Sapphire Coast Turf Club Ltd

ABN: 21 575 469 350

Financial Statements

For the year ended 30 June 2026

Sapphire Coast Turf Club Ltd

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The directors present their report on Sapphire Coast Turf Club Ltd for the financial year ended 30 June 2026.

Information on directors

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

Mike WALCOTT	
Title	Non-Executive Director and Chairperson from 12 December 2022
Experience and expertise	Mike is a keen racing person, was formally involved in the oil and extractive industries as well as farming.
Special responsibilities	Member of the Finance Committee and Member of the Gardening Committee

Vince PHILLIPS	
Title	Non-Executive Director
Experience and expertise	Vince is a keen racing person, was formally an accountant.
Special responsibilities	Treasurer and Member of the Finance Commitee

Peter JOSEPH	
Title	Non-Executive Director
Experience and expertise	Peter has family ties within the racing industry over many years and is an active farmer.

Leanne MOREING	
Title	Non-Executive Director
Experience and expertise	Farming background and passionate racehorse owner

Graeme PAYTEN	
Title	Non-Executive Director
Experience and expertise	Graham was formerly on the Bombala Jockey Club Committee for 12 years before joining SCTC. He was a hotelier for many years within the region.
Special responsibilities	Member of the Alcohol Committee

Kenneth SILICH	
Title	Non-Executive Director
Experience and expertise	Keen racing enthusiast, horticulturist, workplace health and saftey.

Doug SMITH	
Title	Non-Executive Director
Experience and expertise	Keen racing enthusiast, senior management, Marketing.

Information on directors (continued)

Robyn BAIN	
Title	Non-Executive Director
Experience and expertise	Keen racing enthusiast.

Gordon CAMPBELL	
Title	Non-Executive Director - Appointed November 2025
Experience and expertise	Keen racing enthusiast.

Peter CRAWFORD	
Title	Non-Executive Director - Appointed June 2026
Experience and expertise	Former trainer, active farmer.

Kerry MCKEE	
Title	Non-Executive Director - Deceased March 2026

Jan SVENOY	
Title	Non-Executive Director - Resigned November 2025

Directors have been in office since the start of the financial year to the date of the report unless otherwise stated.

Principal activities and objectives

The principal activity of Sapphire Coast Turf Club Ltd during the financial year was to promote and carry on the sport of horse racing. No significant changes in the nature of the Company's activity occurred during the financial year.

Strategy for achieving the objectives

The Board and management of the Club operate the Sapphire Coast Turf Club with a focus on operating a safe and enjoyable horse racing facility. In addition to operating and maintaining the race course surrounds, funds are allocated to the capital improvement of the site.

Performance measures

The Board and management monitor racing figures against budget and past performance to measure performance. Financial results, attendances, bar takings and Scheme of Distribution figures are the prime measures of performance.

Members' guarantee

Sapphire Coast Turf Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to unpaid membership fees subject to the provisions of the company's constitution. At 30 June 2026 the number of members was 271 (2025: 238).

Meetings of directors

During the financial year, 10 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Mike WALCOTT	10	10
Graeme PAYTEN	10	7
Vince PHILLIPS	10	9
Leanne MOREING	10	10
Robyn BAIN	10	6
Peter JOSEPH	10	6
Doug SMITH	10	9
Kenneth SILICH	10	8
Jan SVENOY	2	1
Kerry MCKEE	6	4
Gordon CAMPBELL	8	8
Peter CRAWFORD	1	1

Mike WALCOTT
Director

Dated: 26.10.26

KOTHES
ACCOUNTING GROUP

Auditor's Independence Declaration to the Directors of Sapphire Coast Turf Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KOTHES ACCOUNTING GROUP

SIMON BYRNE
Partner
Registered Company Auditor (#153624)
20 October 2026

Sapphire Coast Turf Club Ltd

Statement of income and retained earnings

For the year ended 30 June 2026

	Note	2026	2025
		$	$
Revenue	5	3,599,389	3,487,271
Finance income		49,497	50,675
Other income - surplus on disposal of fixed assets		14,200	-
Cost of sales			
Race day		(60,133)	(52,075)
Non-trading		-	(235)
Total Cost of sales		(60,133)	(52,310)
Race Meeting expenditure			
Returns to owners		(2,562,750)	(2,466,899)
General		(143,233)	(133,690)
Marketing		(95,822)	(88,223)
Other		(26,310)	(24,869)
Total race meeting expenditure		(2,828,115)	(2,713,681)
General Costs			
Depreciation expenses		(190,583)	(178,557)
Racecourse/Facilities		(250,854)	(214,664)
Administration		(339,635)	(292,750)
Marketing		(51,152)	(50,442)
Total general costs		(832,224)	(736,413)
Surplus / (Deficit) before income tax		(57,386)	35,542
Income tax expense	3.b	-	-
Surplus / (Deficit) for the year		(57,386)	35,542

Retained earnings		
Result for the year	(57,386)	35,542
Opening balance	8,141,761	8,106,219
Retained earnings at the end of the year	8,084,375	8,141,761

The accompanying notes form part of these financial statements.

Sapphire Coast Turf Club Ltd

Statement of financial position

As at 30 June 2026

	Note	2026	2025
		$	$
Assets			
Current assets			
Cash and cash equivalents	8	1,599,326	1,417,537
Trade and other receivables	9	271,461	331,252
Inventories - bar stocks at cost		8,977	13,985
Total current assets		1,879,764	1,762,774
Non-current assets			
Property, plant and equipment	10	6,520,703	6,658,253
Total non-current assets		6,520,703	6,658,253
Total assets		8,400,467	8,421,027
Liabilities			
Current liabilities			
Trade and other payables	11	173,596	178,286
Employee benefits	12	119,460	94,316
Income in advance		23,036	6,664
Total current liabilities		316,092	279,266
Total liabilities		316,092	279,266
Net assets		8,084,375	8,141,761
Equity			
Retained earnings		8,084,375	8,141,761

The accompanying notes form part of these financial statements.

Sapphire Coast Turf Club Ltd

Statement of cash flows

For the year ended 30 June 2026

	Note	2026	2025
		$	$
Cash flows from operating activities:			
Receipts from customers		3,940,230	3,629,230
Payments to suppliers and employees		(3,769,105)	(3,437,027)
Interest received		49,497	50,675
Net cash flows from/(used in) operating activities	16	220,622	242,878
Cash flows from investing activities:			
Proceeds from sale of plant and equipment		14,200	-
Purchase of property, plant and equipment		(53,033)	(90,042)
Net cash provided by/(used in) investing activities		(38,833)	(90,042)
Net increase/(decrease) in cash and cash equivalents		181,789	152,836
Cash and cash equivalents at beginning of year		1,417,537	1,264,701
Cash and cash equivalents at end of financial year	8.b	1,599,326	1,417,537

The accompanying notes form part of these financial statements.

1. Introduction

The financial report covers Sapphire Coast Turf Club Ltd as an individual entity. Sapphire Coast Turf Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. The company was incorporated on 28 September 2020 (# 642 528 283). The Company was formerly an Incorporated Association (#Y2106502) which was incorporated on 17 January 1955. It is registered with the Australian Business Register (Australian Business Number 21 575 469 350) and is registered for Goods & Services Tax purposes. The registered office and principal place of business of the company is 1659 Sapphire Coast Drive, Kalaru, NSW, 2550.

The functional and presentation currency of Sapphire Coast Turf Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

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

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

3. Material accounting policy information

a. Revenue

i. Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

3. Material accounting policy information (continued)

a. Revenue (continued)

ii. Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Racing New South Wales (NSW) income
The main revenue stream of the Company is the Scheme of Distribution and other payments received from Racing NSW. These are recognised in the period that they relate to as per the statements received from Racing NSW.

Membership and sponsorship income
Membership income is received in advance for the period of membership paid for. Sponsorship income can be received in advance for varying periods. A liability is booked for membership and sponsorship income received in advance with the income spread over the period paid for.

Race day revenue
Race day revenue is recognised upon receipt.

Grant revenue
Grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The company considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

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

b. Income tax

The Company is a Not-for-Profit Entity with a main objective the promotion and providing facilities for the sport of horse racing at the Sapphire Coast Turf Club. The Board has reviewed its income tax status and have assessed the Company to be exempt from income tax under section 50-45 of the Income Tax Assessment Act, 1997 (Cth). Consequently, no provision for taxation has been made in the financial statements.

3. Material accounting policy information (continued)

c. Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

i. Land and buildings

Land and buildings are measured using the cost model.

ii. Plant and equipment

Plant and equipment are measured using the cost model.

iii. Depreciation

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

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

Fixed asset class	Depreciation rate
Buildings	2.5% - 10%
Plant and equipment	7.5% - 33%

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

d. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

3. Material accounting policy information (continued)

d. Financial instruments (continued)

i. Financial assets

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

1) Classification

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

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

2) Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income is recognised in profit or loss.

3) Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information. The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held). Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

4) Trade receivables and contracts assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance. Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

3. Material accounting policy information (continued)

d. Financial instruments (continued)

ii. 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 of trade payables.

e. Employee benefits

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

f. Economic dependence

Sapphire Coast Turf Club Ltd is dependent on support from Racing NSW for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the Racing NSW will not continue to support Sapphire Coast Turf Club Ltd.

4. Critical accounting estimates and judgements

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

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

The significant estimates and judgements made have been described below.

a. Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5. Revenue and other income

	2026 $	2025 $
Revenue from contracts with customers		
TAB distribution	2,607,009	2,647,726
Bar sales	134,349	129,910
Function bar sales	-	4,535
Function other income	-	368
General racing revenue	307,087	329,017
Racebook sales	8,164	5,553
Marquee Seating	9,000	-
Sponsorships	413,250	251,889
Admissions	31,037	28,650
Nominations and acceptances	36,328	34,954
Other income - Bookmakers incentive	15,944	5,245
Other income - Race meeting	20,372	18,280
Grants & subsidies	150	318
Stable rents	420	400
Non-race day functions	-	1,100
Donations/Fund Raising	-	11,581
Other income	1,628	4,785
Members subscriptions	14,651	12,960
Total revenue	3,599,389	3,487,271

6. Auditor's remuneration

	2026 $	2025 $
Remuneration of the auditor of the Company, Kothes Accounting Group, for: auditing the financial statements	5,870	5,540

7. Result for the year

The result for the year includes the following specific expenses:

	2026 $	2025 $
Employee benefits expense	455,522	398,236
Depreciation expenses	190,583	178,557

8. Cash and cash equivalents

a. Cash and cash equivalent details

	2026	2025
	$	$
Cash at bank	294,634	175,939
Short-term deposits	1,304,692	1,241,598
	1,599,326	1,417,537

b. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	1,599,326	1,417,537

9. Trade and other receivables

Current	2026	2025
	$	$
Trade and other receivables	274,055	320,863
RNSW	(2,594)	10,389
Total current trade and other receivables	271,461	331,252

10. Property, plant and equipment

a. Property, plant and equipment details

Summary	2026 $	2025 $
Property, plant and equipment		
Freehold land		
At cost	244,806	244,806
Buildings and racecourse and surrounds		
Racecourse and surrounds at cost	4,395,320	4,395,320
Buildings at cost	4,748,621	4,703,226
Accumulated depreciation	(3,001,984)	(2,904,574)
Total buildings and racecourse and surrounds	6,141,957	6,193,972
Plant and equipment		
At cost	1,035,653	1,028,015
Accumulated depreciation	(901,713)	(808,540)
Total plant and equipment	133,940	219,475
Total property, plant and equipment	6,520,703	6,658,253

2026	Land $	Buildings and Racecourse Surrounds $	Plant and equipment $	Total $
Opening balance	244,806	6,193,972	219,475	6,658,253
Additions	-	45,395	7,638	53,033
Depreciation	-	(97,410)	(93,173)	(190,583)
Closing balance	244,806	6,141,957	133,940	6,520,703

b. Buildings and improvements

Buildings and improvements were valued for insurance purposes on 29 March 2022 by an independent valuer. This value far exceeded the book value that is carried in the financial statements.

11. Trade and other payables

Current	2026	2025
	$	$
Trade payables	34,464	298
GST payable	81,822	101,867
Sundry payables and accrued expenses	50,603	63,877
Payroll and super liabilities	6,707	12,244
	173,596	178,286

12. Employee benefits

Current	2026	2025
	$	$
Provision for long service leave	34,275	29,985
Provision for annual leave	32,525	24,169
Provision for personal leave	52,660	40,162
	119,460	94,316

13. Key management personnel disclosures

The directors did not receive any remuneration from the company during the year other than reimbursement of out of pocket expenses that have been fully substantiated.

Other key management personnel transactions

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosures are deemed appropriate.

14. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2026 (2025: None).

15. Related parties

a. The Company's main related parties are as follows:

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Key management personnel refer to Note 13.

b. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. There were no transactions with related parties during the year.

16. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2026 $	2025 $
Result for the year	(57,386)	35,542
Add / (less) non-cash items:		
(Profit) / loss on sale of assets	(14,200)	-
Depreciation and amortisation	190,583	178,557
Changes in assets and liabilities:		
(increase) / decrease in receivables	59,791	(96,768)
(increase) / decrease in inventories	5,008	(787)
increase / (decrease) in payables	(4,690)	150,918
increase / (decrease) in employee benefits	25,144	1,158
increase / (decrease) in other liabilities	16,372	(25,742)
Cash flows from operations	220,622	242,878

17. Events occurring after the reporting date

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

Sapphire Coast Turf Club Ltd

Consolidated entity disclosure statement

30 June 2026

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

Sapphire Coast Turf Club Ltd

Directors' Declaration

30 June 2026

In the directors opinion:

The financial statements and notes for the year ended 30 June 2026 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Company.
- the consolidated entity disclosure statement required by the *Corporations Act 2001* is true and correct.

In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Mike WALCOTT
Director

Dated: 26-10-26