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NEWCASTLE JOCKEY CLUB

ANNUAL REPORT 2025 - 2026

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Cover photo: Bradley Photos. Aethelwulf – 2026 Sharp Office Newcastle Gold Cup (2300m).
Trainer: Matthew Smith. Jockey: Zac Lloyd.

CONTENTS

CHAIRMAN'S REPORT	4
CEO REPORT	7
FINANCIAL REPORT	9
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	23
Independent Auditor's Report	25



CHAIRMAN'S REPORT



David-Irwin
Chairman

I am pleased to present the Chairman's Report for the Newcastle Jockey Club for the year ended 30 June 2026.

This year's continuation of challenging operating conditions has further reinforced the critical nature of the Strategic Priorities of the Club, given that a loss of $1,268,521 was recorded for the year. Wagering revenues distributed to the Club continue to decline year on year, and the Clubs other sources of revenue are all being negatively impacted by broader economic and inflationary conditions. Despite this loss, the balance sheet of the Club remains robust, with Net Assets of $43.29m, essentially zero debt and material cash reserves. As has been outlined in the last two Annual Reports, the Board are actively working to create new and material long term revenue streams for the Club.

The Strategic Priorities of the Board which guide all decision making include:

- Ensuring the Club remains a leader in NSW racing and a valued partner in the community of Newcastle and the surrounding regions
- Diversifying and creating new long term revenue streams, and
- Prudently investing in our facilities to enhance the racing & training infrastructure and member & patron experience over time.

In line with these Strategic Priorities, two material non-recurring costs incurred during the year were $378,010 in support of the Club's plans to rezone two parcels of land on the Racecourse precinct and $294,647 on refurbishment work for the Polytrack training surface to maintain its operational integrity into the medium term. The costs incurred on the precinct Masterplan and associated land rezoning are considered by the Board to be critical to the creation of new long term revenue streams for the Club, particularly within the context of the NSW Government's medium and long term plans for the development and growth of the Broadmeadow area. The opportunity for the Club to play an increasingly active role in community integration leading to our club's facilities being utilized on a much more regular basis, requires this investment and longer term focus. In turn, it is anticipated that future new revenue streams will allow for more material investment by the Club into raceday and training facilities than is currently possible.

The Club continues to invest within its means to renew and enhance Club infrastructure. As envisaged in last year's Annual Report, the Members Bistro was fully renewed during the year with positive feedback received from Members re the enhancements in service this has enabled. The Pavilion Room was also significantly refreshed, leading to increased patronage and an increase in non-race day functions utilizing this venue.

Pleasingly, the quality of our raceday product continues to improve based upon feedback from racing participants, owners, members and patrons. This feedback incorporates our racing surfaces, facilities, venues, hospitality offerings and the service provided by our NJC team members. On behalf of the Board, I commend our CEO, Senior Management and the entire NJC team for their efforts and commitment to continuing to improve all aspects of the operation of the Club for the benefit of all stakeholders.

I also would like to acknowledge:

- Club Members
- Club Sponsors and Hunter Club members
- Charity Partners, and
- My fellow NJC Board Directors.

The Club relies significantly upon the support and contributions from all of these groups, and I thank all of you for your continued dedication.

Finally, I take this important opportunity to recognise the contribution of Brian Judd who retired as Chairman in July 2026. Brian's involvement and contribution to the Club and Racing in NSW spans many decades, and at different times during this period he has served the Club as CEO, Director and finally as Chairman. Brian's values, knowledge, leadership and drive to see the Club succeed have influenced many, and leave a lasting legacy. Personally, I have learned much from working with Brian on the Board over the last 5 years and thank him for his collegiate working style and generosity.

The Newcastle Jockey Club is well positioned as a vibrant and successful member of the Newcastle and NSW Racing communities, and is working towards ensuring that this remains the case for the long term. On behalf of the Board and the NJC team, we look forward to continuing to work with all stakeholders in pursuit of this objective.

AWARD RECIPIENTS

NEWCASTLE JOCKEY CLUB RACING AWARDS 2026

CATEGORY	WINNER
HORSE OF THE YEAR	Changingoftheguard
LEADING TRAINER	Kris Lees
LEADING JOCKEY	Keagan Latham
LEADING APPRENTICE	William Stanley
MAX LEES MEDAL	Nathan Doyle
BILL WADE MEDAL	Dylan Gibbons
2YO OF THE YEAR	Not awarded
RISING STAR	Shannen Llewllyn

FEATURE RACE DAY WINNERS 2026

PLACE	HORSE	JOCKEY	TRAINER
THE NEWCASTLE HERALD HUNTER 2025			
WINNER	Coal Crusher	Chad Schofeild	Joseph Pride
2ND	Accredited	Andrew Adkins	Joseph Pride
3RD	Brudenell	Tim Clark	Kris Lees
$250,000 HORSEPOWER NEWCASTLE STAKES 2026			
WINNER	Tuileries	Chad Schofield	Peter Snowden
2ND	Churchills Choice	Ashley Morgan	Nathan Doyle
3RD	Melody Again	Winona Costin	Scott Singleton
$300,000 SHARP OFFICE NEWCASTLE GOLD CUP 2026			
WINNER	Aethelwulf	Zac Lloyd	Matthew Smith
2ND	Steel blaze	Reece Jones	Brett Lazzarini
3RD	Bella Montagna	Regan Bayliss	Gai Waterhouse & Adrian Bott
$250,000 TIBBIE STAKES 2026			
WINNER	Purfumist	Rachel King	Bjorn Baker
2ND	Mareth	Tim Clark	Michael Freedman
3RD	Polymnia	Zac Lloyd	John O'Shea & Tom Chalton
$250,000 CAMERON HANDICAP 2026			
WINNER	Fully Lit	Regan Bayliss	Gai Waterhouse & Adrian Bott
2ND	I'mintowin	Sam Clipperton	Ciaron Maher
3RD	Mr Miller	Tommy Berry	Chris Waller

CEO REPORT



Duane Dowell
Chief Executive

CEO Report 2026 – Newcastle Jockey Club

FY2026 has been a challenging but important year for Newcastle Jockey Club, with softer trading conditions and rising costs placing pressure on financial performance. Despite these challenges, the Club has continued to deliver quality racing, invest in its facilities and progress key strategic initiatives. I remain confident in the Club's future and encouraged by the opportunities ahead to strengthen our commercial position and secure long-term sustainability.

The Club has recorded an end-of-year loss of $1,268,521 representing a weaker result than the previous year. However, positive EBITDA of $380,354 demonstrates the Club's continued capacity to generate cash in a challenging trading environment. The result reflects softer trading across race day and non-race day events, alongside significant extraordinary costs associated with the PolyTrack renovation and the commencement of our Masterplan and Planning Proposal. The year-on-year comparison is also affected by the absence of property revaluations in FY2026, whereas the previous year benefited from a material uplift in property values.

While race day attendance remained broadly in line with the previous 12 months, softer discretionary spending affected overall hospitality revenue. This reflects the lower spend per head being experienced across many sectors, following several years in which our business demonstrated resilience.

These challenges are not unique to Newcastle Jockey Club. Thoroughbred racing clubs must continue to deliver quality racing and training facilities, generate sustainable revenue, maintain significant physical assets, meet increasingly complex safety and compliance obligations, and compete for customers in a crowded leisure and hospitality market. Uncertainty around wagering-related funding, rising operating costs and the investment required to renew ageing infrastructure further reinforce the importance of careful planning and commercial discipline.

For Newcastle Racecourse, our focus is on protecting the strength of the core racing business while building a more resilient commercial model and prioritising investment across racing, stabling, patron facilities and the wider precinct.

Against this backdrop, diversifying our income streams remains an important priority. Rezoning sections of the racecourse is a key step towards unlocking long-term development opportunities. While the process requires significant investment, it has the potential to create enduring value and strengthen the Club's financial sustainability over time.

One of the year's standout achievements has been the exceptional performance of our two racing surfaces, the Course Proper and Beaumont Track. I commend our Track Maintenance team, led by Chris Nation, General Manager of Tracks and Facilities, for maintaining both surfaces to an outstanding standard, often in challenging conditions. The team has also continued to enhance patron infrastructure, improving comfort and amenity across the racecourse.

We continue to progress a significant program of upgrades to modernise our facilities and manage risks associated with ageing infrastructure. Completed projects during the year included upgrades to the Chevals Restaurant toilets, improvements to the Members' Grandstand Terraces, expansion of our CCTV network, further sound-system upgrades, replacement track-maintenance equipment and minor improvements to a number of stables.

Hospitality remains a cornerstone of our revenue model. While trading conditions have been challenging, the continued value patrons place on the race day experience is reflected in attendance levels, which have remained broadly consistent with previous years. Under the leadership of Chris Mills, Hospitality Operations Manager, we have sharpened our focus on non-race day events to strengthen and diversify this revenue stream. Early growth is encouraging, and we are continuing to assess opportunities that can build on this momentum and deliver stronger financial returns.

We are continuing to strengthen our digital presence and deepen our connection with the community. Attracting new and younger audiences to racing remains a key priority, and strong growth across our social media platforms is helping us engage a younger patron demographic at many race days. Our community contribution is another source of considerable pride, with more than $800,000 raised over the past 12 months through our Charity Race Day and Community Support programs. These initiatives are supported by our Administration team, led by Jane Wood, Business

CEO REPORT

Operations Manager. The team provides invaluable expertise across Finance, Marketing, Racing Operations, Sponsorship and Member Services, and its dedication makes an important contribution to the Club's continued progress.

Sponsorship remains an important contributor to the Club's success, and we are proud to work alongside valued partners including the Newcastle Herald, Sharp Office, New Zealand Bloodstock, Tabcorp, Lion, Horsepower, Prince of Merewether, Hungerford Hill, New Era Technology and Klosters. The 'Hunter Club' Sponsorship and Networking program has also continued to grow our business network and strengthen community and commercial relationships, attracting 25 businesses this year, the strongest result for the program to date. Our growing network of business advocates has also contributed to an increase in non-race day events with some of our partners utilising our facilities.

Newcastle Jockey Club has continued to strengthen its Work Health and Safety culture through targeted training, improved reporting and proactive risk management. Greater staff engagement with WHS protocols reflects a more accountable, preventative approach to safety across all departments. Importantly, this work has contributed to a 66% reduction in Lost Time Injuries compared with the previous year. We remain committed to continuous improvement and collaboration with our partners to deliver safer outcomes for staff, patrons, participants and all stakeholders, believing we are one of the industry leaders in this space.

The year also delivered several memorable racing highlights that showcased the quality of our local participants and the strength of racing in the region. Crowd favourite Coal Crusher, trained by Joseph Pride, secured a popular victory in the $1 million The Hunter, claiming the race for the second time after his 2023 success. Local trainers also enjoyed an outstanding year. Kris Lees celebrated Changingoftheguard's victory in the Group 1 Sydney Cup, Tavi Time's win in the Group 3 Summer Cup and Lord of Biscay's win in the Provincial-Midway Championships Final. Nathan Doyle added further local success when Churchill's Choice won the Group 3 Hawkesbury Gold Cup.

Equine welfare remains fundamental to the future and sustainability of our industry. Newcastle Jockey Club is proud to support initiatives such as Equimillions, alongside other programs that promote the welfare, retraining and rehoming of thoroughbreds beyond their racing careers. We recognise our responsibility to support positive outcomes for horses throughout their lives, and believe these initiatives are essential to maintaining community confidence and ensuring a sustainable future for thoroughbred racing.

I would like to recognise and thank our loyal members, who remain at the heart of the Club. Your support and feedback are invaluable, and we look forward to sharing the next stage of the Club's journey with you as development opportunities progress in the coming years. We remain committed to strengthening our communication, recognition and service to the people who support us most.

I also wish to acknowledge and thank Chairman David Irwin for his valued support, and our Board of Directors for their guidance and trust. My sincere thanks go to our outstanding staff, led by senior managers Jane Wood, Chris Nation and Chris Mills. Their leadership, professionalism and commitment are central to the Club's progress.

I would also like to recognise our former Chairman, Brian Judd, for his significant contribution to the Club over many years. I am grateful for his mentorship and friendship and wish him every success following his decision to step down as Chairman in June 2026.

Looking ahead, I am confident Newcastle Jockey Club is well positioned for a period of growth and transformation although we are mindful that challenging trading conditions may persist for some time. The Club will evolve over the coming years as we progress important development opportunities and continue to invest in our future. With a skilled and diverse Board, a committed team and a clear strategic direction, we are well placed to build on our strengths and capture the opportunities ahead.

FINANCIAL REPORT

For the year ended 30 June 2026
Newcastle Jockey Club Limited
ABN 70 001 038 008

Newcastle Jockey Club Limited

Contents

For the Year Ended 30 June 2026

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	23
Consolidated Entity Disclosure Statement	24
Independent Audit Report	25

Newcastle Jockey Club Limited

Directors' Report

30 June 2026

The directors present their report on Newcastle Jockey Club Limited for the financial year ended 30 June 2026.

Information on directors

Brian Judd	Chairman 2023 - 2026
Experience	Resigned July 2026 Elected Director 2018 - 2026 Member of the Finance and Risk Committee Former CEO of Racing NSW Country, Newcastle Jockey Club and other sporting organisations.
David Irwin	Appointed Chairman July 2026
Experience	Vice Chairman December 2023 - July 2026 Finance & Risk Committee 2026 - current Projects Sub Committee 2023 - 2025 Appointed Director 2021 Independent Non-Exec Director Former CEO of Pacific National
Darren Turner	Resigned November 2025
Qualifications	B. Com, FCAANZ, GAICD
Experience	FRC Chairman 2020 - 2025 Retired Partner of PwC Appointed to NJC Board in November 2019
Geoffrey Barnett	Director - Resigned December 2025
Qualifications	Elected Director 1999 - 2025
Experience	Chairman 2011 - 2023 Managing Director and CEO of Minco Tech Australia Pty Limited.
Alexander Wheeler	Appointed Vice Chairman July 2026 Projects Sub Committee Chairman 2025 - current Finance & Risk Committee 2023 - 2025
Qualifications	B.A, LLB
Experience	Appointed Director 2018 Principal Lawyer, Hickey Wheeler and Co Lawyers UON
Craig Kimmorley	Racing Sub Committee Chairman 2024 - current
Qualifications	M.B.A, University of Newcastle
Experience	Elected Director 2018 Former National Business Development Manager - Commercial, Ampol UON
Robert Dan OAM	Racing Sub Committee 2020 - current
Qualifications	B.A, Dip. Teach, OAM
Experience	Elected Director 2012 Finance & Risk Committee 2016 - 2019 Member of the Newcastle and Hunter Racing Hall of Fame 2020 - current UON

Newcastle Jockey Club Limited

Directors' Report

30 June 2026

Information on directors

Lachlan Turner	Finance & Risk Committee Chairman 2025 - current
Qualifications	Chartered Accountants Australia & New Zealand
Experience	Appointed Director 2025 Projects Sub Committee 2025 - current Commercial Manager @ Landlink Projects Group UON
Tyne Owen	Racing Sub Committee 2025 - current
Qualifications	Master's in Marketing, University of Newcastle Appointed Director 2025
Experience	Former NIB Group Marketing Manager- Internatonal Non-Exec Director Newcastle Rugby League UON

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	3	2
Darren Turner	5	4
Robert Dan	13	13
Alexander Wheeler	13	12
Craig Kimmorley	13	12
David Irwin	13	12
Lachlan Turner	8	8
Tyne Owen	8	6

Review and results of operations

The Newcastle Jockey Club has recorded a loss of $1,268,521 for 2025/26 compared to a profit of $866,546 for 2024/25. After accounting for Other Comprehensive Income, the Club recorded total Comprehensive loss attributable to the members of $792,182 compared to total Comprehensive income $1,222,396 for the previous year.

The 2025/26 result was impacted by a number of significant non-recurring and strategic expenditure items. Administration expenses included $378,010 relating to costs incurred with the Club's Masterplan and rezoning process, reflecting the Club's ongoing investment in its long-term development strategy. In addition, the Club incurred $294,647 in refurbishment and remediation works required for the Polytrack surface to maintain operational standards and racing integrity.

Directors' Report
30 June 2026

Review and results of operations

It is also noted that the prior year's result benefited from a significant uplift arising from the revaluation of the Club's investment properties. In contrast, during 2025/26 the investment properties were maintained at their previously recorded carrying values and no property revaluation was undertaken. Accordingly, the current year's result does not include any comparable valuation gain that was recognised in the prior 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 as well as promoting and hosting profitable non-race day events.

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 strategic 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.
- Strive to be a leading Provisional Race Club at Broadmeadow and complete with an integrated strategic plan and facility upgrade program, with a self sufficient and diverse 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.

	2026 $	2025 $	2024 $
Key Performance Indicators			
Total Revenue Change (year on year)	(0.01%)	(2%)	7.70%
Total Expense Charge (year on year)	(7%)	(3%)	7.72%
Working Capital ratio	2.5:1	3.0:1	3.1:1
Debt to Equity Ratio	0.07:1	0.06:1	0.06:1

Newcastle Jockey Club Limited

Directors' Report

30 June 2026

Review and results of operations

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.

	Number	Maximum Liability
Membership Category		
Full Member	988	1976
Honorary Member	102	204
Life Member	4	8
Total	1094	2188

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.

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 2026 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:

Director: Signed by: Lachlan Turner 04DF0446845499C4

Director: Signed by: David Irwin 465F5014D7C99A71

Dated: 02/11/2026

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Newcastle Jockey Club

Auditor's 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 2026, 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

KEVIN HELMERS
PARTNER

2 NOVEMBER 2026
NEWCASTLE, NSW

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Newcastle Jockey Club Limited

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2026

	Note	2026 $	2025 $
Revenue	4	**30,198,395**	29,971,273
Finance income		**191,065**	167,309
Other income	4	**1,208,815**	1,187,918
Cost of sales		**(1,529,762)**	(1,552,328)
Administration expenses		**(1,332,655)**	(976,902)
Advertising expenses		**(309,276)**	(226,023)
Cleaning and utilities expenses		**(972,060)**	(1,002,292)
Consumables		**(71,188)**	(55,170)
Depreciation, amortisation and impairment expense		**(1,648,875)**	(1,864,383)
Equipment hire		**(464,232)**	(361,219)
Insurance expense		**(702,145)**	(483,107)
Motor vehicle expenses		**(95,489)**	(80,007)
Promotion expenses		**(498,531)**	(342,673)
Raceday expenses		**(18,024,431)**	(17,620,741)
Rates expenses		**(206,529)**	(139,142)
Rental expenses		**(24,735)**	(21,021)
Repairs and maintenance		**(1,202,184)**	(923,173)
Employee benefits expense		**(5,438,876)**	(5,217,846)
Security costs		**(284,970)**	(312,295)
Finance costs		**(16,528)**	(23,514)
(Loss)/Profit before income tax, valuation increments and asset sales/write-offs		**(1,224,191)**	124,664
Income tax expense		**-**	-
Valuation increment on investment properties		**-**	724,382
(Loss) /Gain on sale of property, plant and equipment		**(44,330)**	17,500
(Loss)/Profit for the year		**(1,268,521)**	866,546
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Transfer from reserves		**476,339**	469,400
Transfer to reserve		**-**	(113,550)
Total comprehensive income for the year		**(792,182)**	1,222,396

The accompanying notes form part of these financial statements.

Newcastle Jockey Club Limited

Statement of Financial Position

As At 30 June 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**2,333,669**	4,936,414
Trade and other receivables	6	**1,015,406**	1,357,477
Inventories		**279,636**	197,199
Other financial assets	7	**3,639,814**	1,129,738
Other assets		**32,412**	70,500
TOTAL CURRENT ASSETS		**7,300,937**	7,691,328
NON-CURRENT ASSETS			
Property, plant and equipment	8	**26,253,110**	26,735,776
Investment properties	9	**12,630,172**	12,630,172
Intangible assets		**82,500**	82,500
Right-of-use assets		**37,646**	69,290
TOTAL NON-CURRENT ASSETS		**39,003,428**	39,517,738
TOTAL ASSETS		**46,304,365**	47,209,066
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**2,451,000**	2,010,331
Lease liabilities		**25,479**	44,243
Employee benefits	11	**484,521**	512,000
TOTAL CURRENT LIABILITIES		**2,961,000**	2,566,574
NON-CURRENT LIABILITIES			
Lease liabilities		**-**	25,479
Employee benefits	11	**55,173**	60,300
TOTAL NON-CURRENT LIABILITIES		**55,173**	85,779
TOTAL LIABILITIES		**3,016,173**	2,652,353
NET ASSETS		**43,288,192**	44,556,713
EQUITY			
Reserves		**12,893,687**	13,370,027
Retained earnings		**30,394,505**	31,186,686
TOTAL EQUITY		**43,288,192**	44,556,713

The accompanying notes form part of these financial statements.

Newcastle Jockey Club Limited

Statement of Changes in Equity

For the Year Ended 30 June 2026

	Retained Earnings	Property Revaluation Reserve	Other Reserves	Total
	$	$	$	$
Balance at 1 July 2025	**31,186,688**	**3,006,027**	**10,363,998**	**44,556,713**
Loss for the year	**(1,268,521)**	**-**	**-**	**(1,268,521)**
Other comprehensive income				
Transfer from reserves	**476,339**	**-**	**(476,339)**	**-**
Balance at 30 June 2026	**30,394,506**	**3,006,027**	**9,887,659**	**43,288,192**

	Retained Earnings	Property Revaluation Reserve	Other Reserves	Total
	$	$	$	$
Balance at 1 July 2024	29,964,292	3,006,027	10,719,848	43,690,167
Profit for the year	866,546	-	-	866,546
Other comprehensive income				
Transfer to reserves	(113,550)	-	113,550	-
Transfer from reserves	469,400	-	(469,400)	-
Balance at 30 June 2025	31,186,688	3,006,027	10,363,998	44,556,713

The accompanying notes form part of these financial statements.

Newcastle Jockey Club Limited

Statement of Cash Flows
For the Year Ended 30 June 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**34,966,105**	37,051,906
Payments to suppliers and employees		**(34,054,503)**	(32,429,002)
Interest received		**191,065**	167,309
Finance costs		**(16,527)**	(23,514)
Net cash provided by operating activities		**1,086,140**	4,766,699
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		**44,828**	102,769
Purchase of property, plant and equipment		**(1,179,394)**	(724,688)
Purchase of investment property		**-**	(1,200,395)
Purchase/(Proceeds from) of financial assets		**(2,510,076)**	(73,492)
Net cash used in investing activities		**(3,644,642)**	(1,895,806)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of lease liabilities		**(44,243)**	(41,752)
Net cash used in financing activities		**(44,243)**	(41,752)
Net (decrease)/increase in cash and cash equivalents held		**(2,602,745)**	2,829,141
Cash and cash equivalents at beginning of year		**4,936,414**	2,107,273
Cash and cash equivalents at end of financial year	5	**2,333,669**	4,936,414

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2026

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 activitiy of the Company for the year ended 30 June 2026 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 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.

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

2 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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

2 Material Accounting Policies

(a) Revenue and other income

Rendering of service

Advertising and Promotion

Sponsorship and associated revenue.

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) Current and non-current classification

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

An asset is classified as current when: It is either expected to be realised or intended to be sold or consumed in the company'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 and cash equivalents 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 company'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 periodl or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current .

Notes to the Financial Statements
For the Year Ended 30 June 2026

2 Material Accounting Policies

(d) 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.

(e) 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 revaluation 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
Buildings	2%
Plant and equipment	2% to 10%
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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

2 Material Accounting Policies

(f) 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.

(g) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Assets classified as held for sale are not amortised or depreciated.

Non-current assets classified as held for sale and any associated liabilities are presented separately in the statement of financial position.

(h) 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 adventatous market.
Fair value measurement 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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

2 Material Accounting Policies

(i) 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

Financial assets are initially measured at fair value. Transactions 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 entity has transferred substantially all the risk and rewards of ownership. When there is not reasonable expectation of recovering part or all of a financial asset, its carrying value is written off. 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.

Impairment of financial assets

The company 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 Company'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. 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.Impairment of financial assets is recognised on an expected credit loss (ECL) basis:

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.

(j) 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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

2 Material Accounting Policies

(j) Impairment of non-financial assets

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.

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.

(k) 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.

(l) 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.

(m) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2026, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company or refer to Note for details of the changes due to standards adopted.

Notes to the Financial Statements
For the Year Ended 30 June 2026

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 2026.

Key estimates - Valuation of Investment Properties

The investment properties were valued by the Directors as at 30 June 2026. 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 $Nil (2025: $673,987).

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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

4 Other Revenue and Income

Revenue from continuing operations

	2026	2025
	$	$
Revenue		
- Racing	**24,379,150**	23,642,472
- Race day bar and catering	**5,083,782**	5,315,632
- Track	**277,728**	284,054
- General and administration	**112,187**	264,854
- Advertising and promotion	**345,548**	350,711
- Racing NSW Project Funding	**-**	113,550
Total Revenue	**30,198,395**	29,971,273
Other Income		
- Other income	**764,711**	764,262
- Rental income	**444,104**	423,656
	1,208,815	1,187,918

5 Cash and Cash Equivalents

Cash on hand	**14,100**	26,460
Cash at bank	**2,319,569**	4,909,954
	2,333,669	4,936,414

6 Trade and Other Receivables

CURRENT		
Trade receivables	**165,972**	343,833
Provision for doubtful debts	**-**	(22,093)
	165,972	321,740
NSW TRB debtor	**823,124**	1,023,594
NSW CRC debtor	**(440)**	(3,607)
Other debtors	**26,750**	15,750
Total current trade and other receivables	**1,015,406**	1,357,477

7 Other Financial Assets

CURRENT		
Term deposits	**3,639,814**	1,129,738

Notes to the Financial Statements
For the Year Ended 30 June 2026

8 Property, Plant and Equipment

	2026 $	2025 $
Land and buildings		
At cost	**11,895,051**	11,323,532
Accumulated depreciation	**(3,949,596)**	(3,598,184)
Total land and buildings	**7,945,455**	7,725,348
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	**130,879**	49,663
Plant and equipment		
At cost	**6,528,250**	6,072,696
Accumulated depreciation	**(4,572,873)**	(4,242,444)
Total plant and equipment	**1,955,377**	1,830,252
Motor vehicles		
At cost	**158,982**	158,982
Accumulated depreciation	**(102,560)**	(91,657)
Total motor vehicles	**56,422**	67,325
Racecourse		
At cost	**22,290,777**	22,386,142
Accumulated depreciation	**(6,125,800)**	(5,322,954)
Total racecourse	**16,164,977**	17,063,188
Total plant and equipment	**18,307,655**	19,010,428
Total property, plant and equipment	**26,253,110**	26,735,776

Notes to the Financial Statements
For the Year Ended 30 June 2026

8 Property, Plant and Equipment

(a) Movements in carrying amounts of property, plant and equipment

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

	Buildings	Racecourse	Plant and Equipment	Motor Vehicles	Works in progress	Total
	$	$	$	$	$	$
Year ended 30 June 2026						
Balance at the beginning of year	**7,725,348**	**17,063,188**	**1,830,252**	**67,325**	**49,663**	**26,735,776**
Additions	**-**	**24,960**	**279,775**	**-**	**874,659**	**1,179,394**
Disposals	**-**	**(35,933)**	**(8,396)**	**-**	**-**	**(44,329)**
Transfers	**571,518**	**15,700**	**205,725**	**-**	**(793,443)**	**(500)**
Depreciation expense	**(351,412)**	**(902,938)**	**(351,978)**	**(10,903)**	**-**	**(1,617,231)**
Balance at the end of the year	**7,945,454**	**16,164,977**	**1,955,378**	**56,422**	**130,879**	**26,253,110**
Year ended 30 June 2025						
Balance at the beginning of year	7,427,317	17,918,089	1,875,502	78,229	635,244	27,934,381
Additions	38,701	-	175,953	-	510,034	724,688
Disposals	-	-	-	-	(102,769)	(102,769)
Transfers	634,313	250,163	108,370	-	(992,846)	-
Depreciation expense	(374,983)	(1,105,064)	(329,573)	(10,904)	-	(1,820,524)
Balance at the end of the year	7,725,348	17,063,188	1,830,252	67,325	49,663	26,735,776

Notes to the Financial Statements
For the Year Ended 30 June 2026

9 Investment Properties

	2026	2025
	$	$
At fair value		
Balance at beginning of year	**12,630,172**	10,705,395
Acquisitions	**-**	1,200,395
Fair value adjustment	**-**	724,382
Balance at end of year	**12,630,172**	12,630,172

The Company's investment properties were valued at 30 June 2025 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. The Directors considerd the valuation to be appropriate as at 30 June 2026.

10 Trade and Other Payables

CURRENT		
Trade payables	**1,823,329**	1,358,910
Income received in advance	**627,671**	651,421
	2,451,000	2,010,331

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.

11 Employee Benefits

Current liabilities		
Employee benefits	**484,521**	512,000
Non-current liabilities		
Employee benefits	**55,173**	60,300

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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

13 Financial Risk Management

	2026	2025
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**2,333,669**	4,936,414
Trade and other receivables	**1,015,406**	1,357,477
Total financial assets	**3,349,075**	6,293,891
Financial liabilities		
Held at amortised cost		
Trade payables	**1,823,239**	1,358,820
Borrowings (current)	**25,479**	44,243
Borrowings (non-current)	**-**	25,479
Total financial liabilities	**1,848,718**	1,428,542

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 $890,203 (2025: $ 849,626).

15 Auditors' Remuneration

Remuneration of the auditor PKF NS for:		
- auditing the financial statements	**34,100**	32,500

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 2026. The maximum contingent liability at 30 June 2026 in respect of this loan, excluding GST, amounts to approximately $13,035,132 (2025: $13,035,132).

17 Capital Commitments

The company has committed to $1,772,200 in future capital projects (2025: $1,369,822).

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.

Notes to the Financial Statements
For the Year Ended 30 June 2026

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

Newcastle Jockey Club Limited

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 22, 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 2026 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.

3. The information disclosed in the attached consolidated entity disclosure statement is true and correct

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

Director Signed by: Lachlan Turner 04DF0446845499C4 ..... Director: Signed by: David Irvin 465F5014D7C99A71 .....

Dated 02/11/2026

Newcastle Jockey Club Limited

Consolidated Entity Disclosure Statement

For the Year Ended 30 June 2026

Newcastle Jockey Club Limited does not have any controlled entities and therefore the financial statements presented are for a standalone entity. Consequently the Consolidated Entity disclosure required by s295(3A)(a) of the *Corporations Act* is not required.

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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 2026, 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 material accounting policy information, 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 2026, and of its financial performance for the year then ended; and
(b) Complying with the Australian Accounting Standards – Simplified Disclosure Requirements and Corporations Regulations 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.

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 2026 but does not include the financial report and our auditor's report thereon.

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 (cont'd)

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.

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

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

- 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

KEVIN HELMERS
PARTNER

2 NOVEMBER 2026
NEWCASTLE, NSW



NEWCASTLE JOCKEY CLUB

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