



Annual Report 2024

For the period ending 31 December 2024

THOROUGHBRED RACING NORTHERN TERRITORY

ANNUAL REPORT

2024

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THOROUGHBRED RACING NORTHERN TERRITORY

Chair

Nicolle Rantanen Reynolds

Vice-Chair

Gregory Aldam

Board

Andrew Maloney

Brooke Prince

Syd Stirling AM

Craig Trezise

Jodie Waters

Staff

Chief Executive:

Andrew O'Toole

Chairman of Stewards:

David Hensler

Chairman of Stewards (Alice Springs):

David Westover

Senior Steward/Racing Administration:

Robert Hamilton

Deputy Steward:

Ryan Shiers

Minute Secretary/Racing Administration/

Off The Track Co-ordinator:

Ella Baird

CHAIR'S REPORT

I was honoured to be appointed as the Chair of TRNT at the October Board meeting in 2024 following just over three years of leadership in the role by Sydney Stirling.

I would like to recognise Syd for the significant contribution that he has made to the organisation and I am delighted that Syd has agreed to continue as a member of the TRNT Board.

I would like to thank all TRNT Board members for their dedication and contribution to racing in the Territory throughout the year.

The Board members are:

- **Greg Aldam** – Independent Deputy Chair
- **Brooke Prince** – Independent Member
- **Sydney Stirling** – NT Government representative
- **Jodie Waters** – Independent Member
- **Craig Trezise** – Darwin Turf Club Chair
- **Andrew Maloney** – Alice Springs Turf Club Chair

On behalf of the Board I would like to thank our Chief Executive Andrew O'Toole, whose in-depth experience and knowledge of Territory racing assists the Board and industry on a daily basis.

To David Hensler, our Chairman of Stewards, and his team, our thanks for their tireless efforts toward keeping Territory racing's reputation for integrity strong, and ensuring occupational health and safety standards are maintained to the highest standard possible.

Thanks to Ella Baird, our Administration Officer and Off The Track Executive, whose passion for equine welfare has led to expanded initiatives around transport subsidies, educational grants and sponsorships. Ella is committed to look for new ways to support the Off The Track thoroughbreds and their owners to ensure horses have a successful life after their racing career is over.

Initiatives undertaken by TRNT in the past year include:

- The first race exclusively for horses purchased at the Territory Tried Horse Sales. In 2025, TRNT will host a Tried Horse Sale only race in both Alice Springs and Darwin, as well as a lead-up race in both locations.
- TROBIS Bonus funding increased by 25%.
- Horse numbers remained stable, helped by the Tried Horse Sales in both Darwin (9 lots) and Alice Springs (8 lots).

All horses purchased at the Tried Horse sales in the Territory that meet the criteria are automatically TROBIS qualified with no fee payable.

- Prizemoney to increase by 5% from mid-March 2025.

- Starters per race increased on average from 7.28 to 7.81.
- Jockey fees were increased to \$300 per ride plus superannuation guarantee.
- 116 horses were rehomed.
- Ryan Shiers, son of Darwin Cup-winning jockey Paul, joined the stewards team and has proven a welcome asset. He is currently undergoing training to gain his Cert III in Stewarding.
- Media rights were renegotiated in Alice Springs, markedly increasing returns to the industry.
- Hosting Horse of the Year functions in both Darwin and Alice Springs.
- Renewal of the partnership with radio station SEN (Sports Entertainment Network) to run a suite of advertisements, voice-overs and weekly segments covering NT racing.

My thanks to the Darwin Turf Club and Alice Springs Turf Club for hosting the large majority of our racedays, and also to the public who continue to support racing by their attendance.

Thank you to our country club Presidents and their committees who work so hard to ensure the success of their annual fixtures. We are also pleased to be working with the Katherine Turf Club to potentially have two race meetings at that location in 2026.

Thanks to Pat McIntyre, our independent Appeals Chairman, and his fellow panellists, for their work in conducting TRNT appeal hearings.

Congratulations and thanks to our five NT apprentices – Darwin duo Jade Hampson and Emma Lines, and Alice Springs trio Ianish Luximon, Dakota Gillett and Lek Maloney. TRNT continues to investigate options to increase our apprentice jockey numbers including an initiative to have a part-time apprentice jockey coach.

Finally, a big thank you to the owners, trainers, jockeys, strappers, starters, barrier attendants, farriers, clerks of the course, vets, swabbing attendants, camera staff, trackwork riders and stablehands.

It is the combined effort of all of these participants which creates our racing product, and on behalf of the Board I thank you for your wonderful contribution and all you do for our industry.



Nicolle Rantanen Reynolds
Chair

CHIEF EXECUTIVE'S REPORT

Board Meetings

During the 2024 financial year (January-December) there were seven Board meetings, six in Darwin and the 5 April meeting (and Annual General Meeting) held in Alice Springs.

2024 Attendance at Board Meetings

Greg Aldam	7/7
Andrew Maloney	6/7
Phil Morley	3/3 (term as Independent member concluded April 2024)
Brooke Prince	4/4 (appointed May 2024 as Independent member)
Nicolle Rantanen Reynolds	7/7
Syd Stirling	7/7
Craig Trezise	7/7
Jodie Waters	7/7
Andrew O'Toole	7/7 – Chief Executive

Programming

This role is the responsibility of TRNT management, which prepares a draft for consultation with the clubs and participants prior to submission to the Board for approval.

Programme frequency usually comprises three four-monthly programmes (August-November, December-March and April-July). These are released in early June, early October and early February to allow trainers to have a continuity of programming.

However, the August-November programme in 2024 was extended to include December.

Performance Statistics (Jan-Dec 2024)

Racedays	2024	2023	2022
Darwin	37	39	39
Alice Springs	31	32	32
Adelaide River	-	-	-
Katherine	1	1	1
Tennant Creek	1	1	1
Total Racedays	70	73	72

NB: Alice Springs had some track issues in the middle of the year, and the 28 July and 10 August meetings were abandoned. The meeting scheduled for 23 March was postponed to 27 March due to rain.

The Adelaide River meeting scheduled for 31 August was abandoned due to the state of the track.

Adelaide River has not raced since 2021 and the TRNT Board made the difficult decision in December not to allocate the club a date for 2025 and beyond.

Races runs	2024	2023	2022
Darwin	213	239	227
Alice Springs	188	181	186
Adelaide River	-	-	-
Katherine	8	7	7
Tennant Creek	6	6	6
Total Races	415	433	426

Racedates

All racedates for the NT are set in consultation with the clubs after taking into account all manner of indicators, i.e. activities on in each area at various times of the year, racecourse promotions, etc.

The number of meetings contested in the 2024 financial year (January-December) was **70**, three less than in 2023 due to the Alice Springs track issues and the way in which the lunar calendar fell.

Participant Incentives

There are three incentives that TRNT pays to industry participants to encourage them to be involved in the industry and to make their participation more cost-effective. These are payments to the owners of non-prizemoney earning horses, payments to jockeys of non-prizemoney earning horses, and payments to owners of travel subsidies to encourage them to attend the country racemeetings held in the Territory.

In 2024, the payments to owners of non-prizemoney earning horses remained at **\$700** per horse. The jockeys' fee increased to **\$300** (from \$290) per ride plus superannuation from 1 September.

The travel subsidies for the country club meetings also remained the same as in previous years – Tennant Creek (May) and Katherine in August both had travel subsidies of **\$500** per runner.

As has been the case in recent years, all trainers and jockeys of horses that won at the popular country fixtures received an additional bonus payment of **\$200**.

Prizemoney

The TRNT Board also approves the stakemoney and unplaced subsidy budget for the industry. The total amount paid out in stakemoney and subsidies for 2024 was **\$11,886,641**, a decrease of **\$254,122** on the previous year's **\$12,140,763**.

Stakemoney payments amounted to **\$9,915,871**, down **\$237,382**.

The decreased returns to participants mentioned above were brought about by less races (**18**) and less runners (**103**) than in 2023.

Owners' unplaced subsidies totalled **\$1,365,700**, slightly down on the 2023 figure of **\$1,399,300**, while the unplaced jockeys' fees were **\$605,170**, up just under **\$15,000** on the previous year's figure of **\$590,210**.

TROBIS bonuses paid out were **\$310,285**, a healthy increase on the 2023 figure of **\$279,000** due to a 25% increase to TROBIS payments adopted on 1 April, while the country club travel rebates (with no fixture run at Adelaide River again) were **\$66,220**, an increase of **\$22,196** on the previous year.

This was largely due to the increased runners and races at Katherine – the club had a tremendous day with no less than eight races and some 64 horses competing, almost certainly a record for the club.

Capital Works projects undertaken in 2024

TRNT: New spiral staircase for stewards' tower in Alice Springs – \$50,000; Replacement of studio UPS units – \$2,071; Fibre converters for AS Cup weekend coverage – \$700.

Darwin: Purchase of portable toilet blocks for Carnival – \$110,000.

Alice Springs: Solar lighting for track work – \$210,000.

Adelaide River: Replacement of evaporator in club cold room – \$6,151; Track works and replacement of sprinkler parts – \$9,951; Supply and install of CCTV system – \$9,711; Supply and install of 35m of chainmesh fencing with top rail, and installation of gate – \$5,500; Assorted grounds maintenance, mowing, etc – \$2,870.

Tennant Creek: Painting of stewards' tower, toilets, etc – \$26,350; Stainless Steel bench for kitchen/bar area – \$2,155; Course electrical upgrades – \$4,478; 180t of sand for racecourse – \$12,600; Replace roofing after storm – \$8,917; Plumbing and gas upgrade and repairs from major water leak – \$5,879.

Katherine: Parts to replace running rail and uprights - \$3,917.

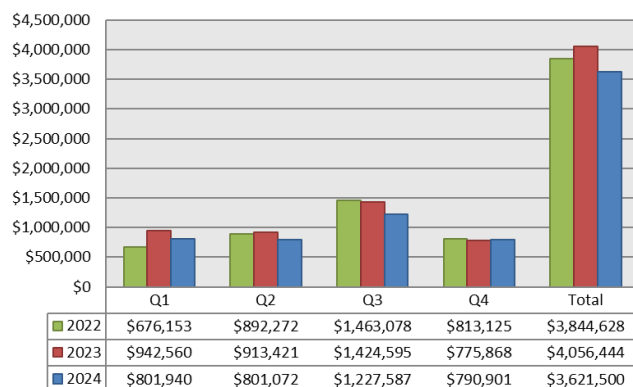
Top End Horse of the Year Awards 2023/24

Leading Trainer	Gary Clarke
Leading Jockey	Jarrodd Todd
Leading Apprentice	Emma Lines
Leading Carnival Trainer	Gary Clarke
Leading Carnival Jockey	Jarrodd Todd
Women in Thoroughbred Racing	
Leading Female Trainer	Tayarn Halter
Women in Thoroughbred Racing	
Leading Female Jockey	Emma Lines
Three-year-old of the Year	Miami Vice
Sprinter of the Year	Ideas Man
Middle Distance/Stayer	Wolfburn
Out-of-Carnival Performer	Son Of Bielski
Tried Horse Sale Performer	Bon's Pride
Consistency/Longevity Award	New Enterprise
Horse of the Year	Wolfburn
Character of Racing	Chris Pollard
Strapper of the Year	Hannah Boyle
Off The Track Aftercare	Samantha Hill

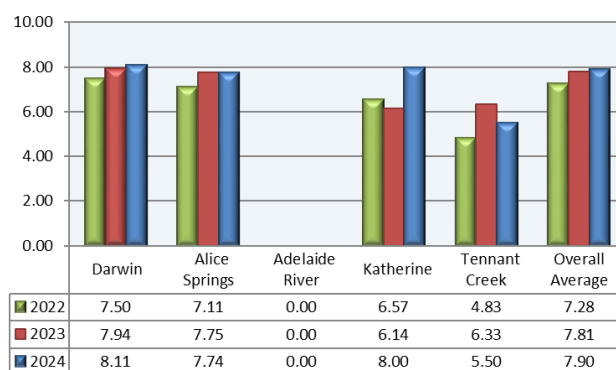
Red Centre Horse of the Year Awards 2023/24

Leading Trainer	Terry Gillett
Leading Jockey	Paul Denton
Leading Apprentice	Dakota Gillett
Leading Carnival Trainer	Kym Healy
Leading Carnival Jockey	Emma Lines
Women in Thoroughbred Racing	
Leading Female Trainer	Kerry Petrick
Women in Thoroughbred Racing	
Leading Female Jockey	Sonja Logan
Three-year-old of the Year	Beyond Ready
Sprinter of the Year	Red Wraith
Middle Distance/Stayer	Venting
Tried Horse Sale Performer	Throw At Da Stumps
Horse of the Year	Venting

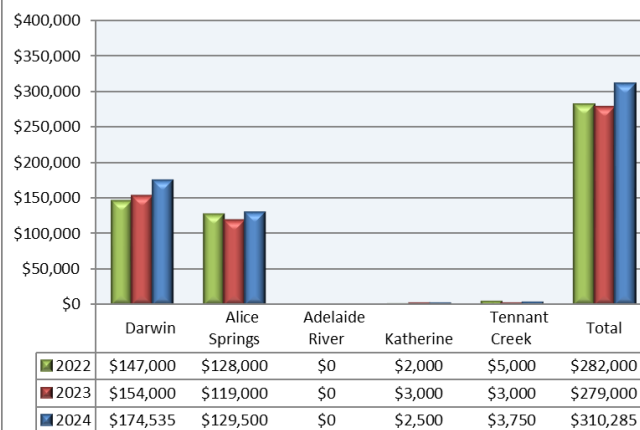
Product Fees



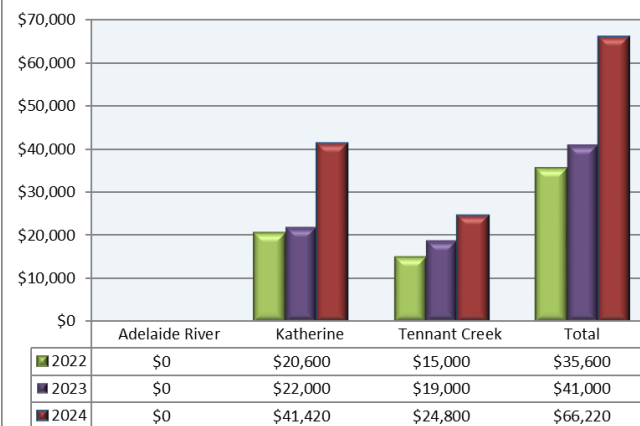
Starters Average Per Race



Trobis Scheme



Country Race Travel Rebates



The year in review

For the 15th consecutive year, it once again gives me great pleasure to deliver my racing review for the 2024 financial year (January-December) as Chief Executive of Thoroughbred Racing Northern Territory (TRNT).

Although cost of living concerns have existed for some time now, our industry has again performed with credit, with some first-class racing action and thankfully a fairly safe year on the track for our equine and human participants.

Racemeetings (70) were down three on last year, due mainly to two meetings not being run in Alice Springs in the middle of the year following track issues. Two races were also abandoned in Darwin on Australia Day due to poor visibility. Consequently, races run fell by 18, 415 as opposed to 433 in 2023.

That said, a number of races were divided, mainly in the Red Centre, due to a lack of riders and some good acceptance numbers. TRNT always looks at each case of dividing a race on its merits and endeavours to provide all acceptors with a start if at all possible.

Raceday starters were 3,281, down 103 on the 2023 figure of 3,384. However, the previous year's numbers were up significantly (by 282 on 2022), so there was somewhat of a correction in the starter statistics.

The average field size showed a pleasing upward trend – 7.9 runners per race as opposed to 7.81 in 2023 – and when the number of races that were divided is taken into account, this average field size was heartening indeed.

Obviously each-way betting (eight runners per race or more) is the ideal from a turnover and bettor interest point of view, and while we have made good strides recently in average field sizes, there is still much work to be done in this area.

Darwin's runner numbers, from 213 races (down 26 on the previous year, largely due to the way the dates fell in the calendar year), were 1,728, a reduction of 171 on the 2023 figures. The average starters per race, for the first time for some years, exceeded that "magic" eight runners, at 8.11, up from 7.94 the previous year.

Alice Springs' starters, from 188 races (up seven on the 2023 figure of 181) increased by 52 on the previous year to 1,456 (1,404 in 2023). However, due to the number of races divided, the average runners per race remained almost identical to 2023, 7.74 compared to 7.75 the previous year.

For the third successive year, only two of the three country clubs raced in 2024 – Tennant Creek and Katherine – while once again, track safety issues meant that the Adelaide River fixture was unable to be run.

The team in the Barkly, led by Mike Nash and track guru Daniel Stevens, turned on another fantastic "Two Cups" meeting at Tennant Creek, with a crowd in excess of 600 converging on Hagan Park.

A six-race programme was the order of the day, with 33 runners (down five on the previous year) competing. The Tennant Creek Cup went the way of Barocco Bar, ridden by Alice Springs-based apprentice Lek Maloney and prepared by

Red Centre trainer Dan Morgan. In a stirring finish, Barocco Bar got the better of Command King and Great Buy, with just a length separating the trio.

The Katherine Cup meeting, 12 days after Darwin Cup Day, was a tremendous day, with no less than eight races contested (two races divided) and record runner numbers of 64 and a crowd of around 1,600.

The Cup went the way of Kerry Petrick's stayer Venting (Paul Denton), who was far too good for Pink Panther and Ziggi Rocks. KTC President Paul Mullins and his team always do a fine job presenting the course and surrounds in first-class order for Katherine's big day, and 2024 was no exception.

The Great Northern Darwin Cup Carnival was again well attended, even though there was no infield in use for the first time for many years on Cup Day.

The Great Northern Darwin Cup produced a magnificent home stretch battle between Gold Coast galloper Hadouken and local star Wolfburn, with the former, in the hands of visiting NSW jockey Tyler Schiller, prevailing by a long neck.

Trained by former top rider Peter Robl, Hadouken also won the Buntine Handicap on Derby Day and was unbeaten in three Top End starts.

Dick Leech, who trained the Cup/Sprint double in 2023, had to be content with just the bet365 Palmerston Sprint this time, Early Crow (Sonja Logan) going back-to-back in the feature.

The Ladbrokes NT Derby went the way of Gary Clarke's 3yo Masatora, with Jarrod Todd winning his second Derby, while the Darwin Guineas was won by He's Maverick, trained at Strathalbyn by Kym Healy and with Logan again the pilot.

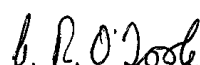
Clarke was yet again the leading Carnival trainer (for the 11th time) with 12 winners, while Todd, with 11 winners, won the leading Carnival rider award for the eighth time.

The Ladbrokes Alice Springs Cup was won by Venting (Stan Tsaikos), who scored a popular win for local trainer Petrick, while the Pioneer Sprint was another triumph for Healy, who quinellaed the event with Mathematics and Noble Magnate.

On behalf of TRNT's management team, I would like to pay tribute to Chair Nicolle Rantanen Reynolds, former Chair Syd Stirling and all Board members for their support and wise counsel throughout the year.

I would also like to thank my team, Chairman of Stewards David Hensler, Alice Springs COS David Westover, Senior Steward Robert Hamilton. Deputy Steward Ryan Shiers and Ella Baird, our administration and Off the Track expert, for all their hard work and support throughout the year.

Lastly, a big thank you to Lachlan Fairley, our Chief Financial Officer, and to Marie Johnston and Dani Edgley in the accounts department; to Fletcher Waters, our technical supremo when it comes to raceday vision; and to all TRNT's raceday staff for the wonderful job they do week in, week out.



Andrew O'Toole
Chief Executive

Thoroughbred Racing NT Incorporated

ABN 15 688 350 211

Annual Report - 31 December 2024

Thoroughbred Racing NT Incorporated
Board members' report
31 December 2024

The Board members present their report, together with the financial statements, on the Association for the year ended 31 December 2024.

Board members

Chair	Nicolle Rantanen Reynolds
Vice Chair	Gregory Aldam
Board Member	Sydney Stirling
Board Member	Andrew Maloney
Board Member	Phillip Morley (Resigned May 2024)
Board Member	Jodie Waters
Board Member	Brooke Prince (Appointed May 2024)
Board Member	Craig Trezise

Principal activities

During the financial year the principal continuing activities of the Association consisted of overseeing, promoting, growing and developing thoroughbred racing in the Northern Territory.

Operating Result

The net result for the period was a deficit of \$2,834,904 (31 December 2023 Restated: surplus of \$3,319,825). This represented a \$6,154,729 variance from the \$3,319,825 surplus recorded in the previous year. There were no material changes to TRNT's operations. The variance resulted from exposure to potential workers' compensation liabilities, which were previously covered by the NTG but are now being funded by TRNT. During the 2024 financial year, TRNT experienced a potentially catastrophic fall, leading to a significant liability being recognised, accounting for the entirety of the 2024 deficit.

Changes in Nature of Activities or Financial Affairs

There were no significant changes in the nature of the activity occurred during the year.

Subsequent events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transactions or event of a material or unusual nature, in the opinion of the Board of the association, to significantly affect the operations of the Association, results of those operation, or state of affairs of the Association in future financial years.

Proceedings on behalf of the Association

No person has applied for leave of court to bring proceedings on behalf of the Association or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any of those proceedings.

Windings up

In the event of winding up, the constitution requires the satisfaction of all its debt and liabilities and the surplus assets to be transferred to another association incorporated under the Act that has similar objectives or purposes, is not carried on for profit or gain to its individual members and is determined by resolution of the members.

On behalf of the Board members



Nicolle Rantanen Reynolds



Gregory Aldam

Date: 14 March 2025

Date: 14 March 2025

Thoroughbred Racing NT Incorporated
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Thoroughbred Racing NT Incorporated

General information

The financial statements cover Thoroughbred Racing NT Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Thoroughbred Racing NT Incorporated's functional and presentation currency.

Thoroughbred Racing NT Incorporated is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office is:

Registered office

Dick Ward Drive

Fannie Bay NT 0820

Australia

Principal place of business

Dick Ward Drive

Fannie Bay NT 0820

Australia

A description of the nature of the Association's operations and its principal activities are included in the Board's report, which is not part of the financial statements.

The financial statements were authorized for issue on 14 March 2025. The Board has the power to amend the reissue the financial statements.

Thoroughbred Racing NT Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2024

	Note	2024	Restated*
		\$	\$
Revenue			
Northern Territory Government Funding*	3	15,378,671	16,989,223
Operating Income	4	2,563,701	2,655,787
Club Racing Income	5	4,840,696	5,448,227
Interest Received		250,969	178,450
Tried Horse Sale		333,227	-
Other Income	6	694,707	703,829
Total revenue*		<u>24,061,971</u>	<u>25,975,516</u>
Expenses			
Administration Expenses	7	7,383,978	3,941,423
Tried Horse Cost of Sales		480,937	-
Integrity Services Expenses	8	542,621	547,750
Integrity Staffing Expenses	9	157,428	177,930
Grants to Thoroughbred Racing Clubs	10	4,511,115	3,894,773
Returns to Industry Participants	11	12,272,618	12,506,775
Integrity Salaries and Employee Benefit Expenses		1,515,623	1,521,305
Depreciation Expense		32,555	65,735
Total expenses*		<u>26,896,875</u>	<u>22,655,691</u>
(Deficit)/surplus for the year*	22	<u>(2,834,904)</u>	<u>3,319,825</u>
Other comprehensive income for the year		-	-
Total comprehensive (deficit)/income for the year*		<u>(2,834,904)</u>	<u>3,319,825</u>

**Refer to note 24 for detailed information on Restatement of comparatives.*

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

Thoroughbred Racing NT Incorporated
Statement of financial position
As at 31 December 2024

	Note	2024	Restated* 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	12	6,409,218	6,870,508
Trade and other receivables	13	1,068,354	1,014,595
Other current assets*	14	751,759	213,477
Total current assets*		8,229,331	8,098,580
Non-current assets			
Trade and other receivables	13	2,727,382	3,559,858
Property, plant and equipment	15	112,020	126,271
Total non-current assets		2,839,402	3,686,129
Total assets*		11,068,733	11,784,709
Liabilities			
Current liabilities			
Trade and other payables*	16	565,439	781,138
Trohis reserve	17	350,570	368,091
Provisions	18	547,792	533,663
Total current liabilities*		1,463,801	1,682,892
Non-current liabilities			
Provisions	18	19,880	85,074
Jockey & Stablehand Workers' Compensation premium	19	6,023,213	3,620,000
Total non-current liabilities		6,043,093	3,705,074
Total liabilities*		7,506,894	5,387,966
Net assets		3,561,839	6,396,743
Accumulated Funds			
Workers Compensation Reserve*	20	-	2,420,014
Capital reserve	21	445,501	485,116
Retained surplus*	22	3,116,338	3,491,613
Total accumulated funds		3,561,839	6,396,743

**Refer to note 24 for detailed information on Restatement of comparatives.*

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

Thoroughbred Racing NT Incorporated
Statement of changes in equity
For the year ended 31 December 2024

	Workers Compensation Reserve	Capital Reserves	Retained Surplus	Total accumulated funds
	\$	\$	\$	\$
Balance at 1 January 2023 as previously reported	-	247,458	2,829,460	3,076,918
Surplus for the year*	-	-	3,319,825	3,319,825
Transfer (Notes 20 & 21)*	<u>2,420,014</u>	<u>237,658</u>	<u>(2,657,672)</u>	<u>-</u>
Balance at 31 December 2023 as restated*	<u>2,420,014</u>	<u>485,116</u>	<u>3,491,613</u>	<u>6,396,743</u>
	Workers Compensation Reserve	Capital Reserves	Retained Surplus	Total accumulated funds
	\$	\$	\$	\$
Balance at 1 January 2024	2,420,014	485,116	3,491,613	6,396,743
Deficit for the year	-	-	(2,834,904)	(2,834,904)
Transfer (Notes 20 & 21)	<u>(2,420,014)</u>	<u>(39,615)</u>	<u>2,459,629</u>	<u>-</u>
Balance at 31 December 2024	<u>-</u>	<u>445,501</u>	<u>3,116,338</u>	<u>3,561,839</u>

**Refer to note 24 for detailed information on Restatement of comparatives.*

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Thoroughbred Racing NT Incorporated
Statement of cash flows
For the year ended 31 December 2024

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Receipts from customers		8,378,572	6,148,268
Receipts from Government Funding		15,597,073	15,319,209
Payments to suppliers and employees		(7,405,866)	(3,820,838)
Payments to industry as Prizemoney and Subsidies		(12,272,618)	(12,506,775)
Payments to Clubs as Funding		(4,991,115)	(3,894,773)
Interest received		250,969	178,450
Net cash (used in)/from operating activities	23	<u>(442,985)</u>	<u>1,423,541</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(18,305)	(42,953)
Net cash (used in) investing activities		<u>(18,305)</u>	<u>(42,953)</u>
Net (decrease)/increase in cash and cash equivalents		<u>(461,290)</u>	<u>1,380,588</u>
Cash and cash equivalents at the beginning of the financial year		6,870,508	5,489,920
Cash and cash equivalents at the end of the financial year	12	<u><u>6,409,218</u></u>	<u><u>6,870,508</u></u>

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

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 1. Material accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Association Act 2003*. The Board has determined that the association is not a reporting entity.

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments. The financial report is presented in Australian Dollars.

Critical accounting estimates

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

Revenue recognition

The Association recognises revenue as follows:

Revenue from contracts with customers

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

Grant income

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

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

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

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 1. Material accounting policies (continued)

- Recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- Considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant applicable Australian Accounting Standard including:
 - contributions by owners (AASB 1004)
 - a lease liability (AASB 16)
 - revenue, or a contract liability arising from a contract with a customer (AASB 15)
 - a financial instrument (AASB 9)
 - a provision (AASB 137)
- Recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

Sale of goods

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

Rendering of services

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

Interest

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

Other revenue

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

Going Concern

The financial statements of the Association have been prepared on the basis that the Association is a going concern and will continue to operate. The Association relies on grants provided by the NT Government, and the financial statements are prepared on a going concern basis on the understanding that such grants will continue. The current funding agreement between the Northern Territory Government (NTG) and the Association was signed on 13 September 2022 for the period 2022-2032.

Income tax

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

Current and non-current classification

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

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

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

Note 1. Material accounting policies (continued)

Cash and cash equivalents

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

Trade and other receivables

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

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

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

Financial assets

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

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

Financial assets at amortised cost

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

Impairment of financial assets

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

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

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

Property, plant and equipment

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

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 1. Material accounting policies (continued)

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

Office Equipment	20%
Computer Equipment	20% - 33.3%
Stewarding & Racing Equipment	10% - 33.3%
Motor Vehicles	20%
Television Studio Equipment	20%

New property, plant and equipment acquired during the year with a value of less than \$2,000 are expensed in the income statement.

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

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

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

Impairment of non-financial assets

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

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

Impairment losses are recognised in the statement of profit and loss.

Trade and other payables

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

Provisions

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

Employee benefits

Short-term employee benefits

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

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 1. Material accounting policies (continued)

Other long-term employee benefits

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

Incorporation

The Association was incorporated on 28th October 2005. The Association was established to assume the roles, responsibilities and financial functions that were previously maintained by the Darwin Turf Club as the Northern Territory Principal Racing Authority.

For the year ended 31 December 2024 the composition of the Association's Board consisted of:

Chairperson	Elected by the Board	Nicolle Rantanen Reynolds
Darwin Turf Club	1 Representative	Craig Trezise
Alice Springs Turf Club	1 Representative	Andrew Maloney
Independent Delegates	4 Representatives	Nicolle Rantanen Reynolds, Gregory Aldam, Brooke Prince, Jodie Waters
NT Government Delegate	1 Representative	Sydney Stirling

Northern Territory Principal Racing Authority

The Northern Territory Government provides the Association, in its capacity as the Northern Territory Principal Racing Authority, with funding to undertake Principal Racing Authority activities as determined in the Northern Territory Racing Industry Services Funding Agreement.

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

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

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

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

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

Territory Racehorse Owners Bonus Incentive Scheme (TROBIS)

TROBIS is a bonus scheme providing a major incentive for a person to participate in racing within the Northern Territory. TROBIS is designed to increase the horse base, particularly two, three and four year-olds, by offering bonus incentives to the nominator/owner of a TROBIS registered horse.

Funds held in the TROBIS Reserve as at 31 December 2024 was \$350,570 (2023 - \$368,091).

Northern Territory Country Clubs

The Association as Principal Racing Authority in the Northern Territory has responsibility under the Northern Territory Racing Industry Funding Agreement to control funding to the Northern Territory Country Clubs. This funding program is administered by the Association's Board and Management.

Jockey & Stablehand Workers' Compensation Income

The Association as Principal Racing Authority in the Northern Territory has responsibility under the *Northern Territory Workers Rehabilitation and Compensation Act* to provide Workers Compensation Insurance cover for Jockeys and Stablehands.

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 1. Material accounting policies (continued)

Where the amount of annual Jockey & Stablehand Workers Compensation premium is less than the amount of funding provided, the balance is to be retained as accrued income and applied towards any future shortfall funding for jockeys and stablehand workers compensation insurance.

Jockey & Stablehand Workers Compensation Income at 31 December 2024 was \$nil (2023 - \$1,670,014).

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 31 December 2024. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

Allowance for expected credit losses

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

Estimation of useful lives of assets

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

Employee benefits provision

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

Note 3. Northern Territory Government Funding

	2024	Restated*
	\$	2023
	\$	\$
Operational	15,378,671	15,319,209
Jockey Workers' Compensation*	-	1,670,014
	<u>15,378,671</u>	<u>16,989,223</u>

**Refer to note 24 for detailed information on Restatement of comparatives*

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 4. Operating Income

	2024	2023
	\$	\$
License Fees	55,094	65,911
Registration Fees	1,500	1,650
Transfer Fees	31,805	31,995
Fines and Fees	78,537	57,941
UBET Licensee Funding	2,396,765	2,498,290
	<u>2,563,701</u>	<u>2,655,787</u>

Note 5. Club Racing Income

	2024	2023
	\$	\$
Acceptances	32,150	138,248
Facility Fees	700,809	720,809
Nominations	348,585	398,594
Sky Commission & DVN Hire Fees	126,452	136,034
Bookmaker Product Fees	3,632,700	4,054,542
	<u>4,840,696</u>	<u>5,448,227</u>

Note 6. Other Income

	2024	2023
	\$	\$
Licensee Contribution to Workers Compensation Insurance	44,846	51,384
Industry Workers Compensation Injury Payments Recouped	332,537	357,530
Jockey Flights Recouped	205,733	212,544
Other Income	111,591	82,371
	<u>694,707</u>	<u>703,829</u>

Note 7. Administration Expense

	2024	2023
	\$	\$
Administration Expense	883,004	743,069
Trainers feed levy	48,000	-
TRNT Board Meeting Expenses	241,075	262,372
Management Fees & Expenses	142,394	89,017
Industry Training & Jockey Welfare Expenses	59,920	88,600
Equine Welfare	100,177	104,145
Clubs Racing Fees	1,081,544	1,257,651
Industry Workers Compensation Insurance & Injury Payments	4,524,608	1,146,397
Jockey Flight Costs	303,256	250,172
	<u>7,383,978</u>	<u>3,941,423</u>

Note 8. Integrity Services Expenses

	2024	2023
	\$	\$
Ambulance Service Expenses	115,963	120,059
Barrier Trial Jockey Fees	5,250	4,470
Handicapping Expenses	22,780	22,090
Photo Finish Expenses	27,797	29,933
Race Filming Expenses	40,400	37,468
Swabbing Analysis Expenses	245,646	245,679
Veterinary Expenses	84,785	88,051
	<u>542,621</u>	<u>547,750</u>

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 9. Integrity Staffing Expenses

	2024	2023
	\$	\$
Race Filming Expenses	25,000	37,750
Race day Starting Expenses	37,336	19,317
Trackwork Supervisor Expenses	-	55,000
Stewarding Expenses	95,092	65,863
	<u>157,428</u>	<u>177,930</u>

Note 10. Grants to Thoroughbred Racing Clubs

	2024	2023
	\$	\$
Capital		
Adelaide River	34,773	-
Alice Springs Turf Club	235,000	90,000
Darwin Turf Club	110,000	281,431
Katherine	3,917	-
TRNT	2,772	-
Tennant Creek	63,153	47,342
	<u>449,615</u>	<u>418,773</u>
Operational		
Alice Springs Turf Club	1,360,500	1,496,800
Katherine Turf Club	25,000	-
Darwin Turf Club	2,676,000	1,979,200
	<u>4,061,500</u>	<u>3,476,000</u>
	<u>4,511,115</u>	<u>3,894,773</u>

Note 11. Returns to Industry Participants

	2024	2023
	\$	\$
Prize Money	9,915,871	10,159,295
Unplaced Runners Fees	1,365,700	1,399,300
Unplaced Jockey Fees	674,827	654,156
TROBIS Contributions to Reserve	250,000	250,000
Travel Subsidies	66,220	44,024
	<u>12,272,618</u>	<u>12,506,775</u>

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 12. Cash and cash equivalents

	2024	2023
	\$	\$
<i>Current Assets</i>		
Cash on hand	-	150
Cash at bank	6,409,218	6,870,358
	<u>6,409,218</u>	<u>6,870,508</u>

Note 13. Trade and other receivables

	2024	2023
	\$	\$
<i>Current assets</i>		
Trade receivables	99,318	57,603
Other receivables	80,959	75,010
Accrued Revenue	888,077	881,982
	<u>1,068,354</u>	<u>1,014,595</u>
<i>Non-current assets</i>		
Other receivables – NT Government (NTG)	2,727,382	3,559,858
	<u>3,795,736</u>	<u>4,574,453</u>

Note 14. Other current assets

		Restated*
	2024	2023
	\$	\$
<i>Current assets</i>		
Funding in Advance	480,000	-
Prepayments*	271,759	213,477
	<u>751,759</u>	<u>213,477</u>

**Refer to note 24 for detailed information on Restatement of comparatives*

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 15. Property, plant and equipment

	2024	2023
	\$	\$
<i>Non-current assets</i>		
Motor vehicles – at cost	86,867	86,867
Less: Accumulated depreciation	<u>(72,909)</u>	<u>(61,311)</u>
	<u>13,958</u>	<u>25,556</u>
Computer equipment – at cost	10,466	10,466
Less: Accumulated depreciation	<u>(8,540)</u>	<u>(7,580)</u>
	<u>1,926</u>	<u>2,886</u>
Office Equipment – at cost	3,216	3,216
Less: Accumulated depreciation	<u>(3,216)</u>	<u>(3,216)</u>
	<u>-</u>	<u>-</u>
Stewarding & Racing Equipment – at cost	374,717	369,437
Less: Accumulated depreciation	<u>(316,526)</u>	<u>(304,892)</u>
	<u>58,191</u>	<u>64,545</u>
SkyRacing Vision Equipment – at cost	1,075,400	1,062,375
Less: Accumulated depreciation	<u>(1,037,455)</u>	<u>(1,029,091)</u>
	<u>37,945</u>	<u>33,284</u>
	<u>112,020</u>	<u>126,271</u>
Total at Cost	1,550,666	1,532,361
Accumulated Depreciation	<u>(1,438,646)</u>	<u>(1,406,090)</u>
Total Written Down Amount	<u>112,020</u>	<u>126,271</u>

Note 16. Trade and other payables

	2024	Restated* 2023
	\$	\$
<i>Current Liabilities</i>		
Creditors and Accrued Expenses*	<u>565,439</u>	<u>781,138</u>

**Refer to note 24 for detailed information on Restatement of comparatives.*

Note 17. Trobis reserve

	2024	2023
	\$	\$
At Beginning of the period	368,091	334,091
TROBIS Contribution by Clubs	250,000	250,000
TROBIS Contribution by Owners	42,764	63,000
TROBIS Bonus Payments	<u>(310,285)</u>	<u>(279,000)</u>
At end of period	<u>350,570</u>	<u>368,091</u>

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 18. Provisions

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Employee Entitlements	334,052	301,638
Equine Welfare	213,740	232,025
	<u>547,792</u>	<u>533,663</u>
<i>Non-current liabilities</i>		
Employee Entitlements	19,880	85,074
	<u>567,672</u>	<u>618,737</u>

Note 19. Jockey & Stablehand Workers' Compensation premium

	2024	2023
	\$	\$
<i>Non-current liabilities</i>		
Jockey & Stablehand Workers' Compensation Premium	<u>6,023,213</u>	<u>3,620,000</u>

FY23 - A catastrophic claim, as defined in Section 78A of the Return-to-Work Act 1986 (NT), was incurred during 2021, contributing to a rise in the projected workers' compensation insurance premium. A further catastrophic claim was incurred in 2024, resulting in a liability of \$2,750,097 recorded at year-end. This portion of the liability is scheduled to be paid in 2028.

Note 20. Workers Compensation Reserve

	2024	2023
	\$	\$
Opening balance	2,420,014	-
Transfer from (to) retained earnings	<u>2,420,014</u>	<u>2,420,014</u>
Closing balance	<u>-</u>	<u>2,420,014</u>

Any catastrophic claims in relation to workers' compensation were covered in the previous funding agreement with the NTG.

However, in the current agreement, such claims are not covered by the NTG, requiring TRNT to fund any potential expenses independently.

Consequently, TRNT established a workers' compensation equity reserve to finance any future catastrophic claims from previous accumulated retained surplus. The workers compensation reserve was reduced to nil in 2024 due to another catastrophic claim incurred.

Note 21. Capital reserve

	2024	2023
	\$	\$
At beginning of the year	485,116	247,459
Transfers (to) / from Retained Surplus/(Deficit)	<u>(39,615)</u>	<u>237,658</u>
At end of year	<u>445,501</u>	<u>485,116</u>

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 22. Retained surplus

	2024	Restated* 2023
	\$	\$
Retained surplus at the beginning of the financial year	3,491,613	2,829,460
Surplus/(deficit) for the year	(2,834,904)	3,319,825
Transfer (to) from Workers Comp Reserve	2,420,014	(2,420,014)
Transfer (to) from Capital Reserve	39,615	(237,658)
Retained Surplus at the end of the financial year	<u>3,116,338</u>	<u>3,491,613</u>

**Refer to note 24 for detailed information on Restatement of comparatives*

TRNT recorded a deficit of \$2,834,904 for the year ending 31 December 2024. This represented a \$6,154,729 variance from the \$3,319,825 surplus recorded in the previous year.

There were no material changes to TRNT's operations. The variance resulted from exposure to potential workers' compensation liabilities, which were previously covered by the NTG but are now being funded by TRNT. During the 2024 financial year, TRNT experienced a potentially catastrophic fall, leading to a significant liability being recognised, accounting for the entirety of the 2024 deficit.

Note 23. Reconciliation of surplus/(deficit) to net cash from/(used in) operating activities

	2024	Restated* 2023
	\$	\$
Surplus/(deficit) for the year*	(2,834,904)	3,319,825
Adjustments for:		
Depreciation and amortisation	32,555	65,735
Change in operating assets and liabilities:		
Decrease (Increase) in trade and other receivables*	784,814	(1,483,474)
Decrease (Increase) in accrued revenue	(6,095)	80,838
Decrease (Increase) in prepayments	(538,282)	(20,718)
Increase (Decrease) in trade and other payables*	(215,699)	(452,692)
Increase (Decrease) in provisions	(51,066)	98,210
Increase (Decrease) in the TROBIS Reserve	(17,521)	34,000
Increase (Decrease) in the Jockey & Stablehand Workers' Compensation Premium	2,403,213	(218,183)
Net cash (used in)/from operating activities	<u>(442,985)</u>	<u>1,423,541</u>

**Refer to note 24 for detailed information on Restatement of comparatives*

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

Note 24. Restatement of Comparatives

During the year ended 31 December 2024, material errors were identified with the accounting treatment of the following matters relating to the 31 December 2023 financial year.

Restatement 1 – Incorrect accounting of workers compensation provision

During the year ended 31 December 2023, \$750,000 was incorrectly expensed to the Profit and Loss to create a workers' compensation reserve within equity and provide for potential future operating losses that is prohibited in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*.

Additionally, \$1,670,014 was incorrectly recorded to equity rather than income in the profit or loss for the increase in the NTG receivable for Brendan Sweeney as a result of increase in costs from an initially estimated in FY22. The relevant expense and corresponding liability payable to Brendan Sweeney estimated in FY21 already included this increase in costs and have been appropriately recorded in FY21 with any subsequent true up of the estimated costs recorded in FY22. As a result of these errors, profit for the 2023 financial year was understated by \$2,420,014. Management has assessed the errors and the impact on the 31 December 2024 financial statements, which has resulted in the 2023 comparative figures being restated under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

Restatement 2 – Prepayments

The 31 December 2023 year-end figures included \$1,125,000 of prepayments and payables related to workers' compensation insurance premium instalments for 2024 and 2025. The amount was not paid and was not a liability as at 31 December 2023. As a result of this treatment, both current assets and current liabilities were overstated by matching amounts. Management has assessed the errors and the impact on the 31 December 2024 financial statements, which has resulted in the 2023 comparative figures being restated under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

There is no impact on the Association's Statement of financial position as at 1 January 2023.

Thoroughbred Racing NT Incorporated
Notes to the financial statements
31 December 2024

	\$ As previously reported	\$ Restatement 1	\$ Restatement 2	\$ Restated
Statement of profit or loss and other comprehensive income				
For the year ended 31 December 2023				
Income				
Northern Territory Government Funding - Jockey Workers' Compensation	-	1,670,014	-	1,670,014
Expenses				
Workers Comp Equity Reserve	(750,000)	750,000	-	-
(Deficit)/Surplus for the year	899,811	2,420,014	-	3,319,825
Total Comprehensive Income	899,811	2,420,014	-	3,319,825
Statement of financial position				
As at 31 December 2023				
Assets				
Current Assets				
Other current assets	1,338,477	-	(1,125,000)	213,477
Total Current Assets	9,223,580	-	(1,125,000)	8,098,580
Total Assets	12,909,709	-	(1,125,000)	11,784,709
Liabilities				
Current Liabilities				
Trade and other payables	1,906,138	-	(1,125,000)	781,138
Total Current Liabilities	2,807,892	-	(1,125,000)	1,682,892
Total Liabilities	6,512,966	-	(1,125,000)	5,387,966
Equity				
Workers Compensation Reserve	2,420,014	-	-	2,420,014
Capital Reserve	485,116	-	-	485,116
Retained Earnings - CY	899,811	2,420,014	-	3,319,825
Retained Earnings	2,591,802	-2,420,014	-	171,788
Total equity	6,396,743	-	-	6,396,743

Thoroughbred Racing NT Incorporated
Board members' declaration
31 December 2024

In the Board members' opinion:

- the Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Northern Territory legislation the *Associations Act 2003*;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Association's financial position as at 31 December 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

On behalf of the Board members



Nicolle Rantanen Reynolds



Gregory Aldam

Independent Auditor's Report

To the Board members of Thoroughbred Racing NT Incorporated

Opinion

We have audited the **Financial Report** of Thoroughbred Racing NT Incorporated (the Company).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of Thoroughbred Racing NT Incorporated as at 31 December 2024, and of its financial performance and its cash flows for the year then ended, in accordance with the basis of preparation described in Note 1 to the financial report.

The **Financial Report** comprise:

- Statement of financial position as at 31 December 2024;
- Statement of profit or loss and other comprehensive income, statements of changes in equity, and statement of cash flows for the year then ended;
- Notes, including material accounting policies.
- Board Members' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report

We are independent of the Company in accordance with 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – basis of preparation, restriction on use and distribution

We draw attention to Note 1 to the Financial Report, which describes the basis of preparation.

The Financial Report has been prepared to assist the Board members of the Company to meet the requirements of the *Northern Territory Association Act 2023*.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Board members of Thoroughbred Racing NT Incorporated and should not be used by parties other than the Board members of Thoroughbred Racing NT Incorporated. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Board members of Thoroughbred Racing NT Incorporated or for any other purpose than that for which it was prepared.

Emphasis of matter – Restatement of comparative balances

We draw attention to Note 24 to the Financial Report, which state that the amounts reported in the previously issued 31 December 2023 Financial Report have been restated and disclosed as comparatives in these Financial Report. Our opinion is not modified in respect of these matters.

The Financial Report of Thoroughbred Racing NT Incorporated for the year ended 31 December 2023 was audited by another auditor who issued an unmodified opinion on the Financial Report on 11 March 2024.

Other information

Other Information is financial and non-financial information in Company's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. Management are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Management and Board members for the Financial Report

Management are responsible for:

- the preparation and fair presentation of the Financial Report and have determined that the basis of preparation described in Note 1 to the Financial Report is appropriate to meet the needs of the Board members' or the purpose of meeting the requirements of *Northern Territory Association Act 2023*.
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error.
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

Those charge with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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. They 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.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf This description forms part of our Auditor's Report.



KPMG



Matt Ward

Partner

Darwin

14 March 2025



**Thoroughbred Racing
Northern Territory**

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