

48th Annual Report & Statement of Accounts

2024



For the year ended 30th June 2024

For presentation to Members at the Annual General Meeting

Saturday 30th November 2024 at 11am

Chairman's Report - 2024

On behalf of the Board of Directors, Management and Staff of The Illawarra Turf Club Ltd, it is my pleasure to present the Chairman's Report for the 2023-2024 Financial Year. This report is accompanied with reports from Andrew Watson (Financial Manager), Zane Campbell (Racing Manager) and the Financial Statements and Audit Report from HLB Mann Judd.

The 2023-2024 Financial Year has seen significant innovations and changes in both management personnel and presentation of our services and race meetings.

In last year's report, I advised Peter De Vries would be retiring as CEO effective August 31, 2023 and Steven Keene accepted the CEO role commencing August 1, 2023. Steven brought extensive Race Club management experience to the ITC having worked with Wodonga Race Club plus CEO at both Murrumbidgee Turf Club and the Scone Racing Club. Since Steven's appointment, he has introduced many new ideas, systems and promotions for the ITC.

Frequent questions are received about the major upgrades to the Club's horse racing and training facilities. This project has only been made possible through the support and financial assistance of Racing NSW. While there is still some time before the track and additional racing and training surfaces are fully operational, the Club continues to provide quality training facilities for Kembla Grange Trainers.

The October 2024 monthly edition of Racing NSW Magazine included a two-page article providing an excellent summary of the project's progress to date. Copies of this article will be available to attendees at the Annual General Meeting.

Racing NSW has purchased numerous properties around the perimeter of the Kembla Grange Racecourse with the future goal of significantly increasing the number of stables available for Trainers. Once the new track facilities are operative Kembla Grange will be well placed to accommodate the expected increase of horses in training.

Attached to the AGM papers are the Annual Financial and Audit Reports for the year ending June 30, 2024. For Members who regularly review the Financial Statements, you will notice a significant change in the style of the documents.

We thank our former Auditors, BLG Audit Services Pty Ltd, for their years of support. BLG Audit Services has discontinued their auditing services. We are pleased to announce that HLB Mann Judd, under the management of Registered Company Auditor Ben Fock, accepted the position of ITC Auditor. This change in Auditors coincides with the ITC moving to Xero accounting software.

In the Financial Report, Finance Manager Andrew Watson provides a summary of the trading results for the 2023-2024 Financial Year. Andrew explains the significant turnaround from a loss of \$135,078 in 2022-2023 to a profit of \$3,449,647 in 2023-2024 as detailed in the final paragraph on Page Two of the Auditor's Report.

The ITC Board of Directors consists of a maximum seven Directors. Director Lindsay Murphy resigned from the Board in November 2023. The Board decided not to fill the casual vacancy until the 2024 Director election. We are sincerely grateful for Lindsay's contributions to the ITC, both before and after his resignation, including his work with Track Curator David Anderson and with the various service companies involved with the track upgrade.

On behalf of the Board of Directors, I express our appreciation to CEO Steven Keene, Senior Management and all support Staff including our regular casuals, for their commitment to the ITC throughout the year.

Several senior Staff retired during the past year including Racing Manager Michael Craig, who completed 26 years service with the ITC. Michael's position has been competently filled by Racing Manager Zane Campbell, who has had a long association with the ITC as a Race Day Judge. Andrew Watson has stepped into the role of Finance Manager, bringing valuable experience to the position.

In closing, we express our gratitude to the Race Horse Owners, Trainers and Sponsors for their support of the Club. Together we look forward to an exciting and successful future.

Thank you,
Barry Vandenberg, Chairman
The Illawarra Turf Club Limited

Financial Report - 2024

The club recorded a profit of \$3,449,647 for this financial year, compared to a loss of \$135,078 last year. Please note that last year's loss were restated from \$349,078 in last year's financials, mainly due to adjustments in accrued expenditure. This becomes a trading profit of \$4,232,265 when non-cash items are taken into account. There were 35 race meets planned, but two had to be cancelled because of bad weather. This resulted in us conducting 33 meetings; 19 meetings on Saturdays and 14 meetings during the week. Last year we held 31 meetings.

There are several extraordinary items distorting the above result, primarily \$5.2m of grant funding received from Racing NSW for racetrack upgrades and \$1.2m received from Racing NSW in September 2024 as a top-up for the 2024 TAB distribution.

The club recently switched to Xero for its accounting, which will be of significant benefit moving forward, as it facilitates more accurate and effective reporting and analysis. We also anticipate additional improvements to processes and procedures, following the audits conducted by KPMG and HLB Mann Judd.

Our feature days continue to be strongly supported:

Due in part to the weather and the track being a Heavy 9, our Melbourne Cup feature day drew a respectable 2,787 spectators, down from 3,327 the year before. Our course TAB turnover declined significantly to \$1.65 million (last year \$2.63 million).

We also had a Heavy 8 for our Gong feature day, contributing to a much lower attendance of 3,069 than the previous year (4,957). Our course TAB turnover declined slightly to \$7.39 million (last year \$8.63 million).

Attendance was steady at our Kembla Classic feature day, with a slight decrease to 1,196 from 1,218 the year before. Despite this, TAB turnover was \$1.51 million, up slightly from last year's \$1.4 million.

We are anticipating increased attendance at these events in the coming financial year.

All our financial obligations were met during the year, and we have budgeted to ensure that they are all fulfilled in the years to come.

Racing	2023/24	2022/23
Meetings	33	31
Races	256	245
Nominations	5,432	5,033
Acceptances	3,303	3,253
Starters	2,275	2,380
Wagering		
(\$'000S)		
Turnover		
Bookmakers	992	1,199
T.A.B	48,991	51,796
Averages		
Bookmakers	30	39
T.A.B	1,485	1,671

Andrew Watson
Finance Manager

Racing Report - 2024

The Illawarra Turf Club successfully conducted thirty-four race meetings during the 2023/24 financial year. Unfortunately, due to wet weather there were two abandoned Saturday meetings, one on the 11th of May and the other on the 8th of June.

2207 runners contested 248 races for the year at an average of 8.9 starters per race. Total prizemoney of \$13,590,400 was distributed throughout the season.

Kembla Grange trained horses performed exceptionally well during the season. None more so than the mighty Think It Over trained by Kerry Parker. The So You Think gelding added 2 more major victories to his resume this season by taking out the 7 stakes and The Gr1 Verry Elleegant Stakes, both carrying \$1m in prizemoney. The cherry on top for connections occurred at the Racing Night Of Champions awards in late August where Think It Over was crowned the NSW Provincial Champion for the 2023/24 season. Mnementh gave Mitch Beer his biggest career win when he took out the Listed Bob Charley AO Stakes at Royal Randiwck in early July. Robert & Luke Price almost trained their first Gr1 winner together when their promising filly Our Gold Hope looked the winner in the QLD Oaks at the 200m but eventually was nosed out for 2nd.

The 2023 Gong race day was another successful day for the club. Detonator Jack ridden by Jason Collett claimed the \$1m Gong, winning impressively in the heavy conditions for trainers Ciaron Maher and David Eustace. In exciting news for the club, the 2024 edition will be run as a Gr3.

This season's Kembla Grange Premierships were won as follows: Champion Trainers and leading local trainer – Robert & Luke Price (2 years in a row), Champion Jockey – Keagan Latham (5 years in a row), Champion Apprentice Jockey – Zac Lloyd and Horse of the year – Headstock trained by Robert & Luke Price.

The club farewelled former racing manager Michael Craig who retired after a long and distinguished career in the Racing Industry. Michael started as a jockey and rode his first ever winner at Kembla Grange on December 4th in 1975. After becoming too heavy to continue with his riding career Michael was employed by the STC in their track office and eventually became their handicapper. After a stint in WA as the chief handicapper Michael joined the Illawarra Turf Club in 1998 as the Racing Manager fulfilling the role for 25 years. Michael was a very well-respected person in the racing industry and will be missed by the club, but I am sure we will be seeing him at Kembla Grange in the future as he attends the races enjoying the hospitality.

Zane Campbell
Racing Manager

THE ILLAWARRA TURF CLUB LTD
ACN: 001 458 555
FOR THE YEAR ENDED 30 JUNE 2024

CONTENTS

Directors' Report	2
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes In Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	21
Independent Audit Report	22
Donations and Community Support 2023/2024	24

**THE ILLAWARRA TURF CLUB LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

The Board of Directors of The Illawarra Turf Club Ltd (hereafter referred to as "The Company") has pleasure in submitting the annual financial report for the year ending 30 June 2024.

Directors

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

Name of Directors	Qualification	Experience	Special Responsibilities
B Vandenberg	Managing Director	Director since 2001	Chairman
M Howlin	Lawyer	Director since 2007	Vice-Chairman
R Farrell	Technical Manager	Director since 2013	Treasurer
I Millward	Recruitment Officer	Director since 2018	Non Executive Director
L Murphy	Retired	Director since 2019 (Resigned December 2023)	Non Executive Director
M Sleigh	General Manager	Director since 2021	Non Executive Director
T Dawson	Marketing	Director since 2021	Non Executive Director

Company Secretary

P De Vries held the position of the Company Secretary until 31 July 2023, on which he resigned. S Keene was appointed as Company Secretary and Chief Executive Officer on August 1 2023.

Board Meetings

During the financial year, Fourteen (14) meetings of Directors were held. Attendances by each Director were as follows:

Director	Meetings Attended
B Vandenberg	14/14
M Howlin	14/14
R Farrell	12/14
I Millward	13/14
L Murphy	5/5
M Sleigh	12/14
T Dawson	12/14

Principal Activities

The principle activity of the company during the financial year was that of a horse racing club. There was no significant change in the nature of these activities that occurred during the year.

Operating Result

The surplus/(deficit) of the Company for the financial year amounted to:

2024	2023
\$	\$
3,449,647	(135,078)

The significant increase in the surplus compared to prior year is due to a grant received during the year from Racing New South Wales towards track developments. This funding will only be temporary, and the effect on a cash basis is zero as funds pass through the entity.

**THE ILLAWARRA TURF CLUB LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

Significant Changes In The State of Affairs

There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Indemnity and Insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

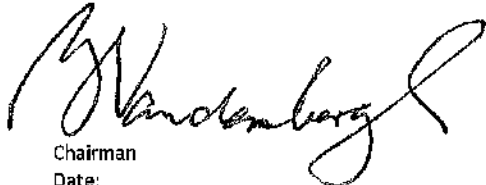
During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Proceedings on behalf of the company

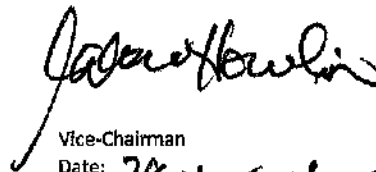
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's Independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.


Chairman
Date:

28 NOVEMBER, 2024


Vice-Chairman
Date:

28 November 2024.



**THE ILLAWARRA TURF CLUB LTD
AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024**

To the Directors of The Illawarra Turf Club Ltd:

I declare that, to the best of my knowledge and beliefs, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Ben Fock
Registered Company Auditor
Wollongong
Date:

hlb.com.au

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HLB Mann Judd (Wollongong) Pty Ltd is a member of HLB International, the global advisory and accounting network.

THE ILLAWARRA TURF CLUB LTD
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2024	2023*
		\$	Restated \$
Revenue	2	27,027,534	21,312,165
Changes in inventories		-	(1,668)
Consumables used	3	(963,123)	(920,634)
Employee benefits expense		(4,281,883)	(3,537,204)
Depreciation and amortisation expense		(782,618)	(483,207) *
Finance costs		(28,494)	(13,363) *
Prize money and trophies		(13,407,561)	(12,574,781)
Other Expenses		(4,114,207)	(3,916,386) *
		<hr/>	<hr/>
Surplus before income tax expense		3,449,647	(135,078)
Income Tax (expense)/refund	5	-	-
		<hr/>	<hr/>
Surplus after income tax expense for the year		<u>3,449,647</u>	<u>(135,078)</u>
Other comprehensive Income			
Items that will not be reclassified subsequently to profit or loss		-	-
Gain on the revaluation of land and buildings, net of tax		-	-
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		<u>3,449,647</u>	<u>(135,078)</u>

The accompanying notes form part of these financial statements.

**THE ILLAWARRA TURF CLUB LTD
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 \$	2023* Restated \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5	487,926	321,303
Trade and Other Receivables	6	1,858,264	3,628,912
Inventories	7	76,711	158,604
TOTAL CURRENT ASSETS		<u>2,422,901</u>	<u>4,108,819</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	8	553,436	760,961 *
Restricted Use Assets	9	10,862,642	4,635,750 *
Right of Use Asset	10	78,485	82,652 *
TOTAL NON-CURRENT ASSETS		<u>11,494,562</u>	<u>5,479,363</u>
TOTAL ASSETS		<u>13,917,463</u>	<u>9,588,182</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other Payables	11	2,029,781	855,208 *
Financial Liabilities	12	57,635	129,344 *
Provisions	14	269,167	287,526
Contract Liabilities	13	36,113	17,750
TOTAL CURRENT LIABILITIES		<u>2,392,695</u>	<u>1,289,828</u>
NON-CURRENT LIABILITIES			
Financial Liabilities	12	105,693	163,308 *
Provisions	14	334,883	500,500
TOTAL NON-CURRENT LIABILITIES		<u>440,576</u>	<u>663,808</u>
TOTAL LIABILITIES		<u>2,833,272</u>	<u>1,953,636</u>
NET ASSETS		<u>11,084,192</u>	<u>7,634,545</u>
EQUITY			
Retained Surpluses		11,084,192	7,634,545 *
TOTAL EQUITY		<u>11,084,192</u>	<u>7,634,545</u>

The accompanying notes form part of these financial statements.

**THE ILLAWARRA TURF CLUB LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	Retained Surpluses Restated \$	Total Equity* Restated \$
Balance at 1 July 2022	7,769,623	7,769,623 *
Surplus/(Deficit) for the year	(135,078)	(135,078) *
Total comprehensive income for the year	-	-
Balance at 30 June 2023	<u>7,634,545</u>	<u>7,634,545 *</u>
Surplus/(Deficit) for the year	3,449,647	3,449,647
Total comprehensive income for the year	-	-
Balance at 30 June 2024	<u>11,084,192</u>	<u>11,084,192</u>

The accompanying notes form part of these financial statements.

THE ILLAWARRA TURF CLUB LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

		2024	2023*
		\$	Restated \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		28,845,048	20,638,345
Payments to Suppliers and Employees		(21,731,385)	(20,711,384) *
Interest Received		5,176	8,630
Finance Costs		(28,494)	(13,363) *
Net Cash (used in)/Provided by Operating Activities	21	<u>7,090,345</u>	<u>(77,772)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from investing activities		-	53,000
Purchase of Property, Plant and Equipment	8	(103,269)	(441,673) *
Purchase of Restricted Use Assets	9	(6,762,489)	(57,629) *
Net Cash (used in)/Provided by Investing Activities		<u>(6,865,758)</u>	<u>(446,302)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		-	202,883
Repayment of Borrowings		(52,964)	(72,311)
Lease payments		(5,000)	(5,000) *
Net Cash provided in Financing Activities		<u>(57,964)</u>	<u>125,572</u>
Net Increase in Cash Held		166,623	(398,502)
Cash at the Beginning of the Financial Year	6	321,303	719,805
Net Cash at the End of the Financial Year	6	<u><u>487,926</u></u>	<u><u>321,303</u></u>

The accompanying notes form part of these financial statements.

**THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

General information

The financial statements cover The Illawarra Turf Club Ltd as an individual Company. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Princes Highway, Kembla Grange NSW
Kembla Grange Racecourse, Kembla Grange NSW 2526

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 August 2024. The Directors have the power to amend and reissue the financial statements.

NOTE 1. MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Company 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

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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 company'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 this note.

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 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 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 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 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.

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1. ACCOUNTING POLICIES (continued)

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.

Estimation of useful lives of assets

The Company 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.

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

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

Employee benefits provision

As discussed in note 15, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassess whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in the lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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.

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1. ACCOUNTING POLICIES (continued)

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

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.

Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

During the year, the Club accounted for its lease with Kembla Grange Racecourse and Recreation Facilities Reserve Trust under the requirements of AASB 16 leases. The lease's inception date is 20 April 2018 and the AASB 16 leases is applicable for periods beginning 1 January 2019. The lease should have been accounted for under AASB 16 when the standard became effective, however in error the lease was still being accounted for using the old standards. The club has applied the changes retrospectively as noted below.

There was a prior period error that was noted in relation to invalid accrual that was posted in the prior years, this was corrected in the respective periods. The club has restated the balance for accrued expenses retrospectively as noted below.

The Club has Restricted Use Assets it has recognised on the statement of financial position, refer to note 9 for details. In the prior years these assets were included as part of property, plant and equipment and in the current year they have been separately classified as Restricted Use Assets on the statement of financial position. The club has applied the changes retrospectively as noted below.

Statement of Financial Position	Closing balance 30 June 2022	(Decrease) /Increase	Adjusted Closing balance 30 June 2022	Opening 1 July 2023 Adjusted	(Decrease) /Increase	2023 Restated
Property, plant and equipment	6,524,559	(5,763,599)	760,960	760,960	-	760,960
Restricted Use Assets	-	5,763,599	5,763,599	5,763,599	-	5,763,599
Accumulated depreciation - Race track	-	(1,127,849)	(1,127,849)	(1,127,849)	-	(1,127,849)
Right of use asset	-	104,183	104,183	104,183	-	104,183
Accumulated depreciation - ROU	-	17,364	17,364	17,364	4,167	21,531
Lease liability	-	89,414	89,414	89,414	(3,684)	85,730
Accrued expenses	242,096	(27,613)	214,483	214,483	(214,483)	-
Net Assets	8,872,453		7,769,623	7,769,623		7,634,545
Retained Earnings	8,872,453		7,769,623	7,769,623		7,634,545

	2024 \$	2023 \$
NOTE 2. REVENUE AND OTHER INCOME		
<i>Sales Revenue</i>		
Sale of Goods	2,275,449	2,056,736
<i>Other Revenue</i>		
Interest Received	5,176	8,630
TAB Distribution	16,768,943	16,169,042
Racing Income	644,311	2,486,187
Membership Subscriptions	18,086	30,986
Other Income	458,799	377,734
Profit on Sale - Non Current Asset	-	53,000
Racing NSW Grant Funding	6,855,769	129,850
Total Revenue	27,027,534	21,312,165

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 2. REVENUE (continued)

The Company operates in one geographical location being Australia.

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: 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.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods. It is measured at the fair value of the consideration received or receivable and is recognised in profit or loss when a customer obtains control of the goods or services. No revenue is recognised if there is significant uncertainty regarding recovery of consideration due.

Tab Distribution

Tab Distribution revenue is recognised when the wagering dollar has been determined by Racing New South Wales after race day has been successfully completed.

Racecourse Redevelopment funding

During the previous years, funding was provided to the Company by way of an interest free, interminable loan from Racing NSW for the purposes of funding the racecourse redevelopment project. The Directors believe that the economic substance of the funding resembles grant income rather than the legal form of a loan. This is primarily due to the absence of a future repayment schedule and funding being provided for a specific purpose on an interest free basis.

Accordingly, the funding has been recognised as grant income. Further detail on the funding arrangements has been included in Note 20.

	2024	2023
	\$	\$
NOTE 3. EXPENSES		
Surplus includes the following specific expenses:		
Fees paid to or owed to auditors of the Company	37,371	46,135
Cost of Sales	963,123	920,634
Interest on lease liability	1,260	(3,684)
Interest expense on financial liabilities	27,234	17,047
Total finance costs	28,494	13,363

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
NOTE 4. Key Management Personnel Compensation		
Short term benefits	250,000	289,149

NOTE 5. CASH AND CASH EQUIVALENTS

CURRENT		
Petty Cash	1,000	500
Cash on hand	91,873	170,803
Investment Account	-	150,000
Cash at bank	395,053	-
	<u>487,926</u>	<u>321,303</u>

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

NOTE 6. TRADE AND OTHER RECEIVABLES

CURRENT		
Trade Receivables	656,475	68,840
Uncalled Racecourse Redevelopment Funding	-	682,690
Sky channel receivable	-	558,772
TAB distribution receivable	1,163,960	2,318,610
Prepayments	7,829	-
Other receivables	30,000	-
	<u>1,858,264</u>	<u>3,628,912</u>

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. Trade receivables are generally due for settlement within 30 days.

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

NOTE 7. INVENTORIES

CURRENT - at cost		
Bar stock on hand	67,332	142,338
Catering stock on hand	9,379	16,266
	<u>76,711</u>	<u>158,604</u>

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 8. INVENTORIES (continued)

2024 **2023**
\$ **\$**

Inventory is stated at the lower of cost and net realisable value on a 'first in first out' basis. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

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

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

Plant and equipment	2,546,298	2,453,011
Less accumulated depreciation	<u>(2,039,241)</u>	<u>(1,848,496)</u>
	<u>507,057</u>	<u>604,515</u>
Motor Vehicles	139,058	263,871
Less accumulated depreciation	<u>(92,680)</u>	<u>(107,426)</u>
	<u>46,378</u>	<u>156,445</u>
Bar Glasses and kitchen utensils	23,574	16,297
Less accumulated depreciation	<u>(23,574)</u>	<u>(16,297)</u>
	<u>-</u>	<u>-</u>
Total property, plant and equipment	<u>553,436</u>	<u>760,961</u>

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$
Balance at 1 July 2022	450,541	69,779	520,320
Additions	309,993	131,681	441,674
Depreciation expense	(156,018)	(45,015)	(201,033)
Net effect of disposals	-	-	-
Balance at 30 June 2023	<u>604,516</u>	<u>156,445</u>	<u>760,961</u>
Additions	103,269	-	103,269
Transfers	-	-	-
Net effect of disposals	-	(63,679)	(63,679)
Depreciation Expense	<u>(200,727)</u>	<u>(46,388)</u>	<u>(247,115)</u>
Carrying amount at 30 June 2024	<u>507,058</u>	<u>46,378</u>	<u>553,436</u>

**THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 9. PROPERTY, PLANT AND EQUIPMENT (continued)

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease in the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of profit or loss in the financial period in which they are incurred

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 commencing from the time the asset is held ready for use as follows:

Plant and Equipment	10% - 20%
Motor Vehicles	20% - 25%
Bar Glasses and Kitchen Utensils	20%

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

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

NOTE 9. RESTRICTED USE ASSETS

	2024 \$	2023 \$
Racetrack and buildings	10,112,494	9,243,434
Less accumulated depreciation	<u>(5,141,724)</u>	<u>(4,607,684)</u>
Total Land and buildings	<u>4,970,770</u>	<u>4,635,750</u>
Capital Work In Progress	5,891,872	-
Total Restricted Uses Assets	<u>10,862,642</u>	<u>4,635,750</u>

Restricted Use Assets relates to developments that have been done on the land leased by the Club. The land is leased from Kembla Grange Racecourse and Recreation Facilities Reserve trust (Trust) and on this land the Club has constructed buildings and a racetrack in order for it to conduct its principal activities

In accordance with the deed of surrender of licence signed on 20 April 2028 between the Club and the Trust. These Restricted Use Assets are made available for the purposes of conducting horse racing only and are not to be sold or used for any other purposes without the consent of the Trust. The recognition of these assets reflects the Club's responsibility and control over the use of the assets in its ordinary course of business.

The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued on 30 June 2022 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date.

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 commencing from the time the asset is held ready for use as follows:

Racetrack and Buildings	4% - 20%
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Capital work in progress relates to cost incurred towards developmental upgrade that are being done on the racetrack as at year. The project is still on going and the cost will be transferred to racetrack and buildings once all constructions has been completed and commissioned. This project is being funded by a grant from Racing New South Wales

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 9. RESTRICTED USE ASSETS (continued)

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Racetrack and Buildings \$	Capital Work In Progress \$	Total \$
Balance at 1 July 2022	4,856,129	-	4,856,129
Additions	57,629	-	57,629
Depreciation expense	(278,008)	-	(278,008)
Net effect of disposals	-	-	-
Balance at 30 June 2023	<u>4,635,750</u>	<u>-</u>	<u>4,635,750</u>
Additions	870,617	5,891,872	6,762,489
Depreciation Expense	(535,597)	-	(535,597)
Carrying amount at 30 June 2024	<u>4,970,770</u>	<u>5,891,872</u>	<u>10,862,642</u>

NOTE 10. RIGHT OF USE ASSETS

The Company leases the Kembla Grange Racecourse from Kembla Grange Recreation Trust on a 25 year lease

Information about lease for which the Club is a lessee is presented below. The Company presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'Financial liabilities' in the statement of financial position.

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Balance at 1 July 2023	82,652	86,819
Additions		
Depreciation	(4,167)	(4,167)
Carrying amount at 30 June 2024	<u>78,485</u>	<u>82,652</u>

Future lease payments

The total of future lease payments are disclosed for each of the following periods.

Less than one year	5,000	5,000
One to five years	25,000	25,000
More than five years	64,167	69,167
Total	<u>94,167</u>	<u>99,167</u>
Depreciation charge related to right-of-use assets	<u>4,167</u>	<u>4,167</u>

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

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 10. RIGHT OF USE ASSETS (continued)

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

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

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those in property plant & equipment.

NOTE 11. TRADE AND OTHER PAYABLES

CURRENT

Trade payables	885,395	490,630
Sundry Payables and Accrued Expenses	<u>1,144,384</u>	<u>364,578</u>
	<u>2,029,781</u>	<u>855,208</u>

These amounts represent liabilities for goods and services provided to the Company 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. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTE 12. FINANCIAL LIABILITIES

CURRENT

- Bank Overdraft	7,692	80,312
- Hire purchase liability	46,147	45,292
- Lease liability	<u>3,796</u>	<u>3,740</u>
	<u>57,635</u>	<u>129,344</u>

NON-CURRENT

- Hire purchase liability	31,680	94,147
- Less unexpired hire purchase liability	(4,181)	(12,829)
- Lease liability	<u>78,194</u>	<u>81,990</u>
	<u>105,693</u>	<u>163,308</u>

Total Financial Liabilities	<u>163,328</u>	<u>292,652</u>
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The bank holds first registered mortgages over property, plant and equipment along with a floating charge over TAB Distribution to cover bank loans, overdraft and corporate credit facilities.

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 12. FINANCIAL LIABILITIES (continued)

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Net Finance Costs

Interest income or expense is recognised using the effective interest method. Finance costs comprise interest expense on borrowings.

	2024	2023*
	\$	\$
NOTE 13. CONTRACT LIABILITIES		
Current		
Membership In advance	36,113	17,750
	<u>36,113</u>	<u>17,750</u>

Contract liabilities represent the Company's obligations to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

NOTE 14. EMPLOYEE BENEFITS

Current

Provisions	269,167	287,526
	<u>269,167</u>	<u>287,526</u>

Non-Current

Provisions	334,883	500,500
	<u>334,883</u>	<u>500,500</u>

Total Provisions

	<u>604,050</u>	<u>788,026</u>
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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.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Superannuation expense	<u>364,458</u>	<u>325,541</u>
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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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES

	2024	2023
	\$	\$
The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:		
Aggregate Compensation	<u>250,000</u>	<u>289,149</u>

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity, is considered key management personnel. The totals of remuneration paid to key management personnel of the Company during the year is above.

NOTE 16. RELATED PARTY TRANSACTIONS

No Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Director's Interests subsisting at year end.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

The following transactions occurred with related parties

Lease payments for the use of the racecourse to Kembla Grange Recreation Trust	<u>5,000</u>	<u>5,000</u>
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NOTE 17. ECONOMIC DEPENDENCE

The continuing operation of the Club is dependent upon the lease of the land which is crown land held in Trust by Kembla Grange Recreation Trust.

In addition, the club receives 87% (2023: 88%) of its income from Racing NSW Pty Ltd, representing the distribution of wagering receipts governed by Racing NSW Distribution Agreement with TAB Limited. Consequently, the Club is economically dependent on TAB Limited.

NOTE 18. CAPITAL COMMITMENTS

Capital expenditure commitments contracted for net of GST and not provided for in the accounts.

Racetrack Development	<u>1,465,478</u>	<u>7,313,868</u>
	<u>1,465,478</u>	<u>7,313,868</u>

NOTE 19. EVENTS AFTER BALANCE 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 subsequent financial years other than noted in the Directors Report.

THE ILLAWARRA TURF CLUB LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 20. CONTINGENT LIABILITIES

Racecourse Development Project - Contingent Liability

During prior years, funding was provided to the company by way of an interest free, interminable loan for Racing NSW for the purposes of the Racecourse Development Project. This loan is only repayable if one of the following conditions are triggered:

- The company conducts business activities in such a manner that it becomes financially unstable or insolvent;
- The company ceases to operate as a race club;
- The company disposes of land or other freehold property without the agreement of Racing NSW;
- The company merges, amalgamates or otherwise associates with any other race club;
- The company amends its governance structure; or
- The company is in material breach of any of its obligations, duties and functions under the funding agreement

The Directors are of the opinion that the circumstances outlined above are unlikely to occur in the ordinary course of business and accordingly, no liability has been made in the financial report at 30 June 2024. The maximum contingent liability as at 30 June 2024 in respect of this loan amounts to \$14,000,000 (2023 \$8,000,000).

There is an ongoing claim against the Club by Safework NSW over an incidence that occurred 2.5 years ago. An employee who was working fell off the roof through a skylight and was severely injured. Safework NSW has taken the club to court over the incident and the case is still ongoing. The outcome of the case is unknown as at year end however there is a probability that the Club will lose the case. In the event that the Club loses the case it will be liable to pay a penalty to Safework NSW and the magnitude of the amount will only be known on conclusion of the case.

NOTE 21: CASH FLOW INFORMATION

	\$	\$
Reconciliation of cash on hand		
Cash at Bank	487,926	321,303
Bank Overdraft	(7,692)	(80,312)
	<u>480,234</u>	<u>240,991</u>
Reconciliation of Cash Flow from Operations with Surplus/(deficit) for the year		
Surplus for the year	3,449,647	(135,078)
Non cash flows:		
Depreciation	782,618	483,207
Loss/(Gain) on sale of Property, plant and equipment	33,679	(53,000)
Changes in Assets and Liabilities		
Decrease/(Increase) in trade and term debtors	1,770,648	(613,640)
Decrease/(Increase) in other assets	(37,099)	-
Decrease/(Increase) in Inventories	81,893	1,668
Increase/(Decrease) in Payables	1,174,573	144,615
Increase/(Decrease) in other liabilities	18,363	1,450
Increase/(Decrease) in Provision	(183,976)	93,006
Net cash provided by operating activities	<u>7,090,345</u>	<u>(77,772)</u>

**THE ILLAWARRA TURF CLUB LTD
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024**

The Directors of The Illawarra Turf Club Ltd declare that, in the Director's opinion:

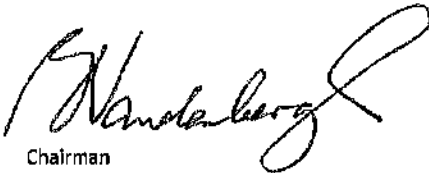
The attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards - Simplified Disclosures, Corporations Regulations 2001 and other mandatory professional reporting requirements;

The attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

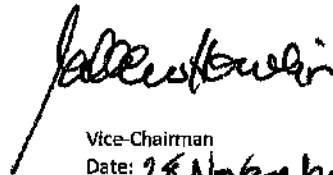
On behalf of the directors



Chairman

Date:

28 NOVEMBER 2024



Vice-Chairman

Date:

28 November 2024.

INDEPENDENT AUDIT REPORT

To the members of The Illawarra Turf Club Ltd,

Opinion

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

In my opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- a) Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001; and

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants ("the Code") that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I 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.

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

Responsibilities of Management and Those Charged with Governance 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 Disclosures 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 ability of the Company 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 have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my 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 this financial report.

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (Wollongong) Pty Ltd is a member of HLB International, the global advisory and accounting network.

INDEPENDENT AUDIT REPORT

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

Ben Fock
Registered Company Auditor

Date:
Wollongong

**THE ILLAWARRA TURF CLUB LTD
DONATIONS AND COMMUNITY SUPPORT
FOR THE YEAR ENDED 30 JUNE 2024**

**DONATIONS AND COMMUNITY SUPPORT
2023/2024**

Woonona Board Riders
Business Illawarra
Albion Park Show Society
Equimillion