and independent valuations confirmed the impairment of Silks assets. Based on these valuations, the DTC recognized an impairment expense of \$579,220 in the Profit and Loss statement for the reporting period. This impairment expense reflects the difference between the carrying amount of the Silks' assets and their recoverable amount, as determined by the internal value in use calculation.

Note 16. Trade and other payables

| | 2023 | 2022 |
|--------------------------------|------------------|------------------|
| | \$ | \$ |
| <i>Current liabilities</i> | | |
| Creditors and Accrued Expenses | 808,310 | 1,194,652 |
| Receipts in Advance | 1,966,007 | 3,006,282 |
| GST Payable | 100,475 | 54,425 |
| | <u>2,874,792</u> | <u>4,255,359</u> |

Note 17. Borrowings

| | 2023 | 2022 |
|---|------------------|------------------|
| | \$ | \$ |
| <i>Current liabilities</i> | | |
| Loans - Westpac (Equipment) | - | 1,728 |
| Loans - Westpac (Insurance) | 279,904 | - |
| Loans - Westpac (Silks) | 1,019,934 | 678,372 |
| Bank overdraft | 223,923 | - |
| Lease Liabilities - Silks | 14,170 | 133,614 |
| | <u>1,537,931</u> | <u>813,714</u> |
| <i>Non-current liabilities</i> | | |
| Loans - Westpac (Silks) | 125,920 | 413,904 |
| Loans - Alice Springs Turf Club Investment in Silks | 2,211,470 | 2,381,470 |
| Lease Liabilities - Silks | - | 7,095 |
| | <u>2,337,390</u> | <u>2,802,469</u> |
| | <u>3,875,321</u> | <u>3,616,183</u> |

As at 31 December 2023, the total Loans – Westpac (Silks) balance, current and non-current, is disclosed as \$1,145,854 (2022 \$1,092,276). This liability includes funds that have been placed in the Westpac offset facility of \$3,450,220 (2022 \$4,676,460). The funds were received from TRNT for capital works and were placed in the offset facility to reduce any interest payable before the works progressed. The total debt facility with Westpac on all Silks borrowings at 31 December was \$4,596,074 (2022 \$5,768,735).

Darwin Turf Club Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023**

Note 18. Provisions

| | 2023 | 2022 |
|--------------------------------|----------------|----------------|
| | \$ | \$ |
| <i>Current liabilities</i> | | |
| Annual leave | 254,854 | 259,224 |
| Long service leave | 51,256 | 48,131 |
| Provision for Gaming Jackpot | 110,634 | 82,380 |
| | <u>416,744</u> | <u>389,735</u> |
| <i>Non-current liabilities</i> | | |
| Long service leave | <u>29,431</u> | <u>19,380</u> |
| | <u>446,175</u> | <u>409,115</u> |

Note 19. Retained surpluses

| | 2023 | 2022 |
|---|--------------------|-------------------|
| | \$ | \$ |
| Retained surpluses at the beginning of the financial year | 26,416,070 | 26,108,141 |
| Net Result for the Reporting Period for the year | <u>(3,123,224)</u> | <u>307,929</u> |
| Retained surpluses at the end of the financial year | <u>23,292,846</u> | <u>26,416,070</u> |

Note 20. Reconciliation of net result for the reporting period to net cash from/(used in) operating activities

| | 2023 | 2022 |
|---|------------------|------------------|
| | \$ | \$ |
| Net Result for the Reporting Period for the year | (3,123,224) | 307,929 |
| Adjustments for: | | |
| Depreciation, amortisation and impairment | 3,157,530 | 2,517,539 |
| Net loss on disposal of property, plant and equipment | 67,622 | - |
| Interest received | (11,597) | - |
| Change in operating assets and liabilities: | | |
| Decrease/(increase) in trade and other receivables | 757,642 | (39,742) |
| (Increase) in inventories | (28,670) | (66,399) |
| (Increase) in prepayments | (248,739) | (18,029) |
| (Decrease)/increase in trade and other payables | (340,291) | (442,443) |
| Increase/(decrease) in other provisions | 37,060 | (50,896) |
| (Decrease)/increase in TRNT Funding received in advance | (1,000,000) | 2,800,000 |
| (Decrease) in other receipts in advance | <u>(40,275)</u> | <u>(106,578)</u> |
| Net cash (used in)/from operating activities | <u>(772,942)</u> | <u>4,901,381</u> |

Darwin Turf Club Incorporated

DIRECTORS' REPORT
31 DECEMBER 2023

The Directors present their report, together with the financial statements, on the Association for the year ended 31 December 2023.

Board members

The following persons were members of the Association during the whole of the financial year and up to the date of this report, unless otherwise stated:

| Name | Title | Appointed | Resigned |
|--------------------|--------------------------------|------------------------|-----------------|
| Craig Trezise | Chairperson | May 2022 | |
| Tony Morgan | Vice Chairperson | May 2023 | |
| Ainslie Corridon | Deputy Vice Chairperson | May 2022 | |
| Annette Davis | Board member | September 2021 | |
| Phil Grice | Board member | Co-opted November 2022 | |
| | | Appointed May 2023 | |
| Leanne Evans | Board member | Co-opted November 2022 | September 2023 |
| | | Appointed May 2023 | |
| Anthony Schuman | Board member | May 2023 | |
| Richard O'Sullivan | Former chairperson | July 2021 | August 2023 |
| Daniel Banks | Former vice chairperson | September 2021 | |
| Donna Murray | Former deputy vice chairperson | September 2021 | |

Principal activities

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 deficit of \$3,123,224, the prior year was a surplus of \$307,929.

Darwin Turf Club Incorporated

DIRECTORS' DECLARATION
31 DECEMBER 2023

In the Members' opinion:

- the Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Northern Territory legislation the *Associations Act 2003* and associated regulations;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Association's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



Craig Trezise
Chairperson

26 April 2024



Tony Morgan
Vice-Chairperson

INDEPENDENT AUDITOR'S REPORT

To the members of Darwin Turf Club Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Darwin Turf Club Incorporated (the Association), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information and Statement by the Directors.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in Note 1.

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 Entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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 to meet the requirements of the *Northern Territory Associations Act* and are appropriate to meet the needs of the Directors of the Association. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Other information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Association Management Committee and Directors for the Financial Report

The Management Committee is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Northern Territory Associations Act* and for such internal control as the Management Committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Management Committee 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 the Management Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Directors 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 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 this financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (NT)

A handwritten signature in dark ink, appearing to read 'C Garland', is written over the BDO logo.

C Garland

Audit Partner

Darwin: 26 April 2024

DARWIN TURF CLUB WOULD LIKE TO THANK OUR CORPORATE PARTNERS

PRINCIPAL CORPORATE PARTNER

Carlton & United Breweries

MAJOR CORPORATE PARTNERS

Ladbrokes

Sportsbet

TAB

bet365

Asian United Food Services

Bridge Toyota

Jaytex Construction

CORPORATE PARTNERS

Aspire

Mitty's

Betfair

Motor Accident Compensation Commission

BTC Constructions

Schweppes/Asahi

Chris Williams Jewellers

Sign City NT

Cleanaway

Silk Laser Clinics

Fusion

Silks Darwin

Garrard's Horse & Hound

Sitzler

GH Mumm Champagne

SIXT

Magic Millions

Sky Racing

Mindil Beach Casino Resort

ROANT



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