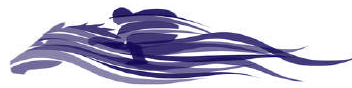


Hawkesbury Race Club

2025 ANNUAL REPORT



Richmond Club Hawkesbury Gold Cup Winner 2025
Horse : Punch Lane, Jockey : Nash Rawiller



Hawkesbury Race Club

Hawkesbury Race Club thanks the following major sponsors for their contribution and support throughout the year.



ADMINISTRATOR'S REPORT

I am pleased to present the Annual Report for Hawkesbury Race Club (HRC) for the 2024/2025 financial year (FY25).

This year has been another year of consolidation and progress for HRC. While the Club remains under Administration under section 14(g) of the Thoroughbred Racing Act 1996 (NSW), we have continued to strengthen the Club's governance, financial stability, and operational capability. These improvements will be critical in demonstrating to Racing NSW that the Club can once again manage its own affairs, paving the way for the eventual conclusion of the Administration.

Since my appointment in August 2023, my focus has remained on embedding robust governance frameworks, resetting the Club's Strategy, progressing on essential capital works and ensuring the Club's financial sustainability. FY25 has delivered solid results across these areas.

FY25 Financial Result

HRC recorded an operating profit of \$134,536 after depreciation and amortisation (FY24: \$162,831). This modest but positive result reflects careful cost management, ongoing investment in legacy capital works, and a stabilisation of operating revenues.

Total revenue increased slightly to \$19.7 million (FY24: \$19.4 million), with key drivers being racing (\$16.24m), motel operations (\$1.47m), beverage trading (\$0.90m), and catering/functions (\$0.92m). Management has continued to work hard on building its four feature Saturday racedays and to growing the revenue for these days for the future.

Our cash position has strengthened significantly, finishing the year at \$5.5 million (FY24: \$3.97 million), with overall cash and term deposits at \$5.8 million. This total cash holding includes a Crown Lands grant of \$1.2 million for Racing NSW's project to build another 200 stables on land it owns adjacent to HRC's land, which remains in planning approval stage. However, even absent this amount, this is a strong liquidity position for the Club.

As in previous years, Racing NSW continues to underpin our financial position, contributing \$5.01 million in distributions and \$6.93 million in prizemoney contributions (together approximately 62% of HRC's income). This support is vital to sustaining provincial racing and delivering returns to owners, trainers, and jockeys.

Strategy FY25–FY27

HRC continues to progress against its three strategic pillars of Rebuild, Grow, and Innovate:

Rebuild

Further investment was made in governance, essential legacy capital works, and organisational culture. Employee engagement initiatives, including the first staff engagement survey, were launched to shape a positive workplace culture.

ADMINISTRATOR'S REPORT

Grow

FY25 saw record attendance at the 20th Anniversary Hawkesbury Gold Cup stand-alone meeting in May 2025, with 5,283 patrons (up 48% year-on-year), bar sales up 31% and an overall profit margin of 54% (up 7% from FY24). The Club also significantly grew its Country Music Raceday held on 7 September 2024 with a 60% increase in attendance to 3,546 (FY24: 2,207).

Work has also commenced on a new Master Plan and Flood Mitigation works plan for the Club.

Innovate

The successful second Hawkesbury Cup Calcutta Luncheon in partnership with the Penrith Panthers has cemented itself as a key lead-in event to Cup Day. The Club continues to invest in new event formats and promotional initiatives to broaden its audience.

The Club also finalised arrangements this year to permanently move its Thursday Ladies Day meeting in November (coinciding with VRC Oaks Day) to the following Saturday (8 November 2025). This was achieved with the collaboration of Racing NSW and Wyong Race Club, involving a race date swap for the Club's Saturday raceday in April.

This has allowed the Club to create a program of four key Saturday feature days for FY2026 which are more spaced out over the year, balanced and marketable for the Club: Groove on the Grass Raceday in March; Hawkesbury Gold Cup in May; Country Music Raceday in September and now Ladies Day in November.

Capital Works and Maintenance

During FY25, the Club commenced the significant project of an almost entire replacement of its irrigation systems at a total cost of \$1.485 million. This project is essential to maintaining safe and high-quality racing and training surfaces into the future. A significant amount of work on the project has been completed in FY25, and we expect the work to be finalised in the first half of FY26.

This year the Club invested a total of \$978,137 in property, plant and equipment, including \$843,448 in buildings, racetrack and improvements and \$115,143 in plant and equipment.

The Club also disposed of some end-of-life assets during the year, reflecting a disciplined approach to asset management.

ADMINISTRATOR'S REPORT

Governance

In FY25, HRC continued its journey towards improved governance. Regular monthly Administrator meetings with Management in lieu of Board meetings, continuous improvement of Board reporting processes, and ongoing policy reviews have built a stronger foundation for self-governance.

The elected directors—Nicole Ryan, Dean Halliwell and Chris Lawlor—have continued to contribute during the year, providing valuable insights, even though their powers as directors remain supplanted by my powers as Administrator under the Act.

Appreciation

I extend my thanks to the racing participants—trainers, jockeys, strappers, and all who contribute to the welfare and performance of the thoroughbred horse. They are the foundation of this magnificent sport of racing.

To the HRC staff, my sincere appreciation for their hard work, professionalism and continued growth this year. In particular, I thank CEO James Heddo and COO Lea Porteous, who have continued to drive the Club forward with their leadership and commitment.

I also extend my gratitude and thanks to all HRC members for their loyalty and support throughout FY25.

Conclusion

FY25 has been a year of financial consolidation, strong racing performance, and continued governance reform. With a solid balance sheet, exciting plans for critical infrastructure investment, and a clear strategic direction, HRC is well positioned for future growth and for the eventual transition back to self-governance.

Jo Moore

Administrator

Hawkesbury Race Club Limited

CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to present my fourth Annual Report as Chief Executive Officer, relating to the 2024/25 financial year.

The Club has achieved a positive result and continues to successfully consolidate its financial standing.

Finance

The Club has recorded a profit of \$134,536 after depreciation and amortisation as outlined in the financial report.

Our cash position is strong, and the Club will continue to focus on critical legacy capital works whilst exploring growth opportunities.

Racing

A massive crowd turned out to celebrate the 20th anniversary of Hawkesbury Race Club's standalone Saturday Hawkesbury Gold Cup meeting, enjoying a spectacular day of top-tier racing and entertainment.

Perfect weather conditions contributed to making the 2025 Cup Day our biggest since the easing of COVID-19 restrictions in 2021 and showing significant year on year improvement in all key areas.

Attendance – 5,283 patrons, up 48% from previous year.

Bar Sales - \$124,506.93, up 31% from previous year.

Profit Margin – 54% up 7% from previous year.

The Club also successfully held the second Hawkesbury Cup Calcutta Luncheon in partnership with Panthers on Friday 2 May 2025, which attracted over 400 guests and is now established as a must attend event leading into our Hawkesbury Gold Cup Raceday.

During the year, the Hawkesbury Race Club tracks team continued to do a brilliant job in maintaining our racing and training surfaces. This contributed strongly to our local racing industry with Hawkesbury trainers achieving almost 200 winners across the State during the 2024/25 season, which is a great indication of their skill and talent.

There were some changes to our Tracks team during the year, with Racecourse Manager Kyle Cassim leaving Hawkesbury Race Club to rejoin the Australian Turf Club. Kyle did a great job for the Club, and we wish him all the best in his future endeavors.

Our new Racecourse Manager Digby Nuthall commenced in April 2025 and has impressed everyone with his work ethic and knowledge. He has inherited a strong and enthusiastic Tracks team here at Hawkesbury and I am sure he will ensure our high standards are continued to be presented.

CHIEF EXECUTIVE OFFICER'S REPORT

I recognise the continued support of Racing NSW CEO Peter V'landys AM and the Racing NSW Board to deliver fantastic prizemoney returns to Owners who race their horses at Hawkesbury, and the standard of racing at our venue reflects this support.

Hawkesbury Race Club hosts six feature Black Type races each year, and the following table lists the results of these events during the 2024/2025 season.

RACE	WINNER	TRAINER	JOCKEY
\$200,000 Listed Pioneer Services Rowley Mile – 1600m	Cepheus	Matthew Dunn	Nash Rawiller
\$200,000 Listed Lander Toyota Ladies Day Cup – 1600m	Rustic Steel	Kris Lees	Joshua Parr
\$200,000 Listed Hawkesbury XXXX Gold Rush – 1100m	Dragonstone	Joseph Pride	Adam Hyeronimus
\$250,000 Group 3 Elite Sand & Soil Hawkesbury Guineas – 1400m	Media World	Peter Snowden	Tyler Schiller
\$250,000 Group 3 Pioneer Services Hawkesbury Crown – 1300m	City of Lights	Joseph Pride	Chad Schofield
\$250,000 Group 3 Richmond Club Hawkesbury Gold Cup – 1600m	Punch Lane	Anthony & Sam Freedman	Nash Rawiller

CHIEF EXECUTIVE OFFICER'S REPORT

PREMIERSHIPS

Congratulations to the winners of the 2024/25 Hawkesbury Race Club premierships.

LEADING TRAINER

Brad Widdup (15)

LEADING LOCAL TRAINER

Brad Widdup (15)

LEADING JOCKEY

Zac Lloyd (18)

LEADING APPRENTICE

Zac Lloyd (a) (8)

Sponsors

We are fortunate to have many long term and loyal sponsors, and I would like to acknowledge the outstanding contribution they all make to the success of the Club.

Sponsorship is vital to the Clubs ongoing success, and the associations we have formed are valued and appreciated.

I would like to recognise the Richmond Club and thank them for their continued support of the Richmond Club Hawkesbury Gold Cup as well as their support of our annual Ladies Day.

I would also like to recognise our long-time sponsors Rod and Edwina Cullen from Lander Toyota, who recently sold the business and will be relocating to the Gold Coast. They have been wonderful sponsors of our Ladies Day for many years and are always welcome as guests at Hawkesbury Race Club.

Staff

In November 2024, Hawkesbury Race Club staff were asked to complete an Employee Engagement Survey, with the aim to continually improve employee satisfaction and engagement.

The survey has assisted the Club to gain insights into HRC employees' overall engagement and to identify opportunities for improvement.

It's been a process that has been well received by staff, and I will continue to work collaboratively with the team to make sure Hawkesbury Race Club is a great place to work.

During the year, our Accounts and Payroll Officer Lisa Bradwell left the business to pursue another opportunity, and I would like to thank Lisa for her assistance during her tenure at the Club.

CHIEF EXECUTIVE OFFICER'S REPORT

I would also like to pay special recognition to long standing Hawkesbury Race Club employee, Rick Johnston, who finished at the Club after the running of the 20th Anniversary Hawkesbury Cup stand-alone meeting.

Rick joined the Club in December 2004, and his knowledge of the racecourse, grounds and operations is unparalleled. He is extremely well respected throughout the racing industry, and he leaves the Club with all our best wishes.

Appreciation

I would like to acknowledge Lea Porteous for her valuable contribution to the Clubs success. Lea's experience and knowledge is greatly appreciated, and she continues to provide effective support across the entire business.

Finally, I would like to express my appreciation to the Racing NSW appointed Administrator, Ms Jo Moore, who commenced in the HRC Administrator role on 16 August 2023.

Jo has provided invaluable leadership and guidance throughout the year as the Club has continued to strengthen its standing in the NSW Racing Industry. She has encouraged management to stay faithful to our Strategic Plan, which will guide the Clubs future direction.

I can assure Members that the Club is on very secure footing with a clear path forward for continued success.

James Heddo

Chief Executive Officer
Hawkesbury Race Club Limited

HAWKESBURY RACE CLUB LIMITED
ABN 18 088 383 466

Financial Report

for the Year Ended 30 June 2025

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

Contents

For the Year Ended 30 June 2025

Financial Report	Page
Director's Report	2
Auditor's Independence Declaration	6
Statement of Profit and Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Cash Flows	9
Statement of Changes in Equity	10
Notes to Financial Report	11
Consolidated Entity Disclosure Statement	26
Director's Declaration	27
Independent Auditor's Report	28

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

Directors' Report For the Year ended 30 June 2025

The Directors presents the report on Hawkesbury Race Club Limited for the financial year ended 30 June 2025.

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Name, Qualifications	Experience	Special Responsibility
Joanne Louise Moore Administrator Bachelor of Laws (Honours) QUT 1993 Graduate Member of Australian Institute of Company Directors Certificate in Governance Practice, Governance Institute of Australia Connect member of Chief Executive Women	Jo Moore is an executive and lawyer with extensive experience in legal and regulatory compliance, strategy, risk and compliance, and stakeholder engagement across retail and digital businesses. She has a proven track record and deep knowledge and understanding of wagering, racing, sports and negotiating media rights agreements. Ms Moore has previously held a number of senior roles at Tabcorp Holdings Limited including General Manager, Strategic Advisory, General Manager, Industry Development and General Counsel, Wagering and Media. She has also served as a member of the Racing NSW Appeal Panel and is a current member of the Harness Racing NSW Appeal Panel. Jo is currently principal of her own legal and general business consulting practise, Moore Legal & Advisory Pty Ltd, primarily providing advice in the gaming/wagering, sports, racing and media sectors.	Appointed as Administrator on 16 August 2023
Dean John Halliwell Director	Former business Owner of two hire companies over 20 years Former board Member of Elevating Work Platform Association of Australia 2016 – 2020.	Appointed as Director on 10 July 2024
Christopher John Lawlor Director	CEO of International Animal Health since 1987. Certified CEO and member of the CEO Institute since 2008 Former Director and Board Member of Veterinary Manufacturers Distributors Association – Innovation in Product Development (2019). Founding member of the Australian Thoroughbred Breeders Club (1983). Breeder of the 'Ausbred' Thoroughbreds for 40+ years.	Appointed as Director on 10 July 2024
Nicole Francis Ryan Director Bachelor of Communications (Public Relations & Marketing) University of Canberra 2001	General Manager Community, Stakeholder and Government of Transgrid. Former Head of Business Government, Stakeholder and Community of Sydney Water. Former General Manager Stakeholder and Community of Western Sydney Airport. Former Principle Manager Stakeholder Engagement of Sydney Motorway Corporation (now Transurban) Westconnex. Former General Manager Customer and Communications of Transdev Light Rail, Ferries and Bus.	Appointed as Director on 10 July 2024

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

Directors' Report For the Year ended 30 June 2025

Directors' Meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year are:

Name, Qualifications	Number of meetings eligible to attend	Number of meetings attended
Jo Moore Administrator	10	10
Dean John Halliwell Director	10	3
Christopher John Lawlor Director	10	6
Nicole Francis Ryan Director	10	7

Company Secretary

Mr James Heddo has been the Company Secretary since 11 April 2022.

Review of operations

The operating surplus of the Company for the year ended 30 June 2025 was \$134,536 (2024 surplus: \$162,831). Racing NSW appointed Ms Joanne Moore to replace Mr David Jewell as the Company's Administrator on 16 August 2023, in accordance with section 14(2)(g) of the Thoroughbred Racing Board Act NSW (1996). This was in response to the Company's previous directors resigning from the Company. The Administrator was granted powers including but not limited to the following:

- i. to carry on the business of the Company;
- ii. to establish and maintain financial and other controls;
- iii. to manage the racecourse and training facilities;
- iv. to maintain the racecourse and facilities;
- v. to establish regulations for the use of the racecourse and facilities;
- vi. to conduct race meetings and functions;
- vii. to operate bank accounts and associated transactions;
- viii. to complete improvements to the racecourse and facilities;
- ix. to appoint staff; and
- x. to enter into contracts

Principal activities

The principal activity of the Company is the conduct of provincial horse racing at Clarendon NSW. The Company also provides tracks and facilities for training, operates a motel and provides facilities for social functions, exhibitions and displays.

There was no significant change in the nature of this activity during the year.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

Directors' Report For the Year ended 30 June 2025

Short & Long Term Objectives

The Company's short-term objectives are as follows:

- Maintain the Company's operating margins for racing & training, raceday and non-raceday functions and Motel business;
- Invest in employee engagement; and
- Invest in critical legacy capital works.

The Company's long-term objectives are as follows:

- To sustainably enhance & grow the Company's racing, training, entertainment and accommodation businesses;
- Develop master plan of integrated racing & entertainment precinct and additional accommodation; and
- Align future capital works to customer and risk priorities.

The Company's principal activities are the core business operations that provide a sustainable revenue source and asset base to assist the Company to achieve its objectives.

Strategies

The Company's key strategies for achieving these objectives are:

- Rebuild:
 - Invest in governance and Hawkesbury Race Club values;
 - Rebuild trust – community, partners, and people;
 - Deeper understanding of customers, members and partners, and Hawkesbury Race Club's value proposition for each;
 - Invest in critical legacy capital works;
 - Mitigate against flood risk; and
 - Maintain operation margins for racing/training, race day and non-race day functions and the Motel
- Grow:
 - Grow number of race day customers, spend per head and number/quality of feature days;
 - Grow non-race day with increased return on investment;
 - Grow number of horses in work with Racing NSW support;
 - Align future capital works to customer and risk priorities;
 - Develop master plan of integrated racing and entertainment precinct and additional accommodation; and
 - Improved motel room rate by improving customer experience
- Innovate:
 - Innovate how we work (technology, AI);
 - Improve punter experience (vision);
 - Invest in one major new event/activity to attract new audiences and profit;
 - Position as preferred industry solution for additional training and/or additional metro racing; and
 - Work with Provincial Association to improve funding from Racing NSW from wagering revenue

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

Directors' Report For the Year ended 30 June 2025

Performance Measures

The strategies listed assist in achieving the Company's objectives by providing:

- Shared understanding and goals;
- Roadmap to success;
- Prioritise tasks and allocated resources effectively; and
- Framework for making decisions

The Company measures its performance based on financial & non-financial indicators. The financial indicators extracted from financial information of the Company are a combination of internal performance data and comparison of other provincial & other race clubs of similar operation in total and on a per meeting basis. Key performance indicators include:

- Total TAB, Corporate Bookmaker and on-course Bookmakers turnover;
- Average number of starters per race;
- Tangible growth in raceday, non-raceday and motel businesses;
- Operating margins for raceday, non-raceday and motel businesses;
- Motel occupancy % and average room rate price;
- Customer net promoter score;
- Staff engagement & retention; and
- Customer numbers at raceday and non-raceday events.

Subsequent events

No matter or circumstance has arisen since 30 June 2025 that has significantly affected or may significantly affect:

- The Company's operations in future years; or
- The results of those operations in future years; or
- The Company's state of affairs in future financial years.

Company Incorporation and Member's Guarantee

The Company was incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. The Company has ordinary members and life members. At 30 June 2025, the total number of members of the Company including life members was 447 (2024: 414). The total amount that members are liable to contribute if the Company wound up is \$4,470 (2024: \$4,140).

Auditor's independence Declaration

The auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on the next page.

This Directors' Report is signed by the Administrator exercising the powers of the Directors pursuant to an appointment under section 14(2)(g) of the Thoroughbred Racing Act 1996 (NSW).



Jo Moore
Administrator

Dated: 17 September 2025

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF HAWKESBURY RACE CLUB LIMITED
ABN 18 088 383 466**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2025 there have been:

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

Bradfield Partners

Bradfield Partners



Benjamin Schulz
Partner

Date: 17 September 2025
Sydney, Australia

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
Revenue			
Revenue from Operations	3	19,562,078	19,345,781
Other Income	3	125,275	92,028
Total Revenue		<u>19,687,353</u>	<u>19,437,809</u>
Expenses			
Racing		13,600,371	13,642,533
Beverage Trading		477,895	450,650
Catering and Functions		535,956	551,834
Depreciation and Impairment	4	1,253,185	1,253,420
Finance Costs		23,364	19,540
General Operating Expenses		2,183,545	1,890,378
Motel Operations		899,539	877,984
Occupancy Costs		578,962	588,639
Total Expenses		<u>19,552,817</u>	<u>19,274,978</u>
Surplus/(Deficit) Before Income Tax Expense		134,536	162,831
Income Tax Expense	2(c)	-	-
Surplus/(Deficit) After Income Tax Expense for the year		<u>134,536</u>	<u>162,831</u>
Items that will not be reclassified subsequently to profit or loss:			
Gain on revaluation of land		-	4,471,202
Total Other Comprehensive Income for the year		<u>-</u>	<u>4,471,202</u>
Total Comprehensive Income for the year		<u>134,536</u>	<u>4,643,057</u>

The accompanying Notes form part of these Financial Statements

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
Current Assets			
Cash and Cash Equivalents	5	5,507,444	3,966,163
Receivables	6	848,375	1,833,169
Inventories	7	93,790	79,316
Financial Assets	9	-	300,000
Other Assets	8	28,561	5,106
Total Current Assets		<u>6,478,170</u>	<u>6,183,754</u>
Non-Current Assets			
Financial Assets	9	300,000	-
Property, Plant and Equipment	10	30,947,458	31,269,268
Total Non-Current Assets		<u>31,247,458</u>	<u>31,269,268</u>
Total Assets		<u>37,725,628</u>	<u>37,453,022</u>
Current Liabilities			
Payables	11	2,532,268	2,373,390
Employee Benefits	12	302,481	306,800
Financial Liabilities	13	12,337	24,477
Total Current Liabilities		<u>2,847,086</u>	<u>2,704,667</u>
Non-Current Liabilities			
Employee Benefits	12	26,376	18,388
Financial Liabilities	13	2,117	14,454
Total Non-Current Liabilities		<u>28,493</u>	<u>32,842</u>
Total Liabilities		<u>2,875,579</u>	<u>2,737,509</u>
Net Assets		<u>34,850,049</u>	<u>34,715,513</u>
Equity			
Accumulated Funds		29,338,746	29,204,210
Reserves		5,511,303	5,511,303
Total Equity		<u>34,850,049</u>	<u>34,715,513</u>

The accompanying Notes form part of these Financial Statements

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

STATEMENT OF CASH FLOWS

As at 30 June 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
<u>Cash Flows from Operating Activities</u>			
Receipts from operations		20,613,914	20,390,440
Payments to Suppliers and Employees		(18,280,951)	(18,359,219)
Interest Received		50,508	53,983
Finance costs		(23,363)	(19,540)
<i>Net Cash provided by/(used in) Operating Activities</i>	18	<u>2,360,108</u>	<u>2,065,663</u>
<u>Cash Flows from Financing Activities</u>			
Principal repayments of asset finance		(24,478)	(35,690)
<i>Net Cash provided by/(used in) Financing Activities</i>		<u>(24,278)</u>	<u>(35,690)</u>
<u>Cash Flows from Investing Activities</u>			
Payments for Property, Plant and Equipment	10	(794,349)	(725,588)
Proceeds from Disposal of Property, Plant and Equipment		-	-
<i>Net Cash used in Investing Activities</i>		<u>(794,349)</u>	<u>(725,588)</u>
Net Cash Movement		1,541,281	1,304,385
Cash at the Beginning of the Year		4,266,163	2,961,779
Cash at the End of the Year	5	<u>5,807,444</u>	<u>4,266,163</u>

The accompanying Notes form part of these Financial Statements

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

STATEMENT OF CHANGES OF EQUITY

As at 30 June 2025

	<u>Note</u>	<u>Accumulated Funds</u> \$	<u>Revaluation Surplus</u> \$	<u>Total</u> \$
Balance as at 1 July 2023		29,068,542	1,040,101	30,108,643
Correction of Error	2(q)	(27,163)	-	(27,163)
Restated Balance as at 1 July 2023		29,041,379	1,040,101	30,081,480
Surplus for the Year		162,831	-	162,831
Total Other Comprehensive Income		-	4,471,202	4,471,202
Balance as at 30 June 2024		29,204,210	5,511,303	34,715,513
Surplus for the Year		134,536	-	134,536
Total other Comprehensive Income		-	-	-
Balance as at 30 June 2025		29,338,746	5,511,303	34,850,049

The accompanying Notes form part of these Financial Statements

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 1: General Information

The financial report covers Hawkesbury Race Club Limited as an individual entity. The financial statements are presented in Australian dollars, which is Hawkesbury Race Club Limited's functional currency.

Hawkesbury Race Club Limited is a not-for-profit unlisted public Company limited by guarantee and domiciled in Australia.

The Company's registered office and principal place of business is:

1 Racecourse Road
Clarendon NSW 2756

The financial report was authorised for issue, in accordance with a resolution of the Director, on

Note 2: Material Accounting Policy Information

The material accounting policies adopted in the preparation of the financial report is 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.

Standards issued not yet effective

There are a number of new accounting standards and amendments issued, but not yet effective, none of which have been early adopted by the Company in this financial report. The Company has reviewed the impact of these changes and has determined that the adoption of these standards will not have a material effect on the financial position or performance of the Company.

a. Basis of preparation

The financial report is a Tier 2 general-purpose financial report that has been prepared in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001, as appropriate for not-for-profit entities.

Going concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

Historical cost convention

The financial report has been prepared under the historical cost convention, except for, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates

The preparation of the financial report 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 Note 2(p).

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

b. Revenue Recognition

The Company recognises revenue as follows:

(i) 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.

(ii) 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.

(iii) Racing NSW distributions

Distributions from Racing NSW are recognised in the relevant financial year to which it relates taking into account the Scheme of Distribution requirements.

The TAB/racing industry agreements set out a formula under which distributions to the NSW racing industry, and amongst various stakeholders are made. Those agreements stipulate that each stakeholder will receive an amount determined after the deduction of industry related expenses such as administration costs associated with running NSW racing's regulatory bodies. The Company recognises this income over time as its performance obligations are met in line with race meetings held.

(iv) Grant revenue

Grants received on the condition that specified services are delivered, or conditions are fulfilled, are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled.

(v) Membership fees

Membership revenue is recognised when it is received or when the right to receive payment is established. The membership year is July to June, which is in line with the Company's financial year. Income received before year end for the subsequent year is reflected as revenue in advance.

(vi) Sponsorship monies

Sponsorship monies received in advance and deposits for functions and motel accommodation held after the end of the financial year will be brought to account in the financial year in which it relates to.

(vii) Interest revenue

Interest revenue is recognised as interest accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

(viii) Other revenue

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

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

c. Income tax

The Company is exempt from income tax under section 50-45 Item 9.1(a) of the Income Tax Assessment Act 1997.

d. 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.

e. Investments and other financial assets

Financial assets at amortised cost

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

The Company's financial assets includes term deposits with maturities that expire more than 12 months after year end.

f. Impairment of financial assets

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

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

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

g. Property, Plant and Equipment

Each class of Property, Plant and Equipment, other than Land, is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

i. Land

Land and Crown land is measured at fair value. Fair value is based on periodic valuations by independent valuers. The fair value of the land is assessed on a highest and best use basis (consistent with zoning).

The last independent valuation of land was performed on 30 June 2023. In the years where land is not subject to independent valuation, the Director reviews the key assumptions of the most recent valuation to ensure the carrying amount of land reflects the fair value.

ii. Buildings, Racetrack and Improvements

Buildings, Racetrack and Improvements are measured on a cost basis less depreciation and any impairment losses. The carrying amount of buildings, racetrack and improvements is reviewed annually by the Director to ensure it is not in excess of the recoverable amount from those assets.

Buildings in Progress are recorded at the total cost of the project incurred up to year end.

iii. Equipment and Motor Vehicles

Equipment and Motor Vehicles are measured on a cost basis less depreciation and any impairment losses. The carrying amount of Equipment and Motor Vehicles is reviewed annually by the Director to ensure it is not in excess of the recoverable amount from those assets.

Depreciation and Amortisation

Depreciation is calculated on a straight-line basis over their estimated useful life commencing from the time the property, plant and equipment asset (excluding land) is held ready for use. The depreciation rates used for each class of assets are

<u>Class of Asset</u>	<u>Depreciation & Amortisation Rate</u>
Buildings, Racetrack and Improvements	2% - 10%
Plant and Equipment	5% - 40%
Motor Vehicles	10% - 20%
Motel Equipment and Furniture	5% - 40%

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.

Right-of-use assets

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.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

h. 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 pre-tax 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.

i. Payables

Payables represent the 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.

j. Employee Benefits

Short-term employee benefits

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

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is measured as the present value of expected future payment to be made in respect of services provided by employees up to the reporting date. 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.

k. Financial Liabilities

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

The financial liabilities of the Company comprise payables and asset finance loans.

l. Fair Value measurement

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

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

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

m. Reserves

Revaluation Surplus

The reserve represents movement in the fair value of the class of assets, being land, as a result of revaluation. Net revaluation increases of land are recognised in other comprehensive income and accumulated in equity under the heading of Revaluation Surplus.

Any decrease in the fair value of land is first recognised in other comprehensive income to the extent of any credit balance existing in the Revaluation Surplus. The net revaluation decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of Revaluation Surplus. Where there is no Revaluation Surplus reserve credit balance, the decrease as a result of the revaluation is recognised in profit or loss.

n. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Tax office.

o. Comparative Figures

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

p. Critical accounting judgements, estimates and assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial report. 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.

Economic dependence

The Company is dependent upon the ongoing funding of Racing NSW to ensure continued operations. Racing NSW has final control over the conduct and timing of race meetings. This can have a material impact on the operating performance and financial position of the Company. At the date of this report, the Directors have no reason to believe Racing NSW will not continue to support the Company.

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.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

p. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision

As discussed in Note 2(j), 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.

Impairment of assets

The Company assesses impairment at each reporting date evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The Director has determined there is no impairment as at balance date other than as disclosed elsewhere within this report.

Valuation of land

As discussed at Note 2 (g)(i), Land and Crown land is measured at fair value. In determining this fair value of land, the valuer and director have utilised current land zoning and comparative sales data to determine the fair value of what they have determined to be the highest and best use of the land.

q. Correction of Error for Interest

During the year it was identified that interest received on regional racecourse stimulus funding was required to be expended in accordance with the grant monies. As these amounts have not yet been expended, they are required to be recognised as a liability at year end. Consequently, the relevant interest income was overstated and liability understated.

The errors have been corrected by restating each of the affected financial line items for the prior period. The following tables summarises the impacts on the financial statements.

i. Statement of financial position

	<u>30 June 2023</u>	<u>Adjustment</u>	<u>30 June 2023</u> <u>Restated</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total Assets	33,222,691	-	33,222,691
Payables	2,729,751	27,163	2,756,914
Other liabilities	384,297	-	384,297
Total liabilities	3,114,048	27,163	3,141,211
Net Assets	30,108,643	27,163	30,081,480
Retained earnings	29,068,542	(27,163)	29,041,379
Reserves	1,040,101	-	1,040,101
Total Equity	30,108,643	(27,163)	30,081,480

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 2: Material Accounting Policy Information (continued)

q. Correction of Error for Interest (continued)

ii. Statement of comprehensive income

	<u>30 June 2023</u>	<u>Adjustment</u>	<u>30 June 2023</u>
	<u>\$</u>	<u>\$</u>	<u>Restated</u>
			<u>\$</u>
Other Income	204,620	(27,163)	177,457
Revenue from Operations	17,810,906	-	17,810,906
Total Revenue	18,015,526	(27,163)	17,988,363
Total Expenses	17,692,904	-	17,692,904
Surplus before tax expense	322,622	(27,163)	295,459
Other Comprehensive Income	-	-	-
Total Comprehensive Income	322,622	(27,163)	295,459

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
Note 3: Revenue and Other Income			
Revenue			
Racing		16,237,929	16,069,177
Beverage Trading		904,416	748,762
Catering and Functions		919,010	974,385
Motel Operations		1,471,847	1,525,826
Members' Subscriptions		28,877	27,630
		19,562,078	19,345,780
Other Income			
Insurance Recovery		-	3,027
Interest received		50,509	53,983
Other Income		74,766	35,019
		125,275	92,028
Note 4: Expenses and Significant Items			
Depreciation			
- Buildings, tracks and freehold improvements		1,008,086	1,002,316
- Plant and Equipment		181,681	178,348
- Motor Vehicles		19,497	27,986
- Motel Equipment and Furniture		43,921	44,770
		1,253,185	1,253,420
Impairment			
- Buildings, tracks and freehold improvements		-	-
		1,253,185	1,253,420
Cost of Sales:			
- Beverage Trading		312,253	264,711
- Catering and Functions		235,044	226,625
		547,297	491,336
Net loss on Disposal of Plant and Equipment		46,762	-
Significant Revenues and Expenses:			
Revenues			
- Racing NSW Distributions		5,011,499	5,011,501
- Racing NSW Prizemoney Contributions		6,931,500	7,140,425
Expenses			
- Prizemoney paid		9,996,447	10,288,051
- Employee Remuneration and Benefits		2,942,815	2,813,049
- Legal Costs	17	192,299	48,331

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
<u>Note 5: Cash and Cash Equivalents</u>			
Cash at Bank		5,491,829	3,964,873
Cash on Hand		15,615	1,290
		5,507,444	3,966,163
Cash at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of the financial position as follows:			
- Cash and Cash Equivalents		5,507,444	3,966,163
- Financial assets	9	300,000	300,000
Cash in the statement of cash flows		5,807,444	4,266,163
<u>Note 6: Receivables</u>			
Trade Receivables		118,921	138,441
Less Provision for Impairment Loss		(1,340)	(1,340)
		117,581	137,101
Debtors – Racing NSW		150,381	1,094,849
Other Receivables		580,412	601,219
		848,375	1,833,169
Provision for Impairment – opening balance		1,340	1,340
Charge/(reduction) for the year		-	-
Written off		-	-
Provision for impairment – closing balance		1,340	1,340
<u>Note 7: Inventories</u>			
Stock on hand at cost		93,790	79,316
		93,790	79,316
<u>Note 8: Other Assets</u>			
Prepayments		28,561	5,106
		28,561	5,106
<u>Note 9: Financial Assets</u>			
Current			
Financial asset at amortised cost			
- Term Deposit		-	300,000
		-	300,000
Non-Current			
Financial asset at amortised cost			
- Term Deposit		300,000	-
		300,000	-
		300,000	300,000

The term deposit matures on 11 April 2027.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

	<u>2025</u> \$	<u>2024</u> \$
<u>Note 10: Property, Plant and Equipment</u>		
Land		
Land at fair value	1,571,009	1,571,009
Crown land at fair value	16,313,800	16,313,800
	<u>17,884,809</u>	<u>17,884,809</u>
Buildings, Racetrack and Improvements		
Buildings, Racetrack and Improvements at cost	21,758,192	21,827,393
Accumulated Depreciation	(10,689,446)	(9,759,912)
	<u>11,068,746</u>	<u>12,067,481</u>
Capital Works in Progress	787,874	-
	<u>11,856,620</u>	<u>12,067,481</u>
Plant and Equipment		
Plant and Equipment at cost	3,006,975	3,053,723
Accumulated Depreciation	(2,016,366)	(1,996,037)
	<u>990,609</u>	<u>1,057,686</u>
Motor Vehicles		
Motor Vehicles at cost	183,461	183,461
Accumulated depreciation	(144,190)	(124,692)
	<u>39,271</u>	<u>58,769</u>
Motel Equipment and Furniture		
Motel Equipment and Furniture at cost	1,117,872	1,108,251
Accumulated depreciation	(941,723)	(907,727)
	<u>176,149</u>	<u>200,524</u>
Total Property, Plant and Equipment	<u>30,947,458</u>	<u>31,269,268</u>

Reconciliations of the carrying amounts of property, plant and equipment are as follows:

	<u>Land and</u> <u>Crown Land</u>	<u>Buildings,</u> <u>Racetrack and</u> <u>Improvements</u>	<u>Plant and</u> <u>Equipment</u>	<u>Motor</u> <u>Vehicles</u>	<u>Motel</u> <u>Equipment</u> <u>and</u> <u>Furniture</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
<u>2025</u>						
Balance at Beginning of the Year	17,884,809	12,067,481	1,057,686	58,769	200,524	31,269,268
Additions	-	843,448	115,143	-	19,546	978,137
Disposals	-	(46,223)	(539)	-	-	(46,762)
Depreciation Expense	-	(1,008,086)	(181,681)	(19,497)	(43,921)	(1,253,185)
Impairment Write-down	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Balance at End of the Year	<u>17,884,809</u>	<u>11,856,620</u>	<u>990,609</u>	<u>39,271</u>	<u>176,149</u>	<u>30,947,458</u>

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 10: Property, Plant and Equipment (continued)

At 30 June 2025, the Directors reviewed the key assumptions adopted by independent valuer, Titan Advisory Group, in their valuation performed on the 29 November 2023, and do not believe there has been a significant change in the assumptions or market value of the land.

Accordingly, the Directors believe the carrying value of the land and crown land at 30 June 2025 correctly reflects the fair value.

	<u>2025</u>	<u>2024</u>
	\$	\$

Note 11: Payables

Current

Trade payables	709,656	726,016
Other payables and accrued charges	621,612	438,654
Revenue in advance	77,513	90,648
Interest on regional racecourse stimulus funding	32,575	27,163
Unexpended NSW Government Crown Land Grant	1,090,909	1,090,909
	<u>2,532,268</u>	<u>2,373,390</u>

Note 12: Employee Benefits

Current

Annual Leave	135,978	131,070
Long Service Leave	166,503	175,730
	<u>302,481</u>	<u>306,800</u>

Non-current

Long Service Leave	26,376	18,388
	<u>26,376</u>	<u>18,388</u>
	<u>328,857</u>	<u>325,188</u>

Note 13: Financial Liabilities

Current

Asset finance	12,337	24,477
	<u>12,337</u>	<u>24,477</u>

Non-Current

Asset finance	2,117	14,454
	<u>2,117</u>	<u>14,454</u>
	<u>14,454</u>	<u>38,932</u>

Assets pledged as security

A fixed and floating charge is held as security in addition to a mortgage over the motel for the Bank Overdraft.

Asset finance is secured by the underlying asset financed assets.

Available Facility

The available banking facility which represents the overdraft facility, is summarised below:

		<u>2025</u>	<u>2024</u>
		\$	\$
Total Facility utilised at year end	13	14,454	38,932
Total Facility unused at year end		900,000	900,000
Total Facility available at year end		<u>914,454</u>	<u>938,932</u>

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 14: Key Management Personnel Disclosures

The total compensation for key management personnel of the Company during the financial year is set out as follows:

	<u>2025</u>	<u>2024</u>
	\$	\$
Compensation	857,408	630,945
	<u>857,408</u>	<u>630,945</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

The racecourse manager has been included in the key management personnel disclosures in 2025.

Note 15: Related Party Transactions

The directors may be reimbursed for expenditure incurred in the conduct of their official duties.

During the prior year, payments were made by the Company to David Jewell Consulting Pty Ltd, an entity associated with David Jewell, who was appointed as the Company's administrator by Racing NSW on 23 December 2021 and resigned on 16 August 2023.

During the current and prior year, payments were made by the Company to Moore Legal & Advisory Pty Ltd, an entity associated with Jo Moore, who was appointed as the Company's administrator by Racing NSW on 16 August 2023.

The total of the related party transactions were \$70,777 (2024: \$67,260).

All of these transactions were on normal commercial terms and conditions.

Note 16: Capital and Lease Commitments

Capital Commitments

At 30 June 2025, the Company has a contractual agreement with Gosford Irrigation and Water Solutions to supply and install new irrigation equipment at the racecourse.

	<u>2025</u>	<u>2024</u>
	\$	\$
Commitment arising from the execution of a contract for the supply and installation of irrigation equipment, which at the date of these financial statements, are incomplete	767,247	-
	<u>767,247</u>	<u>-</u>

Lease Commitments

The Company has lease arrangements for plant and equipment. Upon adoption of AASB 16 - Leases, plant and equipment leases with an asset value greater than \$10,000 are now recognised on the statement of financial position. The Company does not currently have leases with an asset value greater than this threshold.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 17: Contingent liabilities and Contingent Assets

There are no Contingent Liabilities and Contingent Assets other than:

Racecourse Development Project

In the previous reporting periods, funding was provided to the Company by way of an unsecured, interest free, interminable loan from Racing NSW for the purposes of the racecourse development project.

This loan is only repayable if one of the following conditions is triggered:

- The Company conducts business activities in such a manner It becomes financially unstable or insolvent;
- The Company ceases to operate as a horse racing club;
- The Company disposes of loan or other freehold property without the agreement of Racing NSW;
- The Company merges, amalgamates or other associates with any other race club;
- The Company amends its governance structure; or
- The Company is in a 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, therefore no liability has been recorded at balance date. The maximum contingent liability at balance date in respect of this loan is \$7,145,220 (2024: \$7,145,220).

Legal Proceedings

At the date of this report, the Company is currently involved in legal proceedings with a former employee. These matters are ongoing and are at a stage where the outcome cannot be reasonably determined.

The directors have determined that further disclosure of the claim, the amounts involved or the potential financial effect of the matter could prejudice the position of the company in these proceedings.

Accordingly, the directors have determined not to disclose this information.

Note 18: Reconciliation of Cash Flow from Operations with Surplus for the Year

	<u>2025</u>	<u>2024</u>
	\$	\$
Surplus after income tax expense for the year	134,536	162,831
Adjustments for non-cash flows:		
- Depreciation	1,253,185	1,253,420
- Net (profit)/loss on disposal of plant and equipment	46,762	-
Change in operating assets and liabilities		
- Decrease/(increase) in trade and other receivables	984,794	982,193
- Decrease/(increase) in inventories	(14,473)	28,638
- Decrease/(increase) in other current assets	(23,455)	6,591
- Increase/(decrease) in trade and other payables	(24,913)	(383,523)
- Increase/(decrease) in employee benefits	3,669	15,513
Net cash provided by Operating Activities	2,360,108	2,065,663

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

NOTES TO FINANCIAL REPORT

As at 30 June 2025

Note 19: Auditor Remuneration

	<u>2025</u>	<u>2024</u>
	\$	\$
Remuneration of the auditor of the Company, Bradfield Partners for:		
- Auditing and assisting with the financial report	26,200	26,200
	<u>26,200</u>	<u>26,200</u>

Note 20: Net Fair Values

For other assets and other liabilities, the net fair value approximates their carrying value.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial report.

Note 21: Subsequent Events

No matter or circumstance has arisen since 30 June 2025 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.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2025

Hawkesbury Race Club Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

HAWKESBURY RACE CLUB LIMITED

A.B.N. 18 088 383 466

DIRECTOR'S DECLARATION

The Director of the Company declares that:

- 1 The Financial Statements and Notes, set out on pages 7 to 25, are in accordance with the Corporations Act 2001 and:
 - a give a true and fair view of the Company's financial position as at 30 June 2025 and of its performance and cash flows for the year ended on that date; and
 - b comply with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001;
- 2 The Consolidated Entity Disclosure Statement set out on page 26 is true and correct in accordance with the Corporations Act 2001.
- 3 In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed by the Administrator exercising the powers of the Directors pursuant to an appointment under section 14(2)(g) of the Thoroughbred Racing Act 1996 (NSW).



Joanne Moore
Administrator

Date: 17 September 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HAWKESBURY RACE CLUB LIMITED
ABN 18 088 383 466

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hawkesbury Race Club Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including material accounting policy information and other explanatory notes, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance and cash flows for the year ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on the same date as this auditor's report.

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

Other Information

The Directors are responsible for the other information, being the information in the Company's annual report for the year ended 30 June 2025 and Directors' report.

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

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

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

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*;
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the Directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Bradfield Partners

Bradfield Partners

A handwritten signature in blue ink, appearing to read 'B. Schulz', with a stylized flourish at the end.

Benjamin Schulz
Partner

Date: 17 September 2025
Sydney, Australia