



NEWCASTLE JOCKEY CLUB
(A COMPANY LIMITED BY GUARANTEE)
ACN 13 000 002 513

NEWCASTLE
RACECOURSE
• EST 1907 •

NEWCASTLE JOCKEY CLUB

Annual Report 2023 - 2024



Photo Credit: Bradley Photos Etna Rosso, 2024 Sharp Office Newcastle Gold Cup Group 3 Trainer: Chris Waller Jockey: Kerrin McEvoy

Newcastle Jockey Club
thanks the following major sponsors for
their contribution and support throughout the year.





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CHAIRMAN'S REPORT

When taking into account the most significant variations to this year's financial result compared to the previous year, it is appropriate to conclude that the Club delivered a satisfying trading result.

Revenues for YR2023 were enhanced by the funding received for the all-weather training track, whereas, the result for this current year is impacted by property revaluations.

Consequently, the YR2024 net profit of \$3.323m is pleasing and allows for continued investment in assets and racing.

In that respect, current assets of \$7.393m cover total debts by a multiple of 2.87 and a working capital ratio of 3:1 has the Club in a solid financial position.

During the year there has been a strong focus on, diversification of income, departmental margins along with regular maintenance programs and facility upgrades.

However, the trading result does camouflage the depressed nature of TAB funding. The distribution to the Provincial Clubs of \$26.3m has generally not increased since corporate bookmakers entered the wagering market and if it was not for Racing NSW subsidies, the position would be even more alarming.

Although the year saw TAB Distribution to NSW Race Clubs drop to a concerning level, the Board is satisfied that it delivered a racing product that warranted a better return and one certainly closer to metropolitan standard.

TAB Turnover totalled \$55,342,557 from 35 race meetings, which was down 9.6% on the previous year, but still represented 28% of Provincial wagering turnover.

The Club has met the challenge of sustaining and improving the September Spring Carnival, with the advent of The Hunter. The result – two successful headline Carnivals.

In that respect, sustaining the quality and balance of the feature races across the two Carnivals was a priority along with the delivery of the actual meetings. The Sharp Office Newcastle Cup was won by Military Mission in track record time, (Gai Waterhouse's eighth victory) which went on to win the Herbert Power and Sandown Classic during the Melbourne Carnival.

Cameron Handicap winner, Democracy Manifest and Tibbie winner, Banana Queen both went on to win and be placed in Group 2 Races; the Ajax Stakes and Golden Pendent respectively.

The Newcastle Herald Hunter race day was highlighted by a spectacular win by Coal Crusher in track record time. Although The Hunter now faces interstate opposition from the Rubert Clarke Stakes in Melbourne, the Board is comfortable that the day consists of a balanced racing schedule with the inclusion of the Spring Stakes, Max Lees and The Beauford.

One change worthy of mention is the renaming of the Newmarket Handicap to the Newcastle Stakes. Although the Newmarket name had historical relevance, the view was taken that a change to Newcastle was more in keeping with current race naming trends.

During the year the Board conducted a review of the race meetings transferred to Newcastle Racecourse as a result of the closure of the Cessnock Racecourse. Due primarily to the downturn in TAB revenue, there is a doubt over the continuation of these country meetings at Newcastle.

Further on the delivery of race meetings, the Club generated a 9.5% increase in attendances on Saturday and Feature race days, over last year. The increase is a result of closer attention to the presentation of the hospitality areas of the racecourse; an increasing connection with the Newcastle business community and an ongoing engagement with numerous charitable organisations.

Whilst being pleased with the attendance increase, the Club is mindful of the current cost of living pressures and is monitoring any variations in discretionary spending at race meetings, that become evident.

Nevertheless, the Board is committed to an ongoing program of maintenance and improvement to the Club's hospitality settings across the course. Additional facilities currently in the planning stage are, the construction of terrace facilities on the upper decks of the Members Stand and the rejuvenation of the grandstand in the hospitality precinct adjacent to the raceday stalls.

The establishment of the hospitality precinct is an early stage of the Club's twenty-year Master Plan and expands the race meeting facilities along the home straight. The following stage of the Master Plan is to relocate the permanent stabling accommodation to the Chatham Street end of the course and utilize the vacant land at the Beaumont Street end for commercial development.

Although the commercial development of the Beaumont Street area will require rezoning, the Board is of the view that there is no disadvantage in undertaking the development separate to the adjacent Broadmeadow Place Precinct being advanced by the State Government and the City of Newcastle Council.

One of the Club's great attributes is the Course Proper. Generally regarded as one of the best turf tracks in Australia, it delivers a reduction in the number of race meetings lost to bad weather; encourages trainers to contest races with their best horses and improves wagering turnover.

On the other hand, the Beaumont Track has provided management with some difficulties. Originally designed as a fall-back during reconstruction of the Course Proper and having a future as a training track, the Beaumont has not responded well to the extra demands of conducting Wine Country race meetings.

It was decided to completely renovate the track and racing will not resume on the track until the end of 2024.

Over the most recent period the Club has benefited by a proactive Board with a vision for the future. The contribution by Directors to policy development and implementation cannot be underestimated.

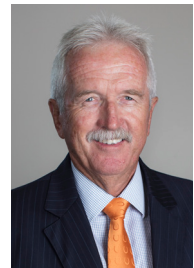
The reappointment in November of the Club's three Nominated Directors by Racing NSW for a further term, was a vote of confidence in the Board.

Similarly, I thank the Members for their interest and support.

The Club is fortunate to have an excellent management team headed up by Chief Executive Duane Dowell. The team has a progressive approach; an ability to sustain financial stability and risk minimisation, as well as a strong customer focus.

Finally, the support of Racing NSW is significant. Although The Hunter is the face of that support, the Club is the beneficiary of an excellent relationship in its daily operations and is thankful for the various forms of financial support provided by Racing NSW.

Brian Judd
Chairman



AWARD RECIPIENTS

FOR THE 2024 NEWCASTLE JOCKEY CLUB RACING AWARDS

CATEGORY	WINNER
HORSE OF THE YEAR	Kalapour
LEADING TRAINER	Michael Freedman
LEADING JOCKEY	Jean Van Overmeire
LEADING APPRENTICE	Anna Roper and Zac Widdick
MAX LEES MEDAL	Michael Freedman
BILL WADE MEDAL	Aaron Bullock

FEATURE RACE DAY WINNERS FOR 2024

\$200,000 NEW ZEALAND BLOODSTOCK NJC 3YO SPRING STAKES 2023

WINNER	Genzano	Zac Llody	Paul Messara & Leah Gavanich
2ND	Kind Words	Sam Clipperton	Kris Lees
3RD	Kintyre	Adam Hyeronimus	Gary Portelli

\$1,000,000 THE NEWCASTLE HERALD HUNTER 2023

WINNER	Coal Crusher	Tyler Schiler	Joseph Pride
2ND	King Of Sparta	Chad Schofield	Peter & Paul Snowden
3RD	Rocketing By	Regan Bayliss	David Pfeffer

\$250,000 HORSEPOWER NEWCASTLE STAKES 2024

WINNER	Rustic Steel	Sam Clipperton	Kris Lees
2ND	Sharp Shock	Reece Jones	Rodney Northam
3RD	Imatruestar	Alysha Collett	Grant Jobson

\$300,000 SHARP OFFICE NEWCASTLE GOLD CUP 2024

WINNER	Etna Rosso	Kerrin McEvoy	Chris Waller
2ND	Wyclif	Jason Collett	Ciaron Maher
3RD	Sir Lucan	Adam Hyeronimus	Gai Waterhouse & Adrian Bott

\$250,000 REWARD HOSPITALITY TIBBIE STAKES 2024

WINNER	Terra Mater	Nash Rawiller	Jarod Austin
2ND	Roots	Adam Hyeronimus	Chris Waller
3RD	Overriding	Kerrin McEvoy	Nathan Doyle

\$250,000 AUSTRALIAN BLOODSTOCK CAMERON HANDICAP 2024

WINNER	Here To Shock	Nash Rawiller	Ben, Will & JD Hayes
2ND	Matcha Latte	Regan Bayliss	Sara Ryan
3RD	Berkinshire Shadow	Kerrin McEvoy	Ciaron Maher

CEO REPORT

I have great pleasure in delivering my CEO report for Newcastle Jockey Club with my time at the club now exceeding three years. I continue to be enthusiastic about the future of our club and the opportunities that exist that will enable us to be a strong and sustainable club and resilient against unforeseen challenges. Again, we achieved a lot in the last 12 months, and I often take a moment to reflect on all the good things we are doing both in improving our facilities but also growing our relevance and footprint in Newcastle and the wider community.

While we have been prepared for a softening on discretionary spend since early in 2024 due to interest rate rises and cost of living pressures, I'm delighted that we have been able to sustain a result that is in line with the previous 12 months. The contributions and efforts attributing to these good results come from everyone at the club and is very much a team effort. I am sincerely thankful for the entire NJC team for their effort, passion, and striving for continuous improvement.

The end of year financial profit of \$3,322,683 (EBITDA of \$1,889,876) is a good result which includes the continuation of successful trading results from our race days and a significant uplift in our property portfolio valuation. Again, wagering continued its decline which resulted in racing industry distributions being less than budgeted, however due to a Racing NSW provision, our distributions were 'topped-up' again this year enabling this revenue item to be in line with our budget. Given the uncertainty with racing distribution revenue, we are accelerating options to diversify our revenues to better defend against an uncertain racing revenue landscape. One example was the purchase of an additional residential property adjoining our precinct in Lowe Street in June.

We were again fortunate to conduct every race meeting that was scheduled for us with the only exception being the 1st June which resulted in the meeting being called off after 4 races due to continued rain. The Autumn and early Winter period experienced above average rainfall and presented many challenges on top of our club hosting three additional unscheduled meetings during that period. The continued great performance of the track doesn't happen by accident, and recognition and appreciation must go to the work of the Track Maintenance team lead by Chris Nation, General Manager of Tracks and Facilities.

The club's Hospitality operations is one of the significant revenue providers and our Hospitality Operations Manager Chris Mills and his team have done a great job providing excellent race day hospitality and service which contributes greatly to our sound financial result. Under Chris' leadership, there is an uplift in exploring new and improved ways to enhance the race day experience and a focus on growing non-race day events to increase revenue in that area. We experienced a 13% uplift in race day attendances from the previous year. This pleasing increase is the result of great performance across many areas including our focus on digital marketing and our increased community involvement. Our Admin team, led by Admin Operations Manager Jane Wood, have provided fantastic support in Admin, Member and Owners Servicing, Finance, Marketing, Sponsorship, Community and Racing Operations.

There were so many racing highlights during the year including the emphatic win of Coal Crusher in The \$1 million Hunter. A huge crowd gathered for world class racing and the crowd singing to Bon Jovi shortly before the horses jumped in The Hunter is a tradition that will go on for years to come. Our local trainers enjoyed good success on the track during the season with the Kris Lees trained Kalapour taking out the G1 Tancred Stakes as well as several other Stakes race wins from stablemates Kinloch, Acquitted, Cleveland and Brudenell. Nathan Doyle had a great season finishing 5th on the Provincial Trainers Premiership and a total of 54 winners statewide at an excellent strike rate of 16.7% while Paul Perry had another consistent year with 58 winners.

We are gradually advancing through an extensive list of major works to improve our facility and reduce our risk profile that comes with aged assets. We continue to review the projects list to ensure we prioritise the most risk mitigating and value adding projects first. Over the last two years we have committed more than \$1 million each year to such projects however industry support is being sought to accelerate this process. Recent projects have included the Leger Stand and Ascot Bar Bathroom upgrades, Stable Marquee relocation and upgrades, roofing replacement to the old Tote building (Equine Hospital), new PVC rail for the sand training track, increased CCTV and security upgrades and Office upgrades.

A lot of time and energy has gone into securing funding for the new stables project which had State Govt planning approval more than two years ago. As it stands, funding is not confirmed yet however there is an increasing level of confidence that support from Racing NSW will allow this project to start albeit on a smaller scale as stage 1. Work is also being done to source as much information as possible regarding any future commercial development of the site, more specifically where the existing stables are situated along Beaumont Street. Naturally we will ensure good communication with Members as we work through these processes.

CEO REPORT

Sponsorship is another large contributor to the success of our club and we have a great cohort of sponsors we are proud to partner with. The sponsorship framework continues to develop and in June we launched our new Hunter Club Sponsorship and Networking initiative which was met with great enthusiasm by both existing and new sponsors. The Hunter Club ensures a sustainable model for long into the future and builds our network of business partnerships across Newcastle and the Hunter. This year we celebrated our 30 year partnership with Lion, an amazing achievement for both the NJC and Lion. Notable mentions from our major partners include our Newcastle Cup sponsor Sharp Office as well as New Zealand Bloodstock, Tabcorp, Australian Bloodstock, Horsepower, Prince of Merewether, Hungerford Hill, New Era Technology and Klosters.

Our Charity Race Day program continues to deliver amazing results for our charity partners with upwards of \$700,000 raised annually. I'm very proud of how we facilitate and support this program, and I know our staff get great joy working with these groups. Our recently introduced Community Support Program is also providing great outcomes for local school, sporting and charity groups.

Without Members we do not have a club so I acknowledge and sincerely thank all our Members for their support and feedback to help us become even better. We will continue to work through more efficient ways to communicate, reward and service our members and we also hope to complete the final improvement to the Members Lounge in the next 12 months with the Bistro Kitchen upgrade.

In concluding, I'd like to again thank our amazing staff at the NJC lead by the senior management team of Jane Wood (Administration Operations Manager), Chris Nation (General Manager Tracks & Facilities) and Chris Mills (Hospitality Operations Manager). I appreciate their support as we continue to improve and grow as a club.

Thanks also to Brian Judd who has been an amazing support in his first year as Chairman and the NJC Directors for their support and guidance and trusting me with this most privileged position as CEO of the Newcastle Jockey Club. I sense that the time of significant change and growth at the club is near and the diversity and skill amongst our Board of Directors instils confidence and excitement that we have the right team to execute and take advantage of all the opportunities that are coming our way in the future.



Duane Dowell

Chief Executive

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024
NEWCASTLE JOCKEY CLUB LIMITED
ACN 13 000 002 513

Newcastle Jockey Club Limited

Directors' Report

30 June 2024

The directors present their report on Newcastle Jockey Club Limited for the financial year ended 30 June 2024.

1. General information

Principal activities

The principal activity of Newcastle Jockey Club Limited during the financial year was the carrying on of the business of a race club at Newcastle (Broadmeadow).

No significant changes in the nature of the Company's activity occurred during the financial year.

Information on directors

Brian Judd	Chairman
Experience	Appointed to NJC Board in 2016 Elected to NJC Board in 2018 Member of the Projects Sub Committee Member of the Finance and Risk Committee Former CEO of Racing NSW Country, Newcastle Jockey Club and other sporting organisations.
David Irwin	Vice Chairman
Experience	Appointed to the NJC Board in April 2021 Chairman of the Projects Sub Committee Former CEO of Pacific National
Darren Turner	
Qualifications	B. Com, FCAANZ, GAICD
Experience	Chairman of the Finance and Risk Committee Retired Partner of PwC Appointed to NJC Board in November 2019
Geoffrey Barnett	
Qualifications	Elected to NJC Board in October 1999
Experience	Chairman of NJC from 2011 to 2023 Member of Finance and Risk Committee Member of the Projects Sub-Committee Managing Director and CEO of Minco Tech Australia Pty Limited.
Alexander Wheeler	
Qualifications	B.A, LLB
Experience	Appointed to NJC Board in November 2018 Principal Lawyer, Hickey Wheeler and Co. Member of the Projects Sub-Committee Member of the Finance and Risk Committee Member of Racing Sub-Committee
Craig Kimmorley	
Qualifications	M.B.A, University of Newcastle
Experience	Elected to the NJC Board in November 2018 Chairman of the Racing Sub-Committee Business Development Manager, Ampol Australia Petroleum Pty Ltd

Directors' Report

30 June 2024

Information on directors

Robert Dan

Qualifications

B.A, Dip. Teach, OAM

Experience

Elected to NJC Board in May 2012
Member of the Racing-Sub Committee
Member of Hall of Fame

Directors have been in office since the start of the financial year to date of this report unless otherwise stated. The Company Secretary is Mr Duane Dowell. Mr Dowell was appointed to this position on 1 November 2021.

Meetings of directors

During the financial year, 13 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Brian Judd	13	13
Geoffrey Barnett	13	10
Darren Turner	13	11
Robert Dan	13	13
Alexander Wheeler	13	12
Craig Kimmorley	13	11
David Irwin	13	12

Review and results of operations

The Newcastle Jockey Club has recorded a profit of \$3,322,683 for 2023/24 compared to a profit of \$1,538,521 for 2022/23. After accounting for Other Comprehensive Income, the Club recorded total Comprehensive Income attributable to the members of \$3,791,333 compared to total Comprehensive income \$61,140 for the previous year.

Short term objectives

The Company's short term objectives are to provide a modern and appealing facility centered on the sport of thoroughbred racing for members of the Club, industry stakeholders and visitors.

Long term objectives

The Company's long term objectives are to create a superior, multi-purpose venue that maintains a leadership position for provincial thoroughbred racing and non-racing events. The Company seeks to maintain a sustainable business model underpinned by qualified vision, sound financial management, industry collaboration and diligent corporate governance.

Strategies

The strategies assisting the Company achieve its objectives include:

- Operate as a surplus generating enterprise to create cash reserves for reinvestment into the Club, the thoroughbred industry and the local community. In doing so, adopt a business culture that seeks return on investment supported by comprehensive due diligence, risk management and stakeholder engagement.

Directors' Report

30 June 2024

Review and results of operations

- Strive to be a leading Provisional Race Club at Broadmeadow and complete with an integrated strategic plan, facility upgrade program and self sufficient funding model.
- Promote and support the Thoroughbred racing industry.
- Administer all Club activity in line with contemporary governance practices.

Performance measures and key performance indicators

The Company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short-term and long-term objectives are being achieved. Performance is assessed regularly against previous results, approved budgets and relevant industry benchmarks.

Key Performance Indicators

	2024	2023	2022
	\$	\$	\$
Total Revenue Change (year on year)	7.70%	20.64%	14.8%
Total Expense Charge (year on year)	7.72%	12.22%	21.4%
Working Capital ratio	3.1:1	3.2:1	4.1:1
Debt to Equity Ratio	0.06:1	0.06:1	0.09:1

Members' guarantee

Newcastle Jockey Club Limited is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2 for members.

Membership Category

	Number	Maximum Liability
Full Member	953	1906
Honorary Member	99	198
Life Member	4	8
Total	1056	\$2,112

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Directors' Report
30 June 2024

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2024 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Signed by:

Director: C813291AE88CEF1D

Dated 30/10/2024

Newcastle Jockey Club Limited

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF



MARTIN MATTHEWS
PARTNER

30 OCTOBER 2024
NEWCASTLE, NSW

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	4	30,788,195	30,691,021
Finance income		158,824	82,264
Other income	4	1,081,983	877,884
Cost of sales		(1,628,658)	(1,465,577)
Administration expenses		(970,685)	(816,166)
Advertising expenses		(186,856)	(183,423)
Cleaning and utilities expenses		(879,901)	(792,634)
Consumables		(60,820)	(57,188)
Depreciation and amortisation expense		(1,894,272)	(1,877,597)
Equipment hire		(248,761)	(145,353)
Insurance expense		(494,951)	(419,279)
Motor vehicle expenses		(80,487)	(82,797)
Promotion expenses		(268,888)	(209,529)
Raceday expenses		(18,753,702)	(17,760,034)
Rates expenses		(215,805)	(213,402)
Rental expenses		(18,791)	(12,186)
Repairs and maintenance		(955,444)	(984,706)
Employee benefits expense		(5,033,758)	(4,449,611)
Security costs		(316,640)	(256,656)
Finance costs		(24,979)	(41,230)
Profit before income tax, valuation increments and asset sales/write-offs		(4,396)	1,883,801
Income tax expense		-	-
Valuation increment on investment properties		3,365,395	-
Loss on sale of property, plant and equipment		(38,316)	(345,280)
Profit for the year		3,322,683	1,538,521
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Transfer from reserves		468,650	433,951
Transfer to reserve		-	(1,911,332)
Total comprehensive income for the year		3,791,333	61,140

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,107,273	1,297,392
Trade and other receivables	6	3,998,558	3,879,431
Inventories		181,929	198,956
Other financial assets	7	1,056,246	1,518,309
Other assets		49,830	22,630
TOTAL CURRENT ASSETS		7,393,836	6,916,718
NON-CURRENT ASSETS			
Property, plant and equipment	8	27,934,381	28,255,014
Investment properties	9	10,705,395	7,340,000
Intangible assets		82,500	82,500
Right-of-use assets		113,149	157,008
TOTAL NON-CURRENT ASSETS		38,835,425	35,834,522
TOTAL ASSETS		46,229,261	42,751,240
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,857,564	1,672,562
Lease liabilities		41,842	41,369
Employee benefits	11	503,508	477,179
TOTAL CURRENT LIABILITIES		2,402,914	2,191,110
NON-CURRENT LIABILITIES			
Lease liabilities		69,722	111,564
Employee benefits	11	66,458	81,082
TOTAL NON-CURRENT LIABILITIES		136,180	192,646
TOTAL LIABILITIES		2,539,094	2,383,756
NET ASSETS		43,690,167	40,367,484
EQUITY			
Reserves		13,725,875	14,194,525
Retained earnings		29,964,292	26,172,959
TOTAL EQUITY		43,690,167	40,367,484

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2024

2024

	Retained Earnings	Property Revaluation Reserve	Other Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2023	26,172,959	3,006,027	11,188,498	40,367,484
Profit for the year	3,322,683	-	-	3,322,683
Other comprehensive income				
Transfer from reserves	468,650	-	(468,650)	-
Balance at 30 June 2024	29,964,292	3,006,027	10,719,848	43,690,167

2023

	Retained Earnings	Property Revaluation Reserve	Other Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2022	26,111,820	3,006,027	9,711,116	38,828,963
Profit for the year	1,538,521	-	-	1,538,521
Other comprehensive income				
Transfer to reserves	(1,911,333)	-	1,911,333	-
Transfer from reserves	433,951	-	(433,951)	-
Balance at 30 June 2023	26,172,959	3,006,027	11,188,498	40,367,484

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	31,402,354	34,570,072
Payments to suppliers and employees	(30,093,806)	(31,582,094)
Interest received	158,824	82,264
Finance costs	(24,979)	(41,230)
Net cash (used in)/provided by operating activities	<u>1,442,393</u>	<u>3,029,012</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	53,449	-
Purchase of property, plant and equipment	(1,469,122)	(1,989,551)
Cash receipts from investment property	368,066	249,081
Purchase of intangible assets	-	(82,500)
Purchase/(Proceeds from) of financial assets	462,063	(1,500,000)
Net cash provided by/(used in) investing activities	<u>(585,544)</u>	<u>(3,322,970)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities	(46,968)	(48,158)
(Repayment)/proceeds from borrowings	-	(1,500,000)
Net cash used in financing activities	<u>(46,968)</u>	<u>(1,548,158)</u>
Net increase/(decrease) in cash and cash equivalents held	809,881	(1,842,116)
Cash and cash equivalents at beginning of year	<u>1,297,392</u>	<u>3,139,508</u>
Cash and cash equivalents at end of financial year	5 <u><u>2,107,273</u></u>	<u><u>1,297,392</u></u>

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2024

The financial report covers Newcastle Jockey Club Limited as an individual entity. Newcastle Jockey Club Limited is a Company limited by guarantee, incorporated and domiciled in Australia.

The principal activity of the Company for the year ended 30 June 2024 was the carrying on of the business of a race club at Newcastle (Broadmeadow).

The functional and presentation currency of Newcastle Jockey Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on the date that the Directors' Declaration was signed.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Material Accounting Policies

(a) Revenue and other income

Rendering of service

Racing

Racing revenue includes but is not limited to prizemoney funding, nominations, non-acceptance and scratching fees. These are recognised on an accrual basis based on the performance obligation of holding the race meeting. It also includes TAB distributions revenue determined under the Provincial Scheme of Distribution paid on a monthly basis.

Hospitality and Events

Includes Race Day Admission, Bar and Catering revenue as well as revenue derived from non-race day events.

Track

Includes revenue received from Track Fees for Trackwork Operations. There is also an allocation from Industry Racing Revenue under the Track Maintenance Scheme, calculated on a per race starter basis from locally trained horses.

General and Administration

Sundry Income, reimbursements and subsidies.

Advertising and Promotion

Sponsorship and associated revenue.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Summary of Material Accounting Policies

(a) Revenue and other income

Rendering of service

Racing NSW Project Funding

Revenue/Grants received from Racing NSW for the purposes of funding major projects.

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets 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).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements
For the Year Ended 30 June 2024

2 Summary of Material Accounting Policies

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Land and Buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land and buildings	2%
Plant and equipment	2% to 4%
Motor vehicles	15% to 25%
Racecourse improvements	2% to 20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Investment property

Investment property, comprising residential housing and commercial premises, is held to generate long-term rental yield. All tenant leases are on an arm's length basis. Investment property is initially measured at cost and subsequently measured at fair value.

The fair value of an investment property is the amount for which the asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Fair value of investment properties is determined annually by the Directors. The Directors' valuation takes into consideration a number of factors, including the annual valuation undertaken, the nature of the properties and their rental yields, and market information including the annual performance of properties in similar locations. The annual valuation is undertaken by an independent valuer. Changes to fair values of investment properties are recognised in profit or loss in the period in which they occur.

In accordance with the requirements of Australian Accounting Standard AASB 140 Investment Property, when an item of property, plant and equipment is identified as an investment property for the first time, these properties are subject to a market valuation and the revaluation surplus is recognised in a revaluation reserve prior to transferring the property from property, plant and equipment to investment properties.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Summary of Material Accounting Policies

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Summary of Material Accounting Policies

(f) Financial instruments

Financial assets

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit and loss.

When the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Summary of Material Accounting Policies

(g) Impairment of non-financial assets

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of Assets

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. The directors have assessed that no impairment of assets exist at 30 June 2024.

Key estimates - Valuation of Investment Properties

The investment properties were valued by the Directors as at 30 June 2024. As note in Note 2(f) the Directors valuation takes into consideration a number of factors, including the valuation undertaken by a registered and independent valuer, the nature of the properties and their rental yields, and market information including the annual performance of properties in similar locations. The Directors recognised a movement in investment properties in the current financial year of \$3,365,395.

Notes to the Financial Statements

For the Year Ended 30 June 2024

3 Critical Accounting Estimates and Judgments

Key judgements - Performance Obligations

To identify a performance obligation under AASB 15 Revenue from Contracts with Customers, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost value, quantity and the period of transfer related to the goods or services promised.

Key judgements - Lease Terms

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The option that are reasonably going to be exercised is a key management judgement that the entity will make. The entity determines the likeliness to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.

4 Other Revenue and Income

Revenue from continuing operations

	2024	2023
	\$	\$
Revenue		
- Racing	24,530,659	23,363,475
- Race day bar and catering	5,238,271	4,674,295
- Track	288,103	283,023
- General and administration	331,909	139,385
- Advertising and promotion	399,253	319,511
- Racing NSW Project Funding	-	1,911,333
Total Revenue	30,788,195	30,691,022

Other Income

- Other income	713,917	628,803
- Investment property income	368,066	249,081
	1,081,983	877,884

5 Cash and Cash Equivalents

Cash on hand	71,100	15,100
Cash at bank	2,036,173	1,282,292
	2,107,273	1,297,392

Notes to the Financial Statements

For the Year Ended 30 June 2024

6 Trade and Other Receivables

	2024 \$	2023 \$
CURRENT		
Trade receivables	385,723	376,201
	385,723	376,201
NSW TRB debtor	2,406,330	3,409,942
NSW CRC debtor	(4,495)	71,610
Other debtors	-	4,667
Loans receivable	-	17,011
Deposits paid	1,211,000	-
Total current trade and other receivables	3,998,558	3,879,431

7 Other Financial Assets

CURRENT		
Term deposits	1,056,246	1,518,309

8 Property, Plant and Equipment

Land and buildings		
At cost	10,650,516	10,339,004
Accumulated depreciation	(3,223,199)	(2,873,480)
Total land and buildings	7,427,317	7,465,524
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	635,244	175,265
Plant and equipment		
At cost	5,788,373	5,196,193
Accumulated depreciation	(3,912,871)	(3,560,235)
Total plant and equipment	1,875,502	1,635,958
Motor vehicles		
At cost	192,944	192,944
Accumulated depreciation	(114,715)	(103,641)
Total motor vehicles	78,229	89,303
Racecourse		
At cost	22,135,979	22,000,016
Accumulated depreciation	(4,217,890)	(3,111,052)
Total racecourse	17,918,089	18,888,964
Total plant and equipment	20,507,064	20,789,490
Total property, plant and equipment	27,934,381	28,255,014

Notes to the Financial Statements

For the Year Ended 30 June 2024

8 Property, Plant and Equipment

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and buildings	Racecourse	Plant and Equipment	Motor Vehicles	Works in progress	Total
	\$	\$	\$	\$	\$	\$
Year ended 30 June 2024						
Balance at the beginning of year	7,465,524	18,888,964	1,635,958	89,303	175,265	28,255,014
Additions	90,441	122,923	208,974	-	1,046,784	1,469,122
Disposals	-	-	(76,765)	-	(15,000)	(91,765)
Transfers	221,072	13,040	490,116	-	(571,805)	152,423
Depreciation	(349,719)	(1,106,838)	(382,781)	(11,075)	-	(1,850,413)
Balance at the end of the year	7,427,318	17,918,089	1,875,502	78,228	635,244	27,934,381

9 Investment Properties

	2024	2023
	\$	\$
At fair value		
Balance at beginning of year	7,340,000	7,340,000
Fair value adjustment	3,365,395	-
Balance at end of year	10,705,395	7,340,000

The Company's investment properties were valued at 30 June 2024 by Independent Valuers. The valuation took into consideration a number of factors, the nature of the properties and their rental yields, and market information including the annual performance of properties in similar locations.

10 Trade and Other Payables

CURRENT		
Trade payables	1,425,570	1,235,574
Income received in advance	408,139	393,764
Deposits held	23,855	43,224
	1,857,564	1,672,562

The company enters into contracts with its customers that include invoicing in advance of performance obligations being satisfied. The excess of any differences in amounts invoiced and amounts recognised as revenue is recognised as income in advance, which is recognised as revenue upon satisfaction of the performance obligation, generally when the function and/or raceday is held.

Notes to the Financial Statements

For the Year Ended 30 June 2024

11 Employee Benefits

	2024	2023
	\$	\$
Current liabilities		
Provision for employee benefits	503,508	477,179
Non-current liabilities		
Provision for employee benefits	66,458	81,082

12 Reserves

(a) Property revaluation reserve

The property reserve records revaluations of non-current property, plant and equipment assets that have been transferred to investment property.

(b) Other reserves

The other reserves record the amounts received from Racing NSW for redevelopment or infrastructure projects on the racecourse. These amounts are reduced by the depreciation charge for the applicable capital assets purchased with the funding each year.

13 Financial Risk Management

Financial assets

Cash and cash equivalents	2,107,273	1,297,392
Trade and other receivables	3,998,558	3,897,740
Total financial assets	6,105,831	5,195,132

Financial liabilities

Trade payables	1,425,570	1,235,574
Deposits held	23,855	43,224
Borrowings (current)	41,842	41,369
Borrowings (non-current)	69,722	111,564
Total financial liabilities	1,560,989	1,431,731

14 Key Management Personnel Disclosures

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

The remuneration paid to key management personnel of the Company is \$ 804,024 (2023: \$ 707,724).

15 Auditors' Remuneration

Remuneration of the auditor PKF NS for:

- auditing the financial statements	30,940	29,750
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Notes to the Financial Statements

For the Year Ended 30 June 2024

16 Contingent Assets and Contingent Liabilities

Newcastle Jockey Club Limited recognised the following contingent liabilities at the end of the reporting period:

Racecourse Development Project

In previous years, funding was provided to the Company by way of an interest free, interminable loan from Racing NSW for the purposes of the Racecourse Development project. This loan is only repayable if certain conditions are triggered under the agreement, for example, if the Company ceases to operate as a race club. The Directors are of the opinion that the conditions required to be triggered are unlikely to occur in the ordinary course of business and accordingly, no liability for repayment has been made in the financial report at 30 June 2024. The maximum contingent liability at 30 June 2024 in respect of this loan, excluding GST, amounts to approximately \$13.035m.

17 Capital Commitments

The company has committed to \$2,359,906 in future capital projects (2023: \$1,429,682).

18 Economic Dependency

Significant levels of revenue are sourced from Racing NSW. The financial viability of the Company is highly dependent on this source of funds, with no other major source being immediately available should Racing NSW reduce the revenue.

19 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

20 Statutory Information

The registered office and principal place of business of the company is:
Newcastle Jockey Club Limited
Darling St
Broadmeadow NSW 2292

Directors' Declaration

The directors of the Company declare that:

- 1. The financial statements and notes, as set out on pages 6 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Company.
- 2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Signed by:



C813291AE88CEF1D

Director

Dated 30/10/2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEWCASTLE JOCKEY CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Newcastle Jockey Club Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Newcastle Jockey Club Limited, is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the company's financial position as at 30 June 2024, and of its financial performance for the year then ended; and
- (b) The financial statements are general purpose financial statements that have been prepared in accordance with the *Australian Accounting Standards – Simplified Disclosures* and *Corporations Act 2001*.

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

Independence

We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

PKF(NS) Audit & Assurance Limited Partnership is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, 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 accordingly 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, 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 Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 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 the 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 Company's internal control.

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.



PKF



MARTIN MATTHEWS
PARTNER

30 OCTOBER 2024
NEWCASTLE, NSW



NEWCASTLE JOCKEY CLUB

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