

AUCKLAND TROTTING CLUB



ANNUAL REPORT

2025



ALEXANDRA
— PARK —



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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members of the Auckland Trotting Club Inc. will be held:

DATE: Tuesday, 2nd December 2025

TIME: 6.00pm

VENUE: The Tasman Room, Alexandra Park Raceway, Epsom

BUSINESS:

1. To receive the report of the Board, consider and adopt the Financial Statements and receive the Auditor's Report for the year ended 31 July 2025.
2. To elect Directors. This year, there are three (3) directors to be elected. The following nominations have been received for Elected Director positions:

Dan Cooney

Bruce Hadley

Patrina Logan

Jamie MacKinnon

Steve Waters

As the number of nominated candidates (five) exceeds the number of vacant Elected Director positions (three), an election will be conducted by ballot. The successful candidate will be declared at the AGM.

3. **Resolution 1A: Re-Registration of the Club under the Incorporated Societies Act 2022**
To consider, and if thought fit, to pass the following resolution as proposed by the Board:
"That, the Board apply to the Registrar of Incorporated Societies for re-registration of the Club under the Incorporated Societies Act 2022"
4. **Resolution 1B: Revocation and Replacement of Constitution**
To consider, and if thought fit, to pass the following resolution as proposed by the Board
"That the Constitution of the Club be revoked and replaced by a new Constitution in the form provided to members".

Background and Explanatory Notes to Resolutions 1A and 1B

- i. The Incorporated Societies Act 2022 ("Act") will replace the Incorporated Societies Act 1908 ("1908 Act").
- ii. The Act provides for a much more robust legislative framework for Societies, which is closely aligned to that which applies for Companies.

- iii. The Act provides for a transitional process for Societies to move from governance pursuant to the 1908 Act to governance pursuant to the Act.
 - iv. Every Society will need to undertake a re-registration process with the Registrar of Incorporated Societies. Each society will continue to be governed by the 1908 Act until it re-registers under the Act, at which point the provisions of the new Act will apply to it.
 - v. Societies have until 5 April 2026 to apply to re-register. If a Society does not re-register under the new Act by that date it will be struck off the Register and will cease to exist.
 - vi. The Act provides for a range of mandatory requirements for Constitutions. Many of those mandatory requirements are already adequately captured by the Club's current Constitution, however there are a number of provisions which will need to be amended in order to meet the mandatory requirements and enable re-registration.
 - vii. Some Members will recall the exercise which was undertaken in 2017 to adopt the current Constitution. At that time, it was known that the 1908 Act was to be replaced and a draft Bill was available and was taken into account when drafting the current Constitution. However, during the progress of the Bill through the parliamentary process, there were a range of changes made which have resulted in some of the provisions of the Constitution being out of alignment with the final version of the Act.
 - viii. Accordingly, ATC will need to make changes its Constitution in order to comply with the Act and enable it to re-register under the Act.
 - ix. In addition to the amendments required to meet the mandatory requirements of the Act, the Board is proposing several amendments to give greater flexibility to use electronic processes, including electronic voting and to address some matters which the Board consider to be in the nature of "tidy up" changes.
 - x. Provided to members with this Notice of Meeting is a copy of the Club's current Constitution which shows the proposed changes marked in red. There are explanatory notes for individual changes in blue. The approach the Board has taken to the proposed changes is to make the minimum level of change required in order to meet the requirements of the Act, and, where possible, to use any "safe harbour" provisions set out in the Act.
5. To consider and set the annual remuneration for the Board pursuant to clause 11.13(a) of the Constitution.
 6. Presentation of Membership Badges
 - i. 50-year Membership
 - ii. 40-year Membership
 - iii. 30-year Membership
 7. General Business



Jamie MacKinnon
PRESIDENT

14 November 2025

PRESIDENT'S REPORT



JAMIE MACKINNON

If I were to summarise the past year in one word, I would call it different.

Our main focus has been on reducing debt and building a sustainable future for the Club. Unfortunately, with the Pukekohe property not settling as expected last December, we found ourselves once again facing challenges that have troubled the club for years, only this time they became urgent.

Early in the new year, the priority shifted to securing a buyer for Franklin Park. We engaged Colliers to run a comprehensive marketing campaign in March, and by June we had a conditional offer.

In accordance with our Constitution a Special General Meeting was held on 23rd July to seek member's approval to enter into an agreement to complete a sale for Franklin Park and to sell some or all of the commercial units located at 223 Greenlane West. A resounding majority agreed to proceed with these sales and a full update will be provided at the AGM in December.



What is pleasing, however, is that despite a soft economy, the club's business model remains sound. The accounts will show a healthy EBITDA of 0.9 million, and just two months into the new financial year, trading is already tracking well ahead of last year.

STRATEGIC DIRECTION

For years, the Board has worked to clear away the obstacles that have hindered long-term planning and delivery of strategy. At times it may have felt like two steps forward and three back, but we have made significant progress. I would like to share with you the outline of our Strategic Plan, built on four key pillars:

REINVIGORATE RACING

- Enhance the on-course experience
- Improve hospitality and entertainment offerings
- Invest in new racing concepts to grow participation & wagering
- Strengthen sponsorship activity
- Expand digital & social media capability
- Raise the profile of Alexandra Park as a premier entertainment destination
- Support horse ownership and syndication

STRENGTHEN TRADING PERFORMANCE

- Clear debt and restore liquidity
- Grow commercial operations to deliver stronger returns
- Reinvest in revenue producing areas (Gaming, TAB, Alex)
- Secure new revenue sources

SUSTAINABLE PROPERTY PORTFOLIO

- Complete the sale of Pukekohe
- Progress sale of commercial units
- Invest in the Blues High Performance Centre
- Upgrade function and event spaces to attract tenants
- Provide adequate event and race-night parking

FIT-FOR-PURPOSE INFRASTRUCTURE

- Review & upgrade key infrastructure
- Develop an asset management plan
- Advance plans for a future training centre

HIGHLIGHTS

One of our key initiatives is the Golden Gait programme. Launched last year, it is a loyalty programme rewarding participation and performance throughout the racing calendar with finals on the Friday before Christmas. The Friday before Christmas has traditionally been a quiet night on course with wagering to match to the point that we stopped racing on this night. The previous time we raced was back in 2020. Turnover compared to 2020 was up a whopping 62%.

To illustrate:

2020 – 8 races, 71 starters, turnover \$596,470

2024 – 10 races, 118 starters, turnover \$955,061

The Golden Gait has reinvigorated racing, created a buzz on course, and supported outstanding wagering results, contributing to a 26% annual growth in North Island wagering turnover from punters nationwide.

Alongside this, we are investing in improving the on-course experience — particularly hospitality — as we know a vibrant, enjoyable race night is the best way to attract more people to Alexandra Park.

This year we also secured valuable new partnerships: Tesla has installed a twelve-bay charging station near the stables, and Lumo will be erecting

large digital signs on our Manukau and Greenlane Road sites. These initiatives strengthen our revenue base.

INDUSTRY RELATIONSHIPS

Racing remains the heart of our club. To succeed for our stakeholders — members, owners, trainers, drivers, and sponsors — we must remain deeply connected to the harness racing industry.

The Northern Regional Forum has united clubs in working together for the betterment of racing at both regional and national levels. In my years on the ATC Board, I have not witnessed a stronger relationship with HRNZ management than now. With capable people in key positions, harness racing is now moving forward positively. Differences will arise, but in resolving them we make better decisions.

ACKNOWLEDGEMENTS

I want to acknowledge the outstanding work of our team. Led by Brent Warren, our Commercial and Finance Manager, they have shown resilience and unity under pressure. My thanks go also to Karen Blanchard, John Farrier, Mark Allen, Samantha Surrey, Carole Jost, and their teams. To our race-night Stewards, your dedication is invaluable and the work that you perform to uphold the tradition that members and winning connections have come to expect from the Auckland Trotting

Club is deeply appreciative, thank you.

To my fellow Board members, I extend my gratitude for your commitment and respect in navigating the many challenges before us. I also acknowledge consultants Graham Harford and Shaun Brooks for their invaluable contributions. We farewell Robert Dunn and Scott Plant, who both made valuable contributions to the Racing Committee, with Scott serving as Chair. We also extend our gratitude to Shaun Brooks as he returns to Australia. Each leave the organisation stronger for their involvement and Directorship.

LOOKING AHEAD

The year ahead holds promise. With successful property sales underpinning our plans, we can focus on strengthening racing, securing revenue, and delivering on our strategic priorities. If everything aligns, 2026 will be an exciting and rewarding year for the Auckland Trotting Club.

Jamie

BOARD OF DIRECTORS



JAMIE MACKINNON
PRESIDENT

Jamie is the Managing Director of Olympic Swiss Watches and has been President of the Auckland Trotting Club for the past four years. He also serves as Chairman of the Northern Forum of Harness Racing Clubs, is a

founding committee member of the National Forum of Clubs, and is a Board member of the Sires Stakes Board.

With a lifelong passion for racing and breeding, Jamie has enjoyed success with many good horses, most recently

Mataderos and Kissandrun.

His leadership is focused on reducing debt and guiding the Club toward a stronger, more sustainable future for its members and the wider racing industry.



LEN OUGHTON
VICE PRESIDENT

Len was appointed to the Board in January 2020 following being a Race Night Steward for the previous four years and retired as a Financial Adviser in 2023.

Len is a 50-year member of the

Auckland Trotting Club and is very passionate about Harness Racing and the future of our Club.

Through his association with Barry Purdon and Scott Phelan, Len has raced some very good horses Sky

Major, Maxim, Jack's Legend and currently races Meant To Be, Halberg and Mama's Wish.

Len has completed a Company Directors Course at the Institute of Directors New Zealand.



SCOTT PLANT
DIRECTOR

I am resigning from the Board this coming election.

It has certainly been a challenging time with our focus being the bank debt which has dominated how we run the club.

As the Chairperson of the ATC Racing Committee our involvement with the "new" TAB has been uplifting with the opportunities it presents the club and the industry.

It has been a privilege to serve on the Board for two periods of 4 and 6

years and I leave the board knowing that it's in good hands being led by the hardworking Jamie McKinnon.



ROBERT DUNN
DIRECTOR

Robert Dunn has been involved with Harness Racing in New Zealand for over 55 years. He is currently the Director of Diamond Racing and trains horses in partnership with his daughter-in-law Jenna Dunn out of 3 stables. He is the only trainer in New Zealand who operates out of both Islands and has done successfully for the last 10 years.

Robert has trained over 2,000 winners, has been a multiple premiership winning trainer and has won The NZ Cup, The Auckland Cup, The Dominion

Handicap and The Rowe Cup. He has also been inducted into the Addington Harness Hall of Fame and The Caduceus Club Hall of Fame.

Over the years, Robert has served on The Standardbred Breeders Association, The Trainers & Drivers Association and has been a Director of Harness Racing New Zealand as well as being a current Director of The Auckland Trotting Club.

Robert is totally committed to the Auckland Trotting Club. Now that we

have a full racing calendar in Auckland, it is essential that we encourage more horses and trainers to race at Alexandra Park.

The upcoming sale of Franklin Park and the relocation of trainers to a new facility is essential for our Club going forward. I am committed to ensuring that this transition is seamless and a positive experience for all involved.



COURTNEY MACKINNON
DIRECTOR

Courtney has been involved in harness racing her entire life, growing up at Alexandra Park watching her parents' horses race and later participating in the Kidz Kartz programme.

With deep family connections to the industry, she has worked in a variety of roles across racing, including with Harness Racing New Zealand, Alexandra Park and Cambridge Raceway.

Professionally, Courtney brings experience in business development, hospitality, marketing, and digital strategy. She is passionate about innovation, connecting with new audiences, and ensuring a sustainable future for harness racing.

This year, Courtney has been working on a number of initiatives designed to engage younger audiences with

our industry, while also focusing on enhancing the on-course experience. Over the next 12 months, the club looks forward to seeing this work come to life, further strengthening Alexandra Park's position as a vibrant hub for harness racing.

GOVERNING STATEMENT

ROLE OF THE BOARD

The Board is the governing body of the Club and is responsible for overseeing the Club's operations, ensuring that its business is carried out in the best interests of the Members and stakeholders.

ETHICAL STANDARDS

All Board members, Management and staff are required to adopt standards of conduct which are ethical and comply with all legislative requirements. The national Racing Integrity Unit has set compliance standards with which the Club's activities need to comply.

MANAGEMENT LIMITS OF AUTHORITY

The Board has delegated the day-to-day management of the club to the Senior Leadership Team. There are in place specific limits on the ability of the Management to incur expenditure, enter contracts, or acquire or dispose of assets without Board approval. The club's rules/Constitution also impose restrictions on the Management and Board which preclude the sale of freehold land and limit borrowings which are secured by mortgage over land owned by the Club without the prior approval of Members. In addition, Harness Racing NZ Inc has the authority to impose certain national standards with which the Club needs to comply.

STRATEGY

The Board's specific responsibility is to approve strategic plans for the Club and its business units and approve and review the:

ANNUAL BUDGETS
ACQUISITIONS, DIVESTMENTS
AND FUNDING

THE CLUB'S ACCOUNTS
COMPLIANCE – HEALTH AND
SAFETY, INTERNAL & LEGAL
COMPLIANCE

CODES OF CONDUCT
REMUNERATION OF THE
MANAGEMENT TEAM & STAFF

OVERSEE RISK MANAGEMENT
MAJOR CAPITAL EXPENDITURE

STRATEGIC REVIEW

Each year the Board and Management develop and approve a Business Plan/Budget which identifies opportunities and challenges for development, risks associated with the Club's operations, funding requirements and resources.

MANAGEMENT REPORTING

Management is required to report to each monthly Board meeting in sufficient detail to enable the Board to assess progress against annual budgets, strategic goals and major projects. In addition, Management reports detail of compliance with legislative requirements such as health and safety.

COMMITTEES

Members of the Board are allocated positions on the following committees:

AUDIT AND FINANCE COMMITTEE

PROPERTY COMMITTEE

RACING COMMITTEE

DEVELOPMENT FINANCE
COMMITTEE

REMUNERATION COMMITTEE

ATTENDANCE AT BOARD MEETINGS

J MacKinnon	12/12
L Oughton	12/12
S Plant	11/12
R Dunn	9/12
C MacKinnon	11/11



RACING REPORT

KAREN BLANCHARD
RACING DIRECTOR

As Racing Director, I am pleased to present the Auckland Trotting Club's racing performance for the period 1 August 2024 to 31 July 2025.

During this time, we conducted 41 Friday night meetings, a New Year's Eve event, and 3 Saturday night meetings due to weather postponements.

This represented an increase of 14 race nights compared to the previous season, which has been highly beneficial for the ATC.

The ATC, together with the NZ Metropolitan Harness Racing Club, has played a key role in boosting harness wagering during Friday Night Lights on Trackside 1, this has been especially noticeable in the Northern Region.

A notable initiative introduced in 2024 was the Golden Gait loyalty programme. Horses accumulated points throughout the year to qualify for the 10 Golden Gait finals held on Friday, 20 December, with each final offering a \$100,000 prize purse.

At the conclusion of this race night, 10 winning ownership groups celebrated their respective horses' successes in the finals.

In mid-September, the Spring Cup and the first Group 1 race of the season—the Caduceus Club 2YO Fillies Classic—were held. Due to inclement weather on Friday, 20

September, racing was postponed to Saturday; however, The Rising Foundation Fundraiser proceeded as scheduled while the horses remained at home to prepare for competition the following evening.

Beetastic, trained by Peter and Vaughan Blanchard at Pukekohe and driven by Peter Ferguson, captured the Group 1 2YO Fillies title, providing a dividend exceeding \$65.00 for her large group of owners.

During the Alexandra Park Christmas Carnival beginning in early December, a new race the Queen of Diamonds, debuted alongside the Group 1 Woodlands Stud Queen of Hearts. Duchess Megxit, trained by Barry Purdon & Scott Phelan and driven by Zachary Butcher, secured the Queen of Hearts, while One More Moment, trained by Zev Meredith and driven by the late Greg Sugars, claimed the Queen of Diamonds which was for the Filly and Mare Trotters.

The 2024 Twilight New Year's Eve meeting saw the Auckland Cup and National Trot return to this date from their previous April/May scheduling. Republican Party, trained by Cran & Chrissie Dalgety and driven by Carter Dalgety, won the Auckland Cup, while Muscle Mountain, trained by Greg & Nina Hope and driven by Ben Hope, triumphed in the National Trot.

New Year's Eve racing at Alexandra Park remains a cherished tradition, offering an enjoyable occasion for locals and visitors alike. The event continues to draw strong community support, fostering a vibrant atmosphere. Following this meeting, the club observes a brief break,

resuming racing in early February.

The National Yearling Sales were held at Karaka on Sunday, 15 February, with the NZBS Harness Millions 3-Year-Old Pacing Division races shifting to Friday, 21 March which has been a change to previous years. This premier race night also marked the commencement of the Young Guns heats and included the City of Auckland Free-For-All.

On the night, Marketplace captured the 3YO Colts and Geldings division, while Stella Rouge prevailed among the fillies. Stella Rouge is trained by Steve and Amanda Telfer and was driven by Tim Williams. Marketplace, under the guidance of Regan Todd and driver Craig Ferguson, continued his dominance by subsequently winning the Woodlands Stud Northern Derby.

In early April, we hosted the Magness Benrow 80th Birthday Race Night, featuring the Taylor Mile and Lyell Creek Stakes. We Walk By Faith, trained by Hayden and Amanda Cullen and driven by Matty White, took the Taylor Mile, while Muscle Mountain, trained by Greg & Ben Hope and driven by Ben Hope, won the Lyell Creek.



Anzac Day featured the fourth Premier meeting for the club and was highlighted by five Group 1 races. Sadly, the evening was marked by the untimely passing of Greg Sugars—a key figure of Alexandra Park's 2024 Autumn Carnival. The club honoured his memory with a moment of silence and a tribute to his achievements.

Victories during the evening included Marketplace in the Woodlands Stud Northern Derby; Arafura trained by Hayden and Amanda Cullen, driven by Tony Herlihy winning the Pascoes The Jewellers Northern Oaks and Meant To Be who is trained by Barry Purdon & Scott Phelan, driven by Zachary Butcher in the Breckon Farms Northern Trotting Derby.

The HR Fiske Anzac Cup went to Mighty Logan trained by Robert & Jenna Dunn and was driven by Johnny Dunn. Republican Party, driven by Carter Dalgety, won the Dawson Harford NZ Messenger and then continued his winning way in the Group 1 Roy

Purdon Memorial the following week for trainers Cran & Chrissie Dalgety.

The subsequent week featured the Reharvest Rowe Cup, won by Bet N Win for trainers Stacey & David White, and driven by Bob Butt. This evening also saw the Young Gun finals, with Cool For Cats securing the Gallagher Insurance Delightful Lady Classic for 2YO Fillies (Robert & Jenna Dunn, driven by John) and Frazzled taking the What The Hill @ Woodlands Northern Trotting Oaks for the same training partnership. The Breckon Farms Cardigan Bay Stakes for 2YO Colts and Geldings went to Fugitive, with Cran & Chrissie Dalgety also achieving a double courtesy of Republican Party's win in the Roy Purdon Memorial.

The final Premier night of the season was set for 9 May but was interrupted by heavy rain after the first race, necessitating postponement to Saturday, 10 May. That evening spotlighted the Group 1 Magness Benrow for 3YO Fillies, captured by

Captains Mistress who is trained by Nathan Williamson in Invercargill, who also trains the winner of the IRT 2YO Young Guns Trotters Final, Duchess Maria. Both these horses were driven by Nathan making it a successful trip to the North. The other Group 1 feature, the IRT 3YO Trotters Championship, was won by Meant To Be, concluding his campaign with eight consecutive victories.

That wrapped up the Premier and Feature Meetings for the season at Alexandra Park where in total there were 45 meetings held, and 395 races run and won.

We would like to offer our congratulations to all those winning connections of all these races held at Alexandra Park and thank you to the other connections whose horses didn't win a race at our course but did support the club to get these races off the ground.

2024-2025 WINNERS GROUP 1, 2, 3 & LISTED OVERALL PERFORMANCE

The Alexandra Park Trotting Club had a productive 2024-2025 season marked by increased race meetings and strong participation despite encountering three weather event disruptions, all scheduled races were successfully conducted with rescheduling efforts.

The club hosted 395 races over 44 race nights, an increase of 13 meetings from the previous season, featuring a total of 3,274 starters and an average field size of 8.2 runners.

The wagering turnover reached \$28.1 million, while prizemoney returned to industry participants exceeded \$10.2 million. The average turnover per starter was \$8,600,

reflecting robust engagement and economic impact within the racing community.



2025 ATC TRAINERS & DRIVERS PREMIERSHIP WINNERS

Finished 31 December 2025

ROY PURDON ALEXANDRA PARK TRAINER OF THE YEAR

Barry Purdon & Scott Phelan
60 wins / 52 Seconds / 31 Thirds

PETER WOLFENDEN ALEXANDRA PARK DRIVER OF THE YEAR

Zachary Butcher
54 wins / 42 Seconds / 30 Thirds

ALEXANDRA PARK JUNIOR DRIVER OF THE YEAR

Crystal Hackett
27 wins / 29 Seconds / 18 Thirds

PRIZEMONEY	RACE NAME	HORSE NAME
2024-2025 GROUP 1 WINNERS		
\$250,000	Trillian Trust Auckland Cup	Republican Party
\$200,000	Woodlands Stud Nortern Derby	Marketplace
\$200,000	Reharvest Rowe Cup	Bet N Win
\$200,000	Magness Benrow NZ Sire Stakes 3 YOF Championship	Captains Mistress
\$120,000	IRT Sires Stakes Trotters Championship	Meant To Be
\$110,000	Caduceus Club 2 YO Fillies Classic	Beetastic
\$100,000	Woodlands Stud Queen of Hearts	Duchess Megxit
\$100,000	Pascoes The Jewellers Northern Oaks	Arafura
\$100,000	Dawson Harford Taylor Mile	We Walk By Faith
\$100,000	Peter Breckon Memorial National Trot	Muscle Mountain
\$100,000	Dawson Harford NZ Messenger Championship	Republican Party
\$100,000	Breckon Farms Nortern Trotting Derby	Meant To Be
\$100,000	Breckon Farms Young Gun Cardigan Bay Stakes	Fugitive
\$100,000	HR Fisken & Sons Anzac Cup	Mighty Logan
\$100,000	Roy Purdon Memorial	Republican Party
\$100,000	TAB - Queen of Diamonds	One More Moment

2024-25 GROUP 2 WINNERS

\$70,000	Caduceus Club Ladyship Stakes	Beside Me
\$70,000	Gallagher Insurance Delightful Lady Classic	Cool For Cats
\$60,000	Lincoln Farms Franklin Cup	Miki Shan
\$60,000	Alabar Classic	Rubira
\$60,000	Auckland Co-op Taxis 300-3000 City of Auckland FFA	Don't Stop Dreaming
\$60,000	Lone Star Lyell Creek Stakes	Muscle Mountain

2024-25 GROUP 3 WINNERS

\$50,000	IRT NI Young Guns 2 YO Trot Final	Duchess Maria
\$40,000	Caduceus Club Northern Breeders Stakes	Princess Meritaten
\$40,000	Majestic Horse Floats Greenlane Cup	Kyvalley Hotsur
\$40,000	HR Fisken & Sons Northern Trotting Breeders Stakes	American Muscle
\$40,000	Lincoln Farmers The Founders Cup	Jolimont
\$40,000	What The Hill at Woodlands Northern Trotting Oaks	Frazzled

2024-25 LISTED WINNERS

\$200,000	NZB Standardbred Harness Million 3YO C&G	Marketplace
\$150,000	NZB Standardbred Harness Million 3YO Filly	Stella Rouge
\$75,000	NZB Standardbred Harness Million 3YO Trot	Meant To Be
\$40,000	I Can Doosit Trot	Lord Popinjay
\$40,000	Magness Benrow Mares Classic	Treacherous Gall

2024-2025 TRACK RECORDS

Thanks to the ATC Track Staff for their excellent work preparing the track for Club race nights, managing various challenges throughout the past season.

The Club switched track surface material at Alexandra Park to ensure a steady supply, which took some time to establish. Severe weather, including a cyclone before Easter and multiple heavy rain events, led to three race night

postponements, moving these from the Friday to the Saturday. Despite difficulties, Alexandra Park saw five track records from 1 August to 31 December 2024, and another five between 1 January and 31 July 2025.

In total, there were 10 new records for the season: 4 from pacers and 6 from trotters, including 4 National records.



TRACK RECORDS

PACERS



GREASED LIGHTNIN
TRACK 14/02/2025 – 3 YO C&G
Mobile – 1700m - 2.00.0



WE WALK BY FAITH
TRACK 11/04/2025 – OPEN
Mobile – 1 Mile - 1.51.6



MARKETPLACE
TRACK & NATIONAL
25/04/2025 – 3 YO C&G
Mobile – 2700m - 3.14.9



ARAFURA
TRACK & NATIONAL
25/04/2025 – 3 YO FILLY & OPEN MARES
Mobile – 2700m - 3.15.9

TROTTERS



BOLT FOR THE HILL
TRACK 27/09/2024 – 3YO C&G
Mobile - 1 Mile – 1.57.3



OCEAN EYES
TRACK & NATIONAL
04/10/2024 – 2YO FILLY
Stand - 2200m – 2.51.7



SHEZ BELLA
TRACK 25/10/2024 – MARES
Mobile - 1 Mile – 1.56.6



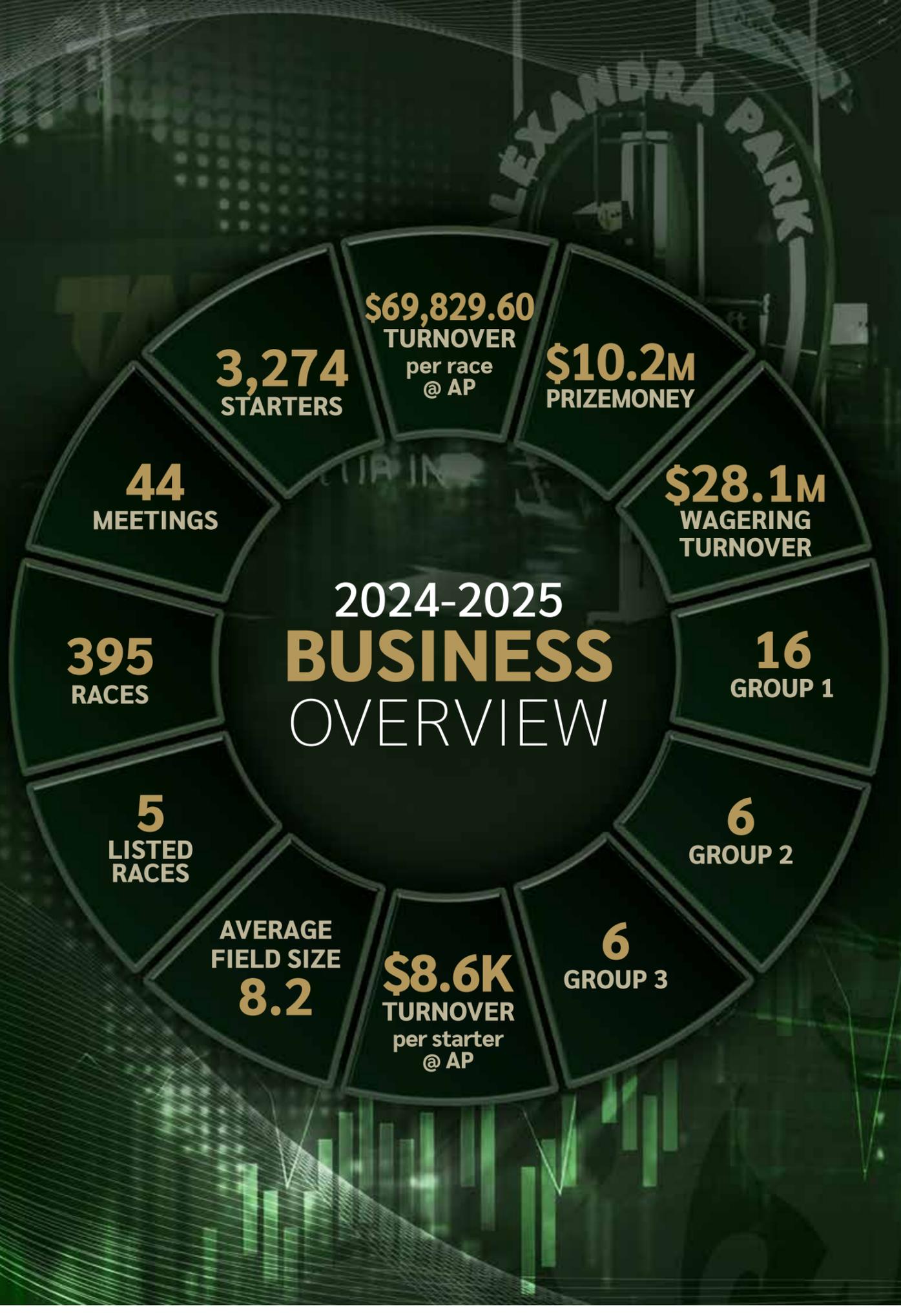
MEANT TO BE
TRACK 20/12/2024 – 2YO C&G
Mobile - 1Mile – 1.58.9



HILLBILLY
TRACK & NATIONAL
31/12/2024 – 2YO C&G
Stand - 2200m – 2.51.3



YA RITE DARL
TRACK 19/04/2025 – 3YO Open & Filly
Mobile 1700m – 2.06.1





FRANKLIN PARK

Franklin Park Training Centre is a 96-acre harness training complex in Pukekohe and is a vital part of the Auckland Trotting Club's daily operation to support Alexandra Park in its position of the Premier Harness track in the North Island.

There are three training tracks and various barns around the site with between 160-200 horses trained on these tracks each day. These numbers fluctuate depending on the time of the year and the visiting trainers that are stabled in Pukekohe for the racing carnivals at Alexandra Park.

Franklin Park runs trials and workouts every Tuesday for all the horses trained in the Northern region.

Acknowledgement:

Thank you to Track Manager Graham Bayley and his team Greg Shirley, Tim Brosnan and Jon Habraken. The guys are dedicated to their preparation of the three tracks which ensure we have the best possible surfaces for the horses

to work on each day as well as for those attending the weekly trials and workouts. The team are also responsible for the grounds as well as the repairs and maintenance of the site.

As was scheduled a track surface took place early January 2025. The relay of the surface was done with a sand product as this was what was available in the quantity required. Heading into the winter months and the wet weather we added a fine metal to the surface which enabled the track to be good even on the wettest mornings.

As has been in the past years there are always numerous challenges for the team at Franklin Park due to various ageing infrastructure

not performing up to the requirements needed to operate the facility. The team has undertaken the necessary projects to keep the affected infrastructure operational.

In late February we welcomed Mark & Nathan Purdon to the Stables complex at 240 Station Road. The previous tenant vacated in late October, and the complex underwent a major overhaul before they shifted in with their 20+ racehorses.

Also, we would like to thank Ngaire Gordon, all the volunteers and ATC staff that contribute towards the Tuesday trials and workouts running so smoothly each week.

SPONSORSHIP

Auckland Trotting Club acknowledges all Corporate Partners and Sponsors for their support throughout the 2024-25 season and their contributions to harness racing and annual events.

Despite challenging economic conditions, each Corporate Partner, Sponsor, and supporter has played a role in the club's operations. The club recognises the business relationships with its partners and welcomes continued involvement of any size.

Major Corporate Partners supporting Alexandra Park's sponsorship include Entain, Woodlands Stud, IRT, Breckon Farms, Alabar, Lincoln Farms, and Dawson Harford. Auckland Trotting Club notes the ongoing support from these

organisations year after year and many thanks to all those others who contributed to the last year.

OUR SPONSORS

Alabar (NZ) Ltd
Auckland Co-op Taxis 300-3000
Balle Bros
Beko
Blue Chip IT
Border Fencing Services
Bosch Home Appliances
Breckon Farms
Burnard International
Caduceus Club
Challenge Global Logistics
Classique Landscapers
Coca-Cola
Commercial Realty Property Management
Daily Freight
Dawson Harford Limited
Dayaveg
Direct Couriers Express
Driveline
Due Drop Events Centre
Dunstan Horse Feeds
Fisher & Paykel
Gallagher Insurance
Garrards Horse and Hound
Go Air Sea Land
Gourmet Transport
Grand Park Restaurant
Grove Mega Mitre 10
Haier
H.R. Fiskin & Sons Ltd

HRNZ
Hydroflow Distributors
IRT
Jacobsen Headstones
Jarvis Trading Co.
J P Associates
Lala Patel & Associates
L G Electronics
Lincoln Farms
Lion Nathan
Lone Star Alexandra Park
Magness Benrow
Magness Sound
Magness Video
Mangere Lawn Cemetery
Majestic Horse Floats
Marlin Transport
Metalcraft Roofing
Mitsubishi
Mondiale VGL
Nevele R Stud
New Zealand Bloodstock
Standardbred
NGS World Transport
NZ Standardbred Breeders Association
NI - NZ Trainers & Drivers Association
NI Standardbred Breeders Association
NZ Onion Co.

NZ Staff
Obex Medial
Olympic Swiss Watches
Panasonic
Pascoes The Jewellers
Pipe and Infrastructure
Powell Transport Ltd
Primor Produce
Reharvest
Rocket Freight
Rodewald Consulting
RSM
Remuera Bros.
Samsung
Southern Cross Partners
Star Travel
Superior Cabins
TAB / Entain
Thames Harness Racing Club
The Rogers Family
The Alex Bar & Eatery
The Rising Foundation
Trillian Trust
Van Den Brinks
Vero Wero
Warren Mathieson & Family
Woodlands Stud
100% Home Albany Extreme
100% Home Magness Benrow



PROPERTY REPORT

JOHN FARRIER
PROPERTY MANAGER

Racing activities dominate the character of Alexandra Park with the track as central focus.

Change of underlying zoning from open space to commercial and residential uses was precursor to establishment of a comprehensive racing, sports and entertainment precinct however the development cycle is slow to return, following prior excesses. Potential is evident but components need to be integrated without conflict. The Blues and Sport Auckland continue to underpin sporting emphasis alongside the Alex, Gaming Room and TAB. Grand Park Restaurant is significant complementary fit with patrons adding character whilst sharing support for gaming activities.

Mix of uses needs to provide substance with energy and vibrancy in sympathy with long-term objectives. Stop-gap measures have to be rationalised against risk of conflict with overall strategy. Potters Church generated welcome

revenue albeit parishioners were uncomfortable fit within a recreational gaming precinct. Entain re-branding of the TAB with extensive signage provided refreshing impetus forward now integrated with new way-finding signage offering overdue co-ordinated direction on arrival at Gate B by identifying primary activities. Recent upgrade of Alex menu display is similarly uplifting. This is small step towards dynamic of future change which will accompany precinct development.

The Property team is committed to maintaining the physical environment at the same time as providing revenue contribution, building relationships and responding to development issues under challenging circumstances. The team contributes to revenue performance through tenancy rental and parking, both annual lease and show returns. Property generated \$3.05m in revenue, marginally lower than last year. Auckland Showgrounds events provide welcome parking receipts from the Home, Boat, Armageddon and Food Shows along with Auckland Transport (AT) Park 'n' Ride concerts and

Te Whatu Ora Campbell Crescent annual lease. Proposal to relocate the latter to the Showgrounds end for improved Clinical Centre access through 223 Green Lane West has been delayed by Body Corporate equivocation despite the opportunity being in the interests of all parties. Recent adjusted submission appears to be heading in accepted direction with health and safety conditions satisfied.

The increased racing programme significantly benefits both industry and community however there is downstream toll on equipment with little breathing space for staff when issues go awry. Auckland's weather patterns have influenced make-up of the track with shell no longer available. Consideration was given to crushing mussel shell but there is need for certainty of supply. Currently 4-6mm PAP greywacke crushed fine is mixed with masonry sand to mitigate and combat drift of material to the inside marker pegs. Colour is downside impact but movement of material during heavy rainfall had to be resolved. Long-term objective is replacement of metal halide track lighting with LED fittings requiring substantial investment and commitment.



Moroni Akaiti and Klodjan Dundo have prepared and maintained the track to a consistent high standard with overview by John Denton (HRNZ Tracks Manager) and Graham Bayley (Franklin Park) in association with assistance from Jay Abernethy and Scott Phelan. Individuals taking responsibility with adherence to protocols is the key to performance. Ten track records were set over the past twelve months with four being national records.

The Property team provide broad range of services in relation to buildings, grounds and infrastructure where deferred maintenance is ongoing challenge. Financial burden presents fine balance with current response part reactive rather than proactive. NZ Racing Safety Development Fund grant applications for resurfacing the track at Franklin Park and new towable grader were successful. Proposed application for replacement track lamps was withdrawn due to perceived over-subscription although later submitted and approved by the HRNZ Emergency Infrastructure Fund. Annual outage is towards 50 lamps per annum. Recent applications include HRNZ requisitioned upgrade of camera viewing towers and further lamp replacements.

Partial demolition of the Epsom Stand was submitted as temporary measure; this is deteriorating to environmental

blemish with unattended repairs, water ingress and compromised fire egress. Parkview promises of reinstatement and remediation have been slow to materialise with inhouse Property taking responsible for business continuity by default. Fernz Catering accept these issues as contractual operation immune from remediation negotiation. A Parkview showroom is being established on the platform formed at the end of the High Street cul-de-sac. The proposed 'Stables' apartments to the right on entry at Gate B are described as 'New York style New Zealand lifestyle' with materials reflecting the Green Lane West heritage wall. Comprehensive review of internal carriageways and services has been undertaken including resultant deconstruction of the Centennial Stand porte cochere; nothing which can be future-proofed is being left to chance.

Introduction of Tesla charging stations is useful adjunct bringing customers to Alexandra Park. Equally, the horse containment area has become accepted operational facility with horse arrival laneways set up prior to meetings. Jay Abernethy provides welcome overview. Nott Tonil has taken responsibility for parking operations following reluctant acceptance of Brian Quinn's retirement. Brian selflessly committed to ensure parking remained a major revenue generator for the Club;

his endeavours are unparalleled and cannot be understated. Alan Willy and Margaret Mudgway maintain support for Nott with valuable insight and direction. Parkview continues to make parking available through Gate D on a quid-pro-quo signage basis although the uneven surface with ponding is less than ideal; the route to trackside member parking will ultimately be relocated through Gate B.

Character of the Property Team is manifest in long-serving contribution by Ane Tatafu, House-keeping Supervisor, who continues to work passionately and tirelessly whilst supporting others. Paul Giacon has responsibility for driving deferred building maintenance; he has temporarily reconfigured the damage-prone porte cochere, remediated short-cuts in the grandstand camera room, reinstated damage from Potters Church and Auckland Rugby tenancies, addressed compromised fire egress routes, all in compliant and professional manner. In-house Security is well served by Chris Start, Sateki Tuanaki and Edward Tamalua with Gaming Room and TAB activity closely monitored. Thankfully population of transient neighbouring accommodation has reduced although Gaming Room activity can still have challenges. Notwithstanding this, the positives and future opportunity far outweigh isolated anti-social behaviour.

PROPERTY DEVELOPMENT

MARK ALLAN
PROPERTY DEVELOPMENT DIRECTOR

Our last update referred to ongoing challenging economic conditions especially as they related to the Property Development, Food and Beverage/Hospitality and Construction Sectors of the economy.

Notwithstanding the targeted and aggressive legislation change program undertaken by the new Coalition Government, the economic environment has remained challenging.

Improvements to investor sentiment collapsed in the face of ongoing high interest rates, no growth, lower migration rates and high unemployment.

Fortunately, ATC's Customer's involved in the completion of major fit out programmes worked extremely hard to complete their substantial business investments and opened for business during the first half of the year. These building activities at Alexandra Park Retail involved more than 1,300 sqm of additional space

and several million dollars of investment costs.

Fitout programmes completed at One Tree Buffet in August 2024, Nan Hot Pot December 2024 and Harcourts in January 2025. Significant momentum has been generated by the launch of these three new businesses. They account for nearly 30 additional staff members and customer activity of the restaurants has been consistently good. One Tree Buffet has already developed an expansion plan for their outdoor dining area which would increase capacity by another 50 diners.

ALEXANDRA PARK LIVING RETAIL
ATC reported that its Retail Precinct was 100% let as of October 2023. We can now confirm

that all tenancies are trading, and all Fit Outs are completed.

During the year in under review, three now well-established business tenants have undertaken further upgrades or refurbishments to their operations.

Games Lab invested a further substantial amount of money in extending its customer facilities in store.

The Daruma Ramen operation conducted extensive market research along with customer focus groups and a 'pop up' trial store at another CBD location. The result is a newly launched business Katsu Tei which has replaced the Daruma Ramen brand.



Property Ventures in collaboration with Harcourts is also doing fitout upgrades to allow for more staff and better customer experience.

The uplift in activity arising from 100% occupancy and improving customer numbers has required ATC to work even more closely with Active Building Managers who are the Body Corporates (2) representatives on the site. A wide range of shared infrastructure and Building Systems including Security, Parking and Waste Management along with Safety necessitates a close and collaborative relationship between the Retail Tenants and the residential Owners and Occupiers. The building at Alexandra Park Living, comprising B, D and A are now around five years old and have been undertaking various programmed maintenance activities as expected.

GLENEAGLES & PARKVIEW ON CORNWALL

Parkview has had to contend with unprecedented challenges in the new apartment build market. Consumer sentiment has made the achievement of presales targets extremely difficult.

The developers have taken the opportunity to refine and enhance the original components of the Master Plan and have reorientated the construction development to commence at the 'Lollipops' end of the site at the main entrance of the Club, Gate B.

The initial two Residential Towers incorporate a central hotel services module, and the development has been launched as "The Stables". The re-launch, inclusive of a substantial Apartment Display Unit

and Sales Office is expected in October 2025.

ATC continues to closely monitor and review all aspects of proposed Parkview developments to ensure they are compatible with obligations agreed in the Sale and Purchase Agreement and related Deed.

ATC and Parkview are also in regular communication and monitoring process to deal with parking and access issues at Gate D as well as negotiations on the timing to complete the partial demolition in situ at the old Epsom Stand.

FINANCE REPORT

BRENT WARREN
GM FINANCE AND
COMMERCIAL OPERATIONS

The 2024/25 financial year has seen good progress by the Club in tough economic conditions and against the backdrop of the legacy debt that the Club continues to carry after the property sale of Pukekohe land to Mount Hope Limited failed to settle in late 2024.

The Club is reporting an operating deficit of \$6.1 million this year, inclusive of \$6.2 million of interest costs, \$1.1 million in depreciation expense and +\$0.3 million in investment property revaluations. After removing these non-operating or non-cash items, the Club has produced an operating EBITDA surplus of \$0.9 million (2024: \$1.7 million).

The Club ran a successful inaugural Golden Gait series throughout 2024 culminating in the \$1m Finals Night in December where ten races of \$100,000 each were raced for. The Club has also settled all legal matters with Canam Construction during the financial year to bring to an end to many years of litigation with this Group.

As at 31 July 2025 the Club had net assets of \$93.3 million. This includes \$82.5 million of borrowings from our funder Westpac New Zealand Limited. These borrowings are due to be repaid in full once the sale of Pukekohe land and the sale of the commercial units have been completed. As the current funding agreement expires in less than 12 months, the debt is classified as a current liability whereas the book value of the assets being sold are treated as non-current assets. This means that technically the Club has negative working capital of \$60.1 million as at 31 July 2025. This situation does not directly impact the Club's ability to finance its immediate operational needs, and the negative working capital position will be eliminated when the assets are sold.

PROPERTY

As members are aware, the sale of the Franklin Park property to Mount Hope Limited did not complete in November 2024, and the Club elected to terminate the agreement. The property has since been re-marketed for sale and the Club remains committed to settling on the sale of this property in the near future.

The commercial units at 223 A/B Greenlane West Road have also been resolved to be sold to clear away the debt and better position the Club for the longer term. Initial interest in the individual tenancies has been encouraging. All 14 tenancies are currently leased which reflects the attractiveness of the precinct to both customers and would be purchasers.

Discussions continue with the Blues about extending their lease beyond 2026 to remain with Alexandra Park as their home. As outlined at this year's Special General Meeting, the Club needs to upgrade and expand the facility for the Blues to commit to a new tenancy but is committed to ensuring all risk associated with this project sits outside of the Club.

The Epsom Stand partial demolition remains outstanding, and we continue to work with the developers/owners Gleneagle Parkview to fully complete this project. Gleneagle Parkview have cleared away what remained of the Epsom Stand and created additional parking capacity in the short term.

The Club is required to revalue its land and investment properties every financial year for financial reporting purposes. The Alexandra Park land has been revalued upwards this year by \$5.9 million (to \$109.1 million) and the investment properties of the Club upwards by \$0.3 million. It should be noted that these annual valuations do not represent any cash outflows or inflows for the Club and are valued at a point in time.

COMMERCIAL OPERATIONS

The Alex Bar and Café has performed relatively well in a hostile hospitality environment that continues to see many hospitality focused businesses closing their doors over the past 18 months. The cost of ingredients and food products has risen substantially during this time, and the Alex team has worked very hard to maintain a value proposition for our customers in spite of these cost pressures. New digital assets have recently been installed to allow for a more dynamic promotion of on-site activities and better customer experience throughout the premises.

The gaming room continues to be one of the strongest and most resilient sources of income for the Club. Turnover from the gaming room has dipped slightly year on year reflecting the tough economic climate our patrons are facing. However, the Club's gaming turnover remains slightly ahead of market trends as we look towards economic conditions improving. The Club remains committed to providing a safe and secure form of entertainment for our patrons in keeping with our social responsibility to identify and approach people who display problem gambling

attributes and assist in a proactive but sensitive manner in line with new gaming legislation introduced in late 2023.

The TAB financial performance has been solid and very resilient with continued strong patronage which is a great credit to the team running the branch. Our branch remains the largest TAB in the country (by turnover) and continues to offer a quality service.

LOOKING AHEAD

The critical financial focus for the Club is to clear away the remaining legacy debt by way of property sales. It must be noted that an extremely significant amount of time and effort has been spent by a number of individuals on this process to achieve the best long-term outcome for the Club. Completing this process will allow the Club to move forward without the shackles of funding costs and close this chapter for the Club.

I would like to recognise and thank all of the staff within the business who provide an integral service to both members and the public. The teams at The Alex, Gaming and the TAB have made this year a successful one and we look forward to a stable and successful future.

**CONSOLIDATED
GENERAL PURPOSE
FINANCIAL REPORT**
FOR THE YEAR ENDED
31 JULY 2025

AUCKLAND TROTTING CLUB INCORPORATED
Consolidated General Purpose Financial Report
For the year ended 31 July 2025

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Independent auditors report

**CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 31 JULY 2025**

Purpose

Auckland Trotting Club Inc. (“the Club”) is a Harness Racing club that also operates in the Gaming, Wagering, Hospitality and Property sectors. The aim of the Club is to reinvest the profits from its commercial operations to promote, support and grow harness racing in the wider Auckland Region.

Structure

The Club is governed by a Board of Directors who are responsible for overseeing the club’s operations and ensuring that its business is carried out in the best interests of its members and stakeholders. The board has five elected Directors and one (but no more than three) appointed Directors. Election of Directors takes place at the annual general meeting of the Club (the terms of which are detailed in the Club’s constitution). All elected Directors must be members of the Club. The appointed Director(s) must not be a member of the Club but is appointed by the elected Board members, having due regard to the necessary professional skills and experience required by the Board.

The Board sets the strategic direction of the Club and ensures strategic programs are developed and then implemented. The Board has delegated the day-to-day management of the Club to a Management team who carry out all operational aspects of the Club. There is a delegated authority framework in place for the Management team to follow dictating expenditure, new contracts and asset acquisition / disposal levels without Board approval. The Club’s rules also impose restrictions on both the Management and the Board which preclude the sale of freehold land and limit borrowings which are secured by mortgage over land owned by the Club without the prior approval of members. In addition, Harness Racing New Zealand Inc. (“HRNZ”) has the authority to impose certain national standards with which the club needs to comply.

Each year the Board and Management develop and approve a business plan and annual budget which identifies opportunities and risks associated with the Club’s operations, funding requirements and resources. Management is required to report to the Board each month in sufficient detail to enable the Board to assess progress against annual budgets, strategic goals and major projects.

Main Sources of Club’s Cash and Resources

The Club’s major sources of income come from five main areas, being Racing, Gaming, Wagering, Hospitality and Property.

Racing

The main source of income is derived from HRNZ for operating racing meetings. The Club held 44 race meetings this year with HRNZ funding the majority of stakes and providing funds for venue and track maintenance. In addition, the Club generates further revenue from sponsorship and members’ fees. The Club is also actively involved in sourcing grants from government and charitable bodies for various specific projects that require investment in the furtherance of the Club’s stated purpose (primarily racing infrastructure and stakes).

**CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 31 JULY 2025**

Gaming

The club holds a Class 4 Gaming license which allows it to operate 18 gaming machines in The Alex Bar & Café premises. All the surplus from the gaming machines are reinvested to support the daily operations of Club and for race stakes top-ups.

Wagering

The Club provides race night Totes and has an on-site TAB outlet for which the Club receives a commission from the TAB.

Hospitality

The Club owns and operates The Alex, which is a café/restaurant and bar facility open to the public 7 days a week. Race night dining and various functions and events are held on the Club’s premises that also provide a source of income.

Property

The Club owns a series of ground floor retail spaces at 223A&B Greenlane West Road, Epsom, that have been leased to third party commercial tenants. The Club also leases various spaces to third party tenants within its main premises. Rental revenue is derived from these tenants. The Club also receives car parking revenues at various times during the year when large events are held at the Greenlane Convention Center / ASB Showgrounds.

Main Methods Used to Raise Funds

Racing stakes and venue payments are dependent on the calendar of race meetings determined by HRNZ. The Club is a “premier harness racing venue” located in New Zealand’s largest city but in recent years has seen stakes increase along the volume of race nights.

Much of the remaining revenue is sourced from the Clubs commercial operations, identified above, with all funds generated being reinvested into the Club’s operations. In addition to the commercial revenue the Club will also apply for ad-hoc grant funding which is sourced by application to various government and charitable bodies in the furtherance of specific targeted projects.

Reliance on Volunteers and Donated Services

The Club relies on a number of volunteer roles, namely those that assist with weekly workouts at Franklin Park and the race night stewards assisting each race meeting.

Contact Details

Physical address: Corner Greenlane West & Manukau Roads, Epsom, Auckland 1051
Postal address: PO Box 26021, Epsom, Auckland 1344
Phone: (09) 630 5660
Email: administration@alexandrapark.nz
Website: www.alexandrapark.co.nz

**CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE
 FOR THE YEAR ENDED 31 JULY 2025**

Description of Club's Outcomes

The Club's primary objective is to conduct and promote harness racing in Auckland and the wider northern region in a sustainable manner. Maintaining the current level of race meetings allocated from HRNZ and more specifically, Friday night racing, is vital to ensure these outcomes.

The 2024/25 year saw the Club increase race meetings to 44 compared to the prior year of 31 races. The Club has funded stakes contribution by \$755k (from \$280k in 2024) primarily for the Golden Gait series, to help support the industry and make it a viable, sustainable, and attractive industry for owners, trainers and all those associated with the sport.

Funding for increased stakes and the general operation of the Club requires a strong financial return from its commercial operations including Gaming, TAB, sponsorships, functions and events and The Alex Bar/Café. The Club is focused on maximising its commercial returns where possible and in the 2025 year delivered a trading surplus of \$0.9 million (2024: \$1.7 million).

The Club has a property portfolio with multiple retail tenants providing solid rental returns. In addition to providing a sustainable source of income for the Club, the property portfolio also contributes to a vibrant living precinct on the Greenlane premises.

Description and Quantification of Club Outputs

	Actual This Year	Budget This Year	Actual Last Year
Number of race meetings held	44	44	31
Number of races	395	420	282
Runners per race	8.2	8.5	8.5
Races per meeting	9.0	9.5	9.1
Starters	3,274	3,570	2,409
Total stakes (\$000's)	10,259	10,220	6,664
Club funded stakes (\$000's)	755	750	280
Retail tenanted investment properties (15 available)	15	15	15

Each racing year the Club is licensed to run a set number of race meetings which places a cap on the maximum number of race meetings available. The number of races and starters within each meeting is an output that the Club is trying to increase. This year the number of races and starters along with total stakes was in line with the budget.

The Club has 15 retail tenancies within its investment property portfolio and the goal at the beginning of the financial year was for all tenancies to be leased. It is pleasing to report that all the tenancies have now been leased and are either trading or going through their initial fit out.

The strategic focus for the club for 2026 and beyond is to optimise revenue streams across all of its commercial operations to maximise returns for the club and ultimately all of our racing industry stakeholders.

Registered Office	Alexandra Park Raceway 233 Greenlane West Road Epsom Auckland 1023
Directors	Jamie MacKinnon Len Oughton Robert Dunn Scott Plant Shaun Brooks (resigned 31 October 2024) Courtney MacKinnon (appointed 1 September 2024)
Bankers	Westpac New Zealand Limited
Auditors	BDO Auckland
Lawyers	Dawson Harford Limited

2024-2025 FINANCIAL STATEMENTS

AUCKLAND TROTTING CLUB INCORPORATED

AUCKLAND TROTTING CLUB INCORPORATED

CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 31 JULY 2025¹

	Note	2025 \$	2024 \$
Revenue			
<i>Revenue - exchange</i>			
Racing revenue	5	11,320,378	8,377,364
Trading revenue	6	6,349,670	6,348,879
Other revenue	8	2,761,455	2,099,905
		20,691,504	16,826,148
Rental revenue	7	3,290,859	3,207,190
Property fair value movements	7	260,000	-
<i>Revenue - non exchange</i>			
Grants	8	107,704	71,739
		24,090,067	20,105,077
Less: Expenses			
Racing expenditure	5	(11,700,528)	(8,549,846)
Trading expenditure	6	(3,715,425)	(3,962,055)
Rental expenditure	7	(189,258)	(1,412,574)
Property fair value movements	7	-	(5,419,573)
Operations and administration expenses	9	(8,420,142)	(7,306,716)
		(24,025,353)	(26,650,763)
Operating Profit/(Deficit) for the year before net financing costs		64,714	(6,545,686)
Finance Costs			
Interest Income		65,965	97,878
Finance costs		(6,229,243)	(6,913,743)
Net finance costs	10	(6,163,278)	(6,815,865)
Operating Profit/(Deficit) for the year	28	(6,098,564)	(13,361,551)
Other comprehensive revenue and expense			
<i>Items that will not be reclassified subsequently to surplus or deficit</i>			
Gain/(Loss) on Revaluation of property, plant and equipment	14	5,950,000	(1,300,000)
Other comprehensive revenue and expense		5,950,000	(1,300,000)
Total comprehensive revenue and expense		(148,564)	(14,661,551)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2025¹

	Note	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	12	1,403,943	1,629,415
Receivables from exchange transactions	13	955,291	1,227,969
Inventories		53,388	87,959
		2,412,622	2,945,344
Non-current assets classified as held for sale	16	30,572,437	30,572,437
Total current assets		32,985,059	33,517,781
Non-current assets			
Property, plant and equipment	14	116,474,938	111,300,050
Intangible assets		-	7,575
Investment properties	15	36,895,000	36,635,000
Total non-current assets		153,369,938	147,942,625
Total assets		186,354,997	181,460,406
Current liabilities			
Bank overdraft		213,098	-
Payables from exchange transactions	17	10,014,582	11,099,676
Goods and services tax		34,810	67,589
Borrowings	18	82,536,617	76,576,956
Employee entitlements	19	267,638	279,368
Total current liabilities		93,066,745	88,023,590
Total liabilities		93,066,745	88,023,590
Net assets		93,288,251	93,436,816
Equity			
Revaluation reserve	20	150,316,111	144,366,111
Accumulated losses		(57,027,860)	(50,929,294)
Total equity		93,288,251	93,436,817

Signed on behalf of the members of the committee, 9 October 2025



Jamie MacKinnon
President



Len Oughton
Director

2024-2025 FINANCIAL STATEMENTS

AUCKLAND TROTTING CLUB INCORPORATED

AUCKLAND TROTTING CLUB INCORPORATED

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31 JULY 2025¹

	Note	Revaluation reserve \$	Accumulated losses \$	Total net assets/equity \$
Balance as at 1 August 2023		145,666,111	(37,567,743)	108,098,368
Net deficit for the year		-	(13,361,551)	(13,361,551)
Other comprehensive income	20	(1,300,000)	-	(1,300,000)
Total comprehensive revenue and expense		<u>(1,300,000)</u>	<u>(13,361,551)</u>	<u>(14,661,551)</u>
Balance as at 31 July 2024		144,366,111	(50,929,294)	93,436,817
Balance as at 1 August 2024		144,366,111	(50,929,294)	93,436,817
Net deficit for the year		-	(6,098,564)	(6,098,564)
Other comprehensive income	20	5,950,000	-	5,950,000
Total comprehensive revenue and expense		<u>5,950,000</u>	<u>(6,098,564)</u>	<u>(148,564)</u>
Balance as at 31 July 2025		150,316,111	(57,027,858)	93,288,253

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2025¹

	Note	2025 \$	2024 \$
Cash flow from operating activities			
Receipts from members and customers		23,363,284	19,962,380
Payments to suppliers and employees		(23,235,365)	(20,130,852)
Interest paid		(17,245)	(265,068)
Interest received		139,787	47,088
Net cash used in operating activities	21(a)	<u>250,461</u>	<u>(386,452)</u>
Cash flow from investing activities			
Purchase payment for property, plant and equipment		(365,298)	(666,486)
Proceeds from disposal of property, plant and equipment		2,425	-
Deposit receipts from the sale of property		-	10,000,000
Net cash (used in)/provided by investing activities		<u>(362,873)</u>	<u>9,333,514</u>
Cash flow from financing activities			
Overdraft at bank		213,098	-
Repayment of borrowings	29	(326,158)	(8,375,000)
Net cash used in financing activities		<u>(113,060)</u>	<u>(8,375,000)</u>
Reconciliation of cash			
Cash at beginning of the financial year		1,629,415	1,057,353
Net (decrease)/increase in cash held		(225,473)	572,062
Cash at end of the financial year	12	<u>1,403,942</u>	<u>1,629,415</u>

The accompanying notes form part of this consolidated general purpose financial report and should be read on conjunction with them.

The accompanying notes form part of this consolidated general purpose financial report and should be read on conjunction with them.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Auckland Trotting Club Incorporated (“the Club”) is an incorporated society registered under the Incorporated Societies Act 1908. The Group consists of Auckland Trotting Club Incorporated (the parent), Epsom Functions GP Limited, Hospitality GP Limited and The Hospitality Limited Partnership (together referred to as “the Group”). The limited companies are registered under the Companies Act 1993, in which the Club has ownership of all the shares. The Limited Partnership is registered under the Limited Partnerships Act 2008, with the Club being the sole limited partner. All entities are incorporated and domiciled in New Zealand and have their principal place of business situated at Alexandra Park, Epsom, Auckland.

The Group is a public benefit entity for the purpose of preparing the financial statements.

The principal activity of the Club is to hold and promote harness racing meetings on the Club’s course at Alexandra Park. The principal activity is supported by revenue derived from property development and investment, TAB and gaming operations. The subsidiary entities provide catering to the Club and operate a function centre and sports bar/café utilising the Club facilities at Alexandra Park.

The following are significant accounting policies adopted by the Group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Statement of Compliance

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE Standards) as appropriate for Tier 1 public benefit entities.

Historical Cost Convention

The financial report has been prepared under the historical cost convention except for land and investment properties held at fair value.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the Group’s accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 3 to the financial statements.

(b) Going Concern

The Club would like to acknowledge that there was an overall operating deficit of (\$6.1m) in the year. This included non-cash land and investment property revaluations of \$0.3m as well as debt servicing costs offsetting the trading result of \$0.9m. The Club has also settled all litigation matters with Canam Construction during the year.

At year end the club finds itself in a negative working capital position with current liabilities exceeding current assets by \$60.3m. This is due to the fact that the Club’s \$82.5m borrowings are current liabilities (facilities were amended subsequent to end of year and will expire on 30 July 2026 refer Note 27) while the assets these loans relate to are split between current and non-current.

To address the Clubs residual debt balance, the Club has entered into a Sale and Purchase Agreement for the Franklin Park facility, which the Club has conditionally sold for \$70m. The purchaser is undertaking due diligence on the property and has until early November 2025 to complete it. The Club is also in the process of selling its interests in the commercial units located at 223A and 223B Greenlane West Road, Epsom. The latest valuation of the commercial units is \$29.3m plus GST, excluding cost to sell. The property sales will see the Club extinguish its debt position and secure a positive future for the Club. Should any shortfalls arise from realised sales proceeds, the Club has other commercial properties it can sell to pay off debt and provide operational working capital.

In the event that the sale of Franklin Park does not go unconditional in November 2025, or other planned sales proceeds are realised at lower amounts, or realised later than required, the Club will be required to formally review its position with Westpac so that it may meet its obligations as and when they fall due. These circumstances, combined with the challenge of selling the commercial units at the right price, represent a material uncertainty which may cast significant doubt on the Club’s ability to continue as a going concern, and the Club may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that may be made to reflect the situation should the Club be unable to continue as a going concern. Such adjustments may include realising assets at other than the amounts at which they are recorded in the financial statements.

The Club remains confident in its plan to deal with the residual debt position given it has entered into a conditional Sale and Purchase Agreement for the sale of the Franklin Park facility and has commenced the sale process for selected commercial units. Additionally, the Club maintains a positive net asset position of \$93.3m which, in conjunction with forecast positive cash flow, allows it to sustain its operations, land and property despite the legacy development deficit.

(c) Principles of Consolidation

The consolidated financial statements are those of the consolidated entity (“the Group”), comprising the financial statements of the parent entity and all the entities the parent controls. The Group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

All inter-group balances and transactions, including any unrealised surplus of deficit have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is obtained by the Group and are de-recognised from the date that control ceases.

(d) Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue is disclosed separately as either exchange or non-exchange revenue to comply with the PBE reporting standards. For the Group, non-exchange revenue has been identified at government business support (as listed in note 8 Other Revenue), grants received with all other revenue classed as exchange.

Revenue from rental property

The Group generates revenue from the rental of investment properties and the lease of its own premises to tenants and third parties. Rental revenue is recorded in the month that the properties are leased

Revenue from exchange transactions

(i) Racing revenue

Race meeting revenue comprises the amounts received or receivable for services provided, and goods sold that directly relate to race meeting events conducted by the Group during the financial year. These primarily include industry distributions from the New Zealand Racing Board (NZRB) and other receipts that directly relate to the Group's race meeting activities from members of the Group. Revenue is recognised at the date on which a meeting is held.

(ii) Revenue from trading

The Group generates revenue from hospitality services incorporating a large sports bar/café, gaming lounge and TAB outlet. Revenue from hospitality services is recorded on the date the products and services are delivered to customers over the counter.

Revenue from non-exchange transactions

(i) Grants

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions are not met. If there are such obligations, grants are initially recorded as received in advance and recognised as revenue when conditions of the grant are satisfied.

(e) Income tax

The Group is exempt from income tax in accordance with section CW48 of the Income Tax Act 2007.

(f) Goods and services tax (GST)

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the number of contractual payments to be received/paid. Derecognition will occur when the contractual rights to the cash flows from the financial assets are waived or expire. The difference between the carrying amount and the amount paid/received will be charged to surplus or deficit.

Classification of financial assets

The Group's financial assets are classified as amortised cost.

Financial assets are classified at amortised cost when both of the following conditions are met:

- The Group's business model is to hold financial assets to collect contractual cash flows, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This classification applies to cash and cash equivalents, trade receivables, and other receivables. These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other receivables

Trade and other receivables are initially recognised when they are originated and are normally settled within 30 days. Consistent with both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the assets including cash and cash equivalents, trade and other receivables are subsequently measured at amortised cost.

Interest income

Interest revenue is measured in accordance with the effective interest method using the effective interest rate.

Classification of financial liabilities

The Group's financial liabilities are classified as amortised cost. Amortised cost comprises cash payables and borrowings. Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method. All financial liabilities have been classified in terms of PBE IPSAS 41.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

Impairment of financial assets

Expected credit loss is not material.

(i) Property, plant and equipment

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

Property, plant and equipment asset classes consist of land, land improvements, buildings and grandstands, plant machinery and vehicles, flood and security lighting and furniture and fittings.

Land

Land assets are revalued to fair value periodically, based on a valuation by an independent valuer, holding a recognised and relevant professional qualification, and with relevant experience. New valuations are obtained every year, which is considered adequate to maintain the fair value of land in service use.

Plant and equipment

Plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Land is not depreciated. The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits through the straight line basis.

Class of fixed asset	Depreciation rates	Depreciation basis
Land improvements	5-20 years	Straight line
Buildings and grandstands	20-40 years	Straight line
Plant, machinery and vehicles	5-10 years	Straight line
Furniture, fixtures and fittings	2-20 years	Straight line
Flood and security lighting	20 years	Straight line

Any gain arising on revaluation is recognised in surplus or deficit to the extent that it reverses a previous impairment loss on specific property, with any remaining gain recognised in other comprehensive revenue and expense and presented in the revaluation reserve in net assets/equity. Any loss is recognised immediately in surplus or deficit.

(j) Investment properties

Investment property is land and or buildings for which the present use is solely or predominantly to derive rental income, or the property has the potential to realise capital appreciation. Property will be recognised as investment property only when it is probable that future economic benefits associated with the property will flow to the Group, the cost of the investment property can be reliably measured and the investment property, in its current condition, is able to be sold separately or leased out under a lease.

NOTES TO THE FINANCIAL STATEMENTS
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Investment property is initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour and any other costs directly attributable to bringing the investment property to a working condition for their intended use.

Investment properties are subsequently measured at fair value at reporting date based on a valuation by an independent valuer.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in surplus or deficit in the year of retirement or disposal.

(k) Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if it is highly probable their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Except in some limited circumstances items measured at fair value on a recurring basis, non-current assets and assets and liabilities comprising disposal groups classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell, except when transferred from investment property which will be at fair value.

(l) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

(ii) Retirement benefit obligations

Defined contribution superannuation plan

The Group makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The Group's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

obligation is settled and are presented as current liabilities in the consolidated statement of financial position.

NOTE 2: NEW AND AMENDED STANDARDS AND INTERPRETATIONS

New standards and amendments and interpretation to existing standards that came into effect during the current accounting period beginning on 1 August 2024.

There are no new standards or amendments that came into effect during the current accounting period.

NOTE 3: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Valuation of investment properties

The valuation of land and investment properties is obtained from independent valuation by a qualified person exercising their professional judgement to assess the fair value at the date of valuation. Refer to note 15.

(b) Going concern

As disclosed in note 1(b) the Club considers it has taken all reasonable steps to ensure the long-term financial viability of the Club, notwithstanding there remains some material uncertainty until the Pukekohe land sale is concluded. In considering this position the Club has made some significant accounting estimates and judgements in forming the view that it can continue to operate as a going concern. These are explained in detail in note 1(b).

(c) Borrowings

Borrowings have been classified as current in both 2025 and 2024. Management has exercised significant judgement in assessing covenant compliance to determine classification as current or non-current. Refer to note 18.

(d) Non-current assets held for sale

Management acknowledges that the sale of assets held for sale and classed as non-current assets will not be completed within one year from classification date, but this was due to the conditional nature of the offer which was accepted on the basis of securing a firm purchase. Refer note 16.

NOTE 4: FINANCIAL RISK MANAGEMENT

The Group is exposed to the following financial risks in respect to the financial instruments that it held at the end of the reporting period:

- (a) Credit risk
- (b) Liquidity risk
- (c) Interest rate risk

The members of the committee have overall responsibility for identifying and managing operational and financial risks.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

The Group holds the following financial instruments:

	2025	2024
	\$	\$
Financial assets		
<i>Amortised cost</i>		
Cash and cash equivalents	1,403,942	1,629,415
Receivables	819,105	1,147,995
	2,223,047	2,777,410
Financial liabilities		
<i>Amortised cost</i>		
Payables	10,014,582	11,099,676
Borrowings	82,675,752	76,576,956
	92,690,334	87,676,632

(a) Credit risk

The Group is exposed to credit risk through its financial assets measured at amortised cost, which include cash and cash equivalents, receivables from exchange and non-exchange transactions, and debt instruments. The maximum exposure to credit risk is the total for the financial assets disclosed above. Credit risk is managed by regular monitoring and pursuit of receivables that are past due. Loans and receivables are recognised as amortised cost less provision for any impairment where the estimated recoverable amount is less than carrying value. Cash and cash equivalents are held with an investment grade bank with good standing in the market. Therefore, risk is low.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date of recognised financial assets is the carrying amount of those assets, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to the financial statements.

The Group does not have any material credit risk exposure to any single counterparty or group of counterparties under financial instruments entered into by the Group.

(i) Cash deposits

Credit risk for cash deposits is managed by holding all cash deposits with major New Zealand banks. Refer to note 12.

(ii) Trade receivables

Credit risk for receivables is managed by transacting with a large number of customers, undertaking credit checks for all new customers and setting credit limits for all customers commensurate with their assessed credit risk. Outstanding receivables are regularly monitored for payment in accordance with credit terms. Refer to note 13.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

(b) Liquidity risk

Financial liabilities expose the Group to liquidity risk. Liquidity risk is managed by the regular monitoring and forecasting of cash flow on a daily, monthly and long-term basis to ensure adequate cash resources are maintained to meet obligations as they fall due.

The following table outlines the Group's remaining contractual maturities for financial liabilities. The amounts presented in the table are the undiscounted contractual cash flows of the financial liabilities, allocated to time bands based on the earliest date on which the Group can be required to pay.

Year ended 31 July 2025	<6 months	Total	
		contractual cashflows	Carrying amount
Payables	10,014,582	10,014,582	10,014,582
Borrowings	87,191,266	87,191,266	87,191,266
Net maturities	97,205,848	97,205,848	97,205,848
Year ended 31 July 2024			
Payables	11,099,676	11,099,676	11,099,676
Borrowings	79,177,006	79,177,006	79,177,006
Net maturities	90,276,682	90,276,682	90,276,682

The Group has a facility with Westpac New Zealand Limited (refer note 18) which provides the Group funding. Interest costs are capitalised to the loan principal balance. The loan facility has been specifically designed to cater for the principal debt plus capitalised interest to be incurred until 30 July 2026. The facility has been renewed subsequent to year end (refer note 27). To address the Clubs residual debt balance, the Club has entered into a Sale and Purchase Agreement for the Franklin Park facility, which the Club has conditionally sold for \$70m. The Club is also in the process of selling its interests in 14 commercial units located at 223A and 223B Greenlane West Road, Epsom. The latest valuation of the commercial units is \$29.3m plus GST, if any.

(c) Interest rate risk

The Group is exposed to interest rate risk on bank borrowings for the funding of developments. Interest was capitalised in the current year.

Sensitivity

If interest rates were to increase/decrease by 50 basis points from the rates prevailing at the reporting date, assuming all other variables remain constant, then the impact of surplus and deficit for the year and equity would be as follows:

	2025	2024
	\$	\$
+/- 50 basis points		
Impact on surplus/(deficit) for the year	412,313	382,885
Impact on net assets	412,313	382,885

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

NOTE 5: RACING REVENUE AND EXPENDITURE

	2025	2024
	\$	\$
Revenue - exchange		
Industry funding	10,684,756	7,194,141
Subsidies received	33,278	523,238
Sponsorship	405,341	452,248
Trials and workouts	197,003	207,737
	<u>11,320,378</u>	<u>8,377,364</u>
Expenditure		
Stakes and trophies	(10,263,257)	(7,218,505)
Salaries and wages	(689,415)	(566,189)
KiwiSaver	(11,415)	(9,221)
Sponsorship expenses	(335,896)	(294,897)
Other racing expenses	(386,212)	(337,349)
Loss on sale of assets	-	(110,600)
Gain on sale of assets	10,000	-
Depreciation expense	(24,333)	(13,085)
	<u>(11,700,528)</u>	<u>(8,549,846)</u>
Contribution from racing	<u>(380,150)</u>	<u>(172,482)</u>

NOTE 6: TRADING REVENUE AND EXPENDITURE

	2025	2024
	\$	\$
Revenue		
Food and beverage revenue	1,815,660	1,590,837
Gaming revenue	3,728,627	3,947,088
TAB revenue	805,383	810,954
	<u>6,349,670</u>	<u>6,348,879</u>
Expenditure		
Food and beverage cost of sales	(647,781)	(551,858)
Salaries and wages	(1,036,988)	(837,363)
KiwiSaver	(30,626)	(33,173)
Marketing expenses	(749)	(919)
Gaming and TAB expenses	(1,494,928)	(1,634,307)
Administration expenses	(341,142)	(748,264)
Depreciation expense	(163,210)	(156,171)
	<u>(3,715,425)</u>	<u>(3,962,055)</u>
Contribution from trading	<u>2,634,246</u>	<u>2,386,824</u>

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NOTE 7: RENTAL REVENUE, PROPERTY GAIN ON SALE AND FAIR VALUE MOVEMENTS

	2025	2024
	\$	\$
Revenue		
Property rents	2,991,443	2,945,081
Parking revenue	299,416	262,109
	<u>3,290,859</u>	<u>3,207,190</u>
Expenditure		
Rental property expenses	(92,474)	(1,297,043)
Salaries and wages	(96,784)	(115,531)
	<u>(189,258)</u>	<u>(1,412,574)</u>
Fair value movement on investment property		
Fair value movement on investment property - gain	260,000	-
Fair value movement on investment property - (loss)	-	(5,419,573)
	<u>260,000</u>	<u>(5,419,573)</u>
Contribution from rental property, gain on sale and fair value movements	<u>3,361,601</u>	<u>(3,624,957)</u>

NOTE 8: OTHER REVENUE

	2025	2024
	\$	\$
Revenue		
<i>Revenue - exchange</i>		
Members subscriptions	35,822	34,428
Other sundry revenue	2,725,633	2,065,477
	<u>2,761,455</u>	<u>2,099,905</u>
Contribution from other revenue	<u>2,761,455</u>	<u>2,099,905</u>

Other sundry revenue incorporates the settlement of legal disputes by the Club.

<i>Revenue - non exchange</i>		
Grants	<u>107,704</u>	<u>71,739</u>

NOTE 9: OPERATING DEFICIT

	2025	2024
	\$	\$
Operational and administration expenditure		
Administration salaries and wages	1,377,882	1,059,751
Audit and related services (note 9.1)	101,438	72,500
Board remuneration	148,750	141,588
Community donations	600	-
Property services salaries and wages	1,128,864	961,951
Marketing expenses	5,980	1,044
Membership expenses	6,292	22,166
Utilities, rates and insurance	1,008,867	805,603
Repairs and maintenance	924,064	821,552
KiwiSaver	43,454	40,892
Administration and other expenses	2,787,629	2,188,957
Amortisation expenses	-	1,096
Depreciation expenses	878,746	902,230
Loss on sale of assets	7,575	287,385
	<u>8,420,142</u>	<u>7,306,715</u>

9.1 Remuneration of auditors BDO Auckland for:

	2025	2024
	\$	\$
Audit and assurance services		
Group financial statement audit	98,938	70,000
Club gaming account audit	2,500	2,500
	<u>101,438</u>	<u>72,500</u>

NOTE 10: FINANCE COSTS

	2025	2024
	\$	\$
Finance costs		
<i>Financial liabilities at amortised cost</i>		
Interest expense	6,229,243	6,913,743
<i>Financial assets at amortised cost</i>		
Interest income	(65,965)	(97,878)
	<u>6,163,278</u>	<u>6,815,865</u>

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NOTE 11: GAMING DISTRIBUTION TO AUTHORISED PURPOSES

The Group's licence to operate gaming machines provides that the proceeds of gaming be applied to provide for the conduct of race meetings for the benefit of the public and to promote and control those meetings, including the provision and maintenance of facilities and the payment of stake money.

	2025	2024
	\$	\$
Grant for authorised purposes have been applied as follows:		
Racing expenses	<u>2,781,288</u>	<u>2,530,654</u>

NOTE 12: CASH AND CASH EQUIVALENTS

	2025	2024
	\$	\$
Cash on hand	151,136	112,896
Cash at bank – operating accounts	-	1,187,061
Cash at bank – gaming accounts	145,208	329,458
Trust Account	1,107,599	-
	<u>1,403,942</u>	<u>1,629,415</u>

The gaming account is subject to restriction on use whereby the application of funds is limited to approved items of gaming expenditure and appropriation to the authorised purposes contained in the Group's current licence to operate gaming machines. The amount of restricted cash at end of year is \$145,208.

NOTE 13: RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2025	2024
	\$	\$
Current		
Trade receivables	819,105	1,147,995
Prepayments	136,186	79,974
	<u>955,291</u>	<u>1,227,969</u>

The carrying value of receivables approximates their fair value after making allowance for impairment losses based on an assessment of the credit risk attached to the receivables. Credit risk is determined based on an analysis of the Group's losses in previous periods and review of specific debtors having regard to past payment performance and knowledge of their current circumstances. All receivables past 90 days or more are subject to an impairment assessment with no provision made. A receivable will be considered to be impaired if there is an unresolved dispute, no effort is being made to reduce the debt, the debtor is the subject of receivership, liquidation or bankruptcy, or other known circumstances that indicate full recovery may be doubtful.

The Group does not have any non-exchange receivables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

The Groups trade receivables aging as follows:

	<30 days	30-60	61-90	>90	Total
2025					
Receivables past due but not impaired	382,226	82,465	55,504	298,910	819,105
2024					
Receivables past due but not impaired	638,025	230,940	79,365	199,664	1,147,995

There is no provision for impairment of receivables (2025: nil) and there has been no movement in the provision during the past year (2024: nil).

NOTE 14: PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	\$	\$
Land and Buildings		
Land – Alexandra Park at valuation	<u>109,100,000</u>	<u>103,150,000</u>
Land Improvements		
At cost	1,780,227	1,719,327
Accumulated depreciation	(947,082)	(900,369)
	<u>833,145</u>	<u>818,958</u>
Buildings and grandstands		
At cost	29,484,162	29,390,589
Accumulated depreciation	(23,597,865)	(22,768,842)
	<u>5,886,297</u>	<u>6,621,747</u>
Total land and buildings	<u>115,819,442</u>	<u>110,590,705</u>
Plant and Equipment		
Flood & security lighting at cost	1,427,527	1,427,527
Accumulated depreciation	(1,413,617)	(1,403,280)
	<u>13,910</u>	<u>24,247</u>
Plant, machinery & vehicles at cost	6,083,991	5,995,792
Accumulated depreciation	(5,508,475)	(5,398,631)
	<u>575,516</u>	<u>597,160</u>
Furniture & fittings at cost	1,142,817	1,142,818
Accumulated depreciation	(1,076,747)	(1,054,880)
	<u>66,070</u>	<u>87,938</u>
Total plant and equipment	<u>655,496</u>	<u>709,345</u>
Total property, plant and equipment	<u>116,474,938</u>	<u>111,300,050</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

(a) Valuations

Land at Alexandra Park is carried at independent valuation prepared by L Rooney (BProp, MPINZ) and A Harris (BSc, BPA, Dip Man, Dip Bus) Directors, Jones Lang LaSalle.

The comparable sales method historically referred to as the sales comparison method was used to arrive at the fair value of land at Alexandra Park, taking into consideration the general market perception of this type of asset. The valuation of Alexandra Park includes the potential opportunity to rezone the entire property to mixed use/terrace housing and apartment building, allowing for planning risks, costs and timings associated with rezoning land of this scale.

Land carried as part of property, plant and equipment does not include those areas of land recognised as investment property and reported at fair value in accordance with the requirements of PBE IPSAS 16 (note 15).

The original cost of land carried at valuation is \$6,130,920. The surplus due to revaluation is \$150,316,111 (2024: \$144,366,111) (note 20) and is carried as a separate line item in equity.

(b) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year:

	Note	2025 \$	2024 \$
<i>Land – Alexandra Park</i>			
Opening carrying amount		103,150,000	104,450,000
Revaluation	20	5,950,000	(1,300,000)
Closing carrying amount		<u>109,100,000</u>	<u>103,150,000</u>
<i>Land Improvements</i>			
Opening carrying amount		818,958	460,139
Additions		60,901	396,950
Depreciation expense		(46,714)	(38,131)
Closing carrying amount		<u>833,145</u>	<u>818,958</u>
<i>Buildings and grandstands</i>			
Opening carrying amount		6,621,747	7,704,485
Additions		93,570	26,829
Depreciation expense		(829,020)	(822,182)
Disposals		-	(287,385)
Closing carrying amount		<u>5,886,297</u>	<u>6,621,747</u>
<i>Flood and security lighting</i>			
Opening carrying amount		24,247	34,666
Depreciation expense		(10,337)	(10,419)
Closing carrying amount		<u>13,910</u>	<u>24,247</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

Plant machinery and vehicles

Opening carrying amount	597,160	532,101
Additions	52,034	242,706
Additions finance lease (Note 18)	89,600	-
Depreciation expense	(163,279)	(177,646)
Closing carrying amount	<u>575,516</u>	<u>597,160</u>

Furniture and fittings

Opening carrying amount	87,938	115,976
Depreciation expense	(21,868)	(28,038)
Closing carrying amount	<u>66,070</u>	<u>87,938</u>

Total property, plant and equipment

Carrying amount at 1 August	111,300,050	113,297,367
Additions	296,106	666,485
Revaluation	5,950,000	(1,300,000)
Depreciation expense	(1,071,218)	(1,076,417)
Disposals	-	(287,385)
Carrying amount 31 July	<u>116,474,938</u>	<u>111,300,050</u>

Plant machinery and vehicles had an addition of a tractor effective March 2025 for \$89,600 which is subject to a finance lease. There is a restriction of title until all lease payments are made to February 2028.

NOTE 15: INVESTMENT PROPERTIES

Investment property comprises several commercial properties leased to third parties. Each of the leases contains an initial non-cancellable period of between 2 – 10 years, with annual rents subject to either an agreed fixed rate increase or indexed to consumer prices. Subsequent renewals are renegotiated with the lessee at agreed periods with the average renewal period being 4 years. Rents are charged based on the lease agreement or as modified by agreement between the parties from time to time.

	2025 \$	2024 \$
<i>Investment properties at fair value</i>		
Opening carrying amount	36,635,000	42,054,573
Net gain or loss from fair value adjustment	260,000	(5,419,573)
Closing carrying amount	<u>36,895,000</u>	<u>36,635,000</u>
223 A/B Greenlane West Road, Epsom	29,295,000	29,085,000
32 Campbell Crescent, Epsom	7,600,000	7,550,000
	<u>36,895,000</u>	<u>36,635,000</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

Investment properties are subject to remeasurement on an annual basis.

The Group engaged Jones Lang LaSalle (2024: CBRE Limited), Registered Valuers, to provide an independent assessment of the fair value of 223 A/B Greenlane West, Epsom.

The 3 Retail Strata Units at property 223A Greenlane West Road have been remeasured to fair value, which has been determined using both income capitalisation approach, cross checked with comparable sales method historically referred to as the sales comparison method. Applying the income capitalisation approach, cross checked with comparable sales method historically referred to as the sales comparison method, having considered the estimated net effective market rental, adjusted to reflect anticipated operating costs to produce a net income on a fully leased basis, the direct capitalisation adopts a capitalisation rate for each retail unit ranging between 6.25% - 7.25% (2024: 5.75% - 7.00%).

The 11 Retail Strata Units at property 223B Greenlane West Road have been revalued to fair value, which has been determined using both the income capitalisation approach, cross checked with comparable sales method historically referred to as the sales comparison method. Applying the direct capitalisation approach, having considered the estimated net effective market rental, adjusted to reflect anticipated operating costs to produce a net income on a fully leased basis, the direct capitalisation adopts a capitalisation rate for each retail unit ranging between 5.75% - 7.00% (2024: 5.50% - 6.50%).

The Group engaged Jones Lang LaSalle (2024: CBRE Limited), Registered Valuers, to provide an independent assessment of the fair value of 32 Campbell Crescent, Epsom.

32 Campbell Crescent, Epsom has been revalued to fair value, which has been determined using both income capitalisation approach, cross checked with comparable sales method historically referred to as the sales comparison method and discounted cashflow approaches, having regard to the existing lease with a good quality tenant. The direct capitalisation method adopts a capitalisation rate of 6.50% (2024: 7.00%), while the discounted cashflow calculation adopts an internal rate of return of 7.5% (2024: 8.25%) and a cash flow period of 10 years (2024: 10 years).

Investment properties are subject to mortgages in favour of Westpac New Zealand Limited (see note 18). Investment properties rental revenue and expenditure forms part of Note 7.

The Group has no contractual obligations to purchase, construct or develop the existing investment properties or for repairs, maintenance or enhancements.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

NOTE 16: NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	2025	2024
	\$	\$
(a) Property details		
242 Station Road, Pukekohe (portion held for sale)	4,100,000	4,100,000
240 Station Road, Pukekohe (portion held for sale)	21,300,000	21,300,000
27 Yates Road, Pukekohe (portion held for sale)	3,600,000	3,600,000
Franklin Park, Pukekohe (buildings)	1,572,437	1,572,437
	30,572,437	30,572,437
(b) Movements in the carrying value of properties held for sale		
Opening balance	30,572,437	30,683,037
Disposals	-	(110,600)
Closing balance	30,572,437	30,572,437

On 11 July 2025 the Group entered into a conditional agreement for the sale of 35.2 hectares of the Group's Franklin Park property to Oyster Capital Limited for a sale price of \$70m. The sale was conditional on the following items:

- Member approval
- HRNZ approval
- A four month due diligence period for the purchaser

The Club has obtained member approval at a special general meeting held on 23 July 2025 and received approval from HRNZ. The purchaser is currently undertaking due diligence on the property and is expected to complete this by 10 November 2025.

Once unconditional a deposit of \$7M will be paid in November 2025. A first tranche payment of \$28.8m is due 1 October 2026 and a second and final tranche payment of \$34.2 is due 1 April 2027.

The property is measured at the lower of the carrying amount and fair value less costs to sell. The Group expects to recognise a gain on disposal of \$37.0m following the final settlement of the purchase price. These properties generated \$0.1m in revenue during the year (2024: \$0.1m).

All properties are subject to mortgages in favour of Westpac New Zealand Limited (note 18).

2024-2025 FINANCIAL STATEMENTS

AUCKLAND TROTTING CLUB INCORPORATED

AUCKLAND TROTTING CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

NOTE 17: PAYABLES FROM EXCHANGE TRANSACTIONS

	2025	2024
	\$	\$
Current		
<i>Unsecured liabilities</i>		
Trade payables	1,465,762	1,142,791
Deposits and receipts in advance	8,545,509	8,550,373
Accruals	-	1,400,000
Other payables	3,311	6,512
	<u>10,014,582</u>	<u>11,099,676</u>

Deposits and receipts in advance include \$8.4m received as a deposit from Mount Hope Limited for the purchase of the Franklin Park property, net of legal fees and costs incurred in meeting sale conditions. Mount Hope Limited failed to complete settlement for the purchase of the Franklin Park property and the agreement with Mount Hope Limited has been terminated. The deposit paid by Mount Hope Limited has been retained by ATC.

NOTE 18: BORROWINGS

	2025	2024
	\$	\$
Current		
<i>Secured liabilities</i>		
Finance Lease	73,963	-
Bank Loan	82,462,654	76,576,956
Borrowings	<u>82,536,617</u>	<u>76,576,956</u>

Subsequent to year end, the facility was formally extended to 30 July 2026. The facility is currently drawn down to \$82,462,654 and operates on an interest-only basis, with interest capitalised to the principal of the loan. The applicable interest rate is floating, based on Westpac's 90-day bank bill rate plus a margin of 2.50%. Refer note 27.

The loan from Westpac is secured by first and exclusive mortgages over the properties at 354-378 Manukau Road, 32 Campbell Crescent, 223A and 223B Greenlane West Road, 239 Greenlane West Road and 240 Station Road.

	2025	2024
	\$	\$
Finance Lease - Payable		
- Not later than one year	27,000	-
- Later than one year and not later than five years	46,963	-
	<u>73,963</u>	-

During the year the Club entered into a finance lease with Kubota New Zealand Limited for the acquisition of a replacement tractor. The finance lease is for a term of 36 months at an annual interest rate of 3.20%.

NOTE 19: EMPLOYEE ENTITLEMENTS

The liability for employee entitlements recorded in the balance sheet is made up as follows:

	2025	2024
	\$	\$
Current		
Accrued salaries and wages	30,168	70,686
Liability for annual leave	236,148	206,531
KiwiSaver contributions on hand	1,321	2,151
	<u>267,637</u>	<u>279,368</u>
	2025	2024
	\$	\$
Employee benefit expense		
Salaries and wages	4,202,185	3,892,537
KiwiSaver	85,496	83,286
	<u>4,287,681</u>	<u>3,975,822</u>

NOTE 20: REVALUATION SURPLUS RESERVE

The revaluation surplus reserve is that portion of equity that has been recognised by the periodic revaluation of land holdings, being an asset class within property, plant and equipment (note 14). Gains and losses in fair value are measured by independent valuation and are disclosed within other comprehensive revenue and expense. No income tax effect is incurred. Land holdings have been revalued at 31 July 2025, refer to note 14.

	2025	2024
	\$	\$
Revaluation surplus reserve	<u>150,316,111</u>	<u>144,366,111</u>

The revaluation surplus reserve comprises Alexandra Park, Epsom \$147,093,111 (2024: 141,143,111) and Franklin Park, Pukekohe \$3,223,000 (2024: \$3,223,000). Franklin Park, Pukekohe was classified as non-current assets held for sale but has not yet been sold.

The valuation methodology used is the comparable transaction method (or historically referred to as the comparison approach) and is generally considered to be one of the most appropriate methodologies in the valuation of land.

2024-2025 FINANCIAL STATEMENTS

AUCKLAND TROTTING CLUB INCORPORATED

AUCKLAND TROTTING CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

(a) Revaluation surplus reserve

	Note	2025 \$	2024 \$
<i>Movements in reserve</i>			
Opening balance		144,366,111	145,666,111
Revaluation of Alexandra Park, Epsom	13	5,950,000	(1,300,000)
Closing balance		<u>150,316,111</u>	<u>144,366,111</u>

NOTE 21: STATEMENT OF CASH FLOWS RECONCILIATIONS

	Note	2025 \$	2024 \$
(a) Reconciliation of net cash flows from operations			
Deficit for the year		(6,098,564)	(13,361,551)
<i>Adjustments and non-cash items</i>			
Amortisation		-	1,096
Depreciation		1,071,219	1,187,017
Fair value movement on investment property - gain		(260,000)	-
Fair value movement on investment property - (loss)		-	5,419,573
Finance Cost		6,362,585	6,597,887
Loss on sale of assets		7,575	287,385
Gain on sale of assets		(10,000)	-
<i>Net changes in working capital</i>			
Decrease in receivables		272,678	164,257
Decrease/(Increase) in inventories		34,572	(33,665)
(Decrease) in payables		(1,117,873)	(622,750)
(Decrease) in employee entitlements		(11,731)	(25,701)
Cash flows from operating activities		<u>250,461</u>	<u>(386,452)</u>

NOTE 22: KEY MANAGEMENT PERSONNEL COMPENSATION

	2025 \$	2024 \$
Compensation received by key management personnel of the Group – short term benefits	816,553	795,000
Employer KiwiSaver contributions	15,500	14,248
	<u>832,053</u>	<u>809,248</u>

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Compensation paid to key management personnel is comprised of short-term employee benefits only. Total key management personnel compensation paid for the year is \$832,053 for 4 full-time employees (2024: \$809,248, 4 full time employees).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

NOTE 23: RELATED PARTY TRANSACTIONS

The parent entity of the Group is Auckland Trotting Club Incorporated. The Group has two subsidiary companies, Hospitality GP Limited and Epsom Functions GP Limited, both of which are 100% owned by the parent entity.

Related Party	Relationship
J MacKinnon	President
L Oughton	Vice President
R Dunn	Elected Director
S Plant	Elected Director
C MacKinnon	Elected Director (appointed 1 September 2024)
S Brooks	Appointed Director (resigned 31 October 2024)

(a) Remuneration paid to members of the Board

	2025 \$	2024 \$
J MacKinnon	46,000	46,000
L Oughton	28,000	25,000
R Dunn	19,000	22,000
S Plant	19,000	19,000
C MacKinnon	17,417	-
R Croon	-	11,083
S Brooks	19,000	19,000
	<u>148,417</u>	<u>142,083</u>

Board members are actively engaged in the sport of harness racing and may transact with the Group on normal terms in pursuing their interests and involvement therein. Jamie MacKinnon was also engaged in a consulting capacity to the Group and received fees of \$122,100 during the year (2024: \$10,000). Shaun Brooks resigned as a director on 31 October 2024 and was engaged in a consulting capacity to the Group and received fees of \$46,623 during the year (2024: \$0).

NOTE 24: LEASES AS LESSOR

The Group has future non-cancellable minimum operating lease receipts as a lessor as detailed in the table below:

	2025 \$	2024 \$
Less than 1 year	2,922,381	3,246,955
2 – 5 years	7,804,459	8,672,148
Greater than 5 years	2,269,463	3,032,651
	<u>12,996,303</u>	<u>14,951,754</u>

The lease receipts reflect income prior to any retail units being sold (refer note 27)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

NOTE 25: CAPITAL AND OPERATING LEASE COMMITMENTS

(a) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	2025	2024
	\$	\$
Payable		
- Not later than one year	6,936	6,936
- Later than one year and not later than five years	26,010	32,946
	<u>32,946</u>	<u>39,882</u>

The operating lease commitments relate to rentals of a photocopier and screen equipment.

(b) Capital expenditure commitments contracted for:

There are no capital commitments as at 31 July 2025.

NOTE 26: CONTINGENT LIABILITIES

The Group has indemnified Westpac New Zealand Limited in respect of a \$30,000 (2024: \$30,000) bank guarantee in favour of the New Zealand Racing Board. The guarantee was required as a condition of the Group being able to operate a social TAB agency at Alexandra Park.

There are no other material contingent liabilities as at 31 July 2025.

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE

The Clubs loan facility with Westpac Bank were amended on the 8th of August 2025 with an increase to \$84.6m subsequent to end of year and will expire on 30 July 2026 (Refer to note 18). The loan limit will reduce to \$82.0m which will occur at the earlier of 30 November 2025 or the Franklin Park sale becoming unconditional. The Club is also in the process of selling its interests in 14 commercial units located at 223A and 223B Greenlane West Road, Epsom. An agency agreement was signed with Colliers on the 8th of September 2025. The latest valuation of the commercial units is \$29.3m plus GST, if any and agency commission is a flat fee of 2.5% per unit or 1.5% per unit if sold in a bundle.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2025

NOTE 28: RECONCILIATION OF SURPLUS FROM OPERATIONS

	2025	2024
	\$	\$
Operating (deficit)/surplus from continuing operations	(6,098,564)	(13,361,551)
Finance costs	6,229,243	6,815,865
Amortisation expense	-	1,096
Depreciation expense	1,071,219	1,187,017
Fair value gain on investment property	(260,000)	-
Fair value loss on investment property	-	5,419,573
Gain on sale of assets	(10,000)	-
Loss on sale of assets	7,575	287,385
Accrual of settlement costs	-	1,400,000
Operating surplus before non-cash and property items	<u>939,473</u>	<u>1,749,385</u>

This note is a non-GAAP measure to provide readers of these financial statements with a reconciliation between the operating deficit from continuing operations and the surplus from operations.

NOTE 29: RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

	\$
Balance as at 1 August 2023	78,354,070
Repayment of borrowings	(8,375,000)
Interest capitalised	6,597,886
Balance as at 31 July 2024	<u>76,576,956</u>
Balance as at 1 August 2024	76,576,956
Repayment of borrowings	(326,299)
Interest capitalised	6,211,997
Overdraft at bank	213,098
Balance as at 31 July 2025	<u>82,675,752</u>

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUCKLAND TROTTERING CLUB INCORPORATED**

Opinion

We have audited the general purpose financial report of Auckland Trotting Club Incorporated ("the Club") and its controlled entities (together, "the Group"), which comprises the consolidated financial statements on pages 7 to 34 and the consolidated statement of service performance on pages 3 to 5. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 July 2025, the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 July 2025, and its consolidated financial performance, and its consolidated cash flows for the year then ended; and
- the consolidated statement of service performance for the year ended 31 July 2025, in that the service performance information is appropriate and meaningful and prepared in accordance with the Group's measurement bases or evaluation methods.

in accordance with Public Benefit Entity Standards ("PBE Standards") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the consolidated statement of service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 (NZ AS 1) (Revised) *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm carries out other assignments for the Group in the area of Agreed Upon Procedures in relation to the Club's Class 4 Gaming Licence. The firm has no relationship with, or interests in, the Group or any of its controlled entities.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) to the consolidated financial statements, which indicates that the Group incurred a net deficit of \$6.2m during the year ended 31 July 2025 and, as of that date, the Group's current liabilities exceeded its total assets by \$60.2m. As stated in Note 1(b), the Group's ability to repay its debt facilities is contingent on the Franklin Park sale becoming unconditional by November 2025 and the successful sale of commercial units selling at the expected price. These events or conditions, along with other matters as set forth in Note 1 (b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the general purpose financial report, but does not include the consolidated statement of service performance and the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated statement of service performance and consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

The Directors' Responsibilities for the General Purpose Financial Report

The directors are responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements and consolidated statement of service performance in accordance with PBE Standards;
- (b) the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present a statement of service performance that is appropriate and meaningful in accordance with PBE Standards;
- (c) the preparation and fair presentation of the statement of service performance in accordance with the Group's measurement bases or evaluation methods, in accordance with PBE Standards;
- (d) the overall presentation, structure and content of the statement of service performance in accordance with PBE Standards; and
- (e) such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated financial statements and consolidated statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report the directors are responsible for assessing the Group'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 those charged with governance either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the consolidated statement of service performance are 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 ISAs (NZ) and NZ AS 1 (Revised) 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

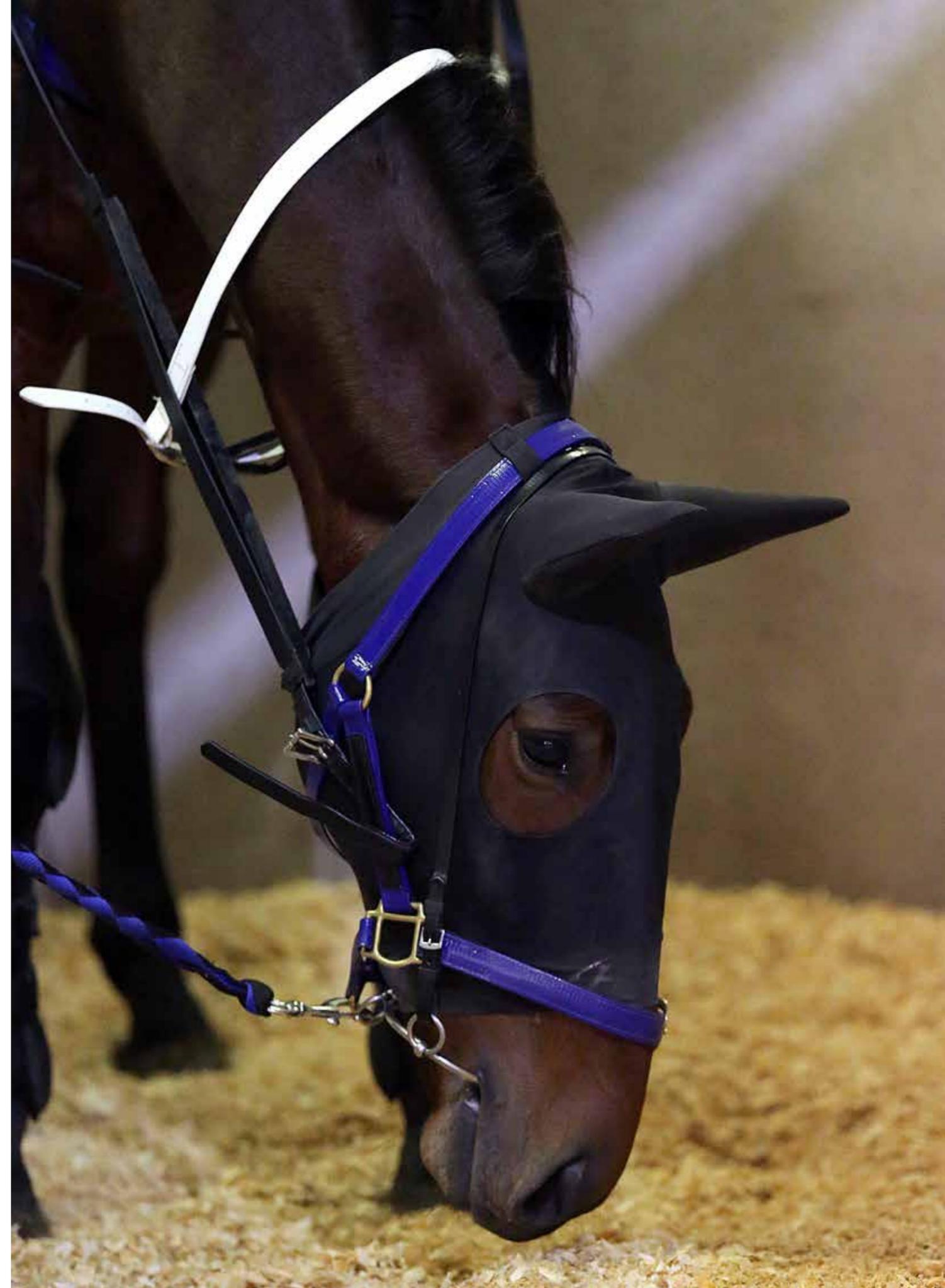
A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at:
<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13-1/>

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Club's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Club and the Club's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Auckland



2024-2025 MEMBERS

LIFE MEMBER'S IN BOLD

LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR			
ABERNETHY	J	2013	BURNHAM	T	2025	DAVISON	S	2017	GIBBONS	N	1970	HOYLE	M	1982	LIGHTBOURNE	W	2013
ABERNETHY	P	2007	BURTON DEW	B	2013	DE JONGH	C	2018	GOLDSWORTHY	D	1998	HOYTE	W	1969	LINDSAY	J	2019
ALEXANDER	J	2004	BUTCHER	P	2017	DELL'ISOLA	A	1979	GOLDSWORTHY	M	1991	HUGHES	G	2022	LIPA	S	1977
ALLEN	L	2016	CAMPBELL	D	2017	DEMPSEY	R	2002	GOLDSWORTHY	M	1991	HULST	G	2009	LITTLE	M	2018
ANDREW	G	1976	CAMPBELL	S	1964	DIAS	J	2017	GOODE	M	2023	HUNTER	M	1995	LLOYD	N	2017
ARCHER	D	1972	CAMPION	R	2012	DICKIE	R	2009	GORDON	N	1998	IRONMONGER	B	1992	LLOYD	M	1978
ARGUS	P	2015	CARR	R	1984	DIVICH	A	1969	GRAHAM	D	2022	IRWIN-PARSONS	L	2005	LOGAN	P	2019
ARNET	S	2006	CARTER	M	2014	DONALDSON	D	2018	GRAY	R	1976	JOHNSON	G	2014	LOGAN	G	2010
ASHBY	G	1973	CARTER	R	1984	DONALDSON	L	2018	GRAYLING	A	2006	JOHNSON	R	1987	LONG	J	1991
AUSTIN	R	2022	CARTER	B	1995	DORMER	A	2011	GREEN	P	2024	JONES	G	2019	LOOMB	J	1968
BAILLIE	P	1987	CHARLTON	P	2008	DORMER	G	1989	GREEN	B	1983	JONES	J	1989	LOVETT	R	2005
BAKER	N	1981	CHIA	S	2000	DOUGHTY	W	1995	GREEN	M	1984	JONES	P	1967	LOWTHER	P	1980
BALLE	D	2017	CLARKE	C	2023	DOUGHTY	G	1995	GREEN	T	1967	JURY	L	1989	LUM	L	1969
BALLE	C	2017	CLEMENT	P	2022	DOW	K	2025	GRIERSON	A	1996	KANHAI	A	2025	LYNCH	B	1989
BALLE	M	1982	COLE	J	2014	DRIVER	L	1988	GRIFFITHS	S	1969	KEEGAN	G	1975	MABEY	B	1992
BALLE	K	1984	COLE	M	2013	DUNELL	T	2006	GRIMMOND-REICHEL	L	1977	KEENE	G	2016	MACDONALD	G	2023
BARNES	D	2023	COLE	G	1992	DUNFORD	M	2010	GUBB	P	2004	KELLY	P	2017	MACDONALD	D	2023
BARNES	K	1980	COLLINS	J	2008	DUNFORD	D	2007	HABRAKEN	H	1983	KENNEDY	R	1988	MACKINNON	C	2012
BARNES	R	1981	COLSON	S	2022	DUNN	R	2017	HACKETT	B	2008	KENNEDY	J	1964	MACKINNON	O	2012
BARRADALE	C	1980	COLSON	D	2004	DUNN	I	1987	HADDOCK	G	1962	KENNY	P	2018	MACKINNON	J	1989
BARRY	P	1967	CONROY	D	1953	EAGLES	P	1963	HADLEY	B	2018	KERR	A	2012	MAGNESS	J	1968
BAX	E	1984	COOK	O	2019	EDMONDS	C	2018	HADLOW	S	1996	KERR	G	1967	MAKAN	D	2003
BAYS	M	2025	COOK	P	1986	EDMUNDS	P	1979	HAILES	P	2012	KETTLE	T	2015	MAMBO	B	2025
BECKHAUS	C	2025	COONEY	D	2024	ELFLEET	E	2013	HANNA	V	2010	KIRK	P	2016	MANN	D	1969
BENNETT	M	2020	COONEY	T	2024	EMERSON	B	2020	HARDING	G	1991	KIRK	P	2021	MARTINOVICH	G	2025
BILLINGTON	N	2009	COOPER	A	2013	EUSTACE	A	2012	HARRIS	C	2007	KIRKBRIDE	D	1975	MASON	T	2023
BILTON	E	2024	CORBOY	M	2014	EVANS	J	1979	HARRIS	H	1969	KLAASSEN	D	2022	MASON	G	2009
BLANCHARD	P	2022	CORNER	P	1992	EWINGTON	R	2015	HARRISON	L	2024	KNOX	D	2015	MASON	A	2022
BOLAND	J	1982	CORNWALL	S	1998	FAMULARO	R	1999	HARRISON	B	1954	KNOX	S	2015	MATTHEWS	D	2021
BOSCH	F	1997	CORNWALL	S	2022	FARRELL	B	2009	HART	J	1989	KNOX	A	1994	MATTHEWS	S	1983
BRADLEY	K	2019	CRADDOCK	N	2021	FEEK	M	1987	HASLAM	P	1981	KOEFOED	R	1983	MAY	P	2013
BRADY	T	2012	CRONIN	P	2017	FENSOM	R	2022	HEALEY	B	1975	KRIECHBAUMER	J	2024	MCAULEY	B	1993
BRECKON	A	2012	CROOKE	K	1977	FERGUSON	K	1970	HECK	MP	2005	KUSABS	S	2012	MCCASLIN	D	2013
BRECKON	G	2012	CROON	R	2002	FOLEY	W	1986	HEDGER	B	1989	LAHOOD	P	1989	MCCLINTOCK	G	1985
BRECKON	K	2014	CULPAN	N	1972	FORBES	J	1993	HENLEY	G	1994	LAMBERT	S	2022	MCDONALD	B	2000
BRECKON	K	1995	CUMMING	W	2023	FRAZER	P	2023	HERLIHY	S	1995	LANDON	C	1974	MCFADZEAN	R	2021
BRENAN	J	2017	CURACH	G	1981	GALBRAITH	A	1964	HERLIHY	T	1995	LASCELLES	P	1985	MCGEACHIE	B	2016
BRIERLEY	A	2011	CURSON	P	1999	GALLAGHER	S	2025	HEWES	B	1990	LATIMER	D	2013	MCILRAITH	D	1986
BRIMBLE	M	2025	CURTIN	J	1988	GARELJA	T	1979	HICKEY	J	1979	LAWRENCE	R	2021	MCISAAC	V	1969
BROWN	K	2022	DAVIDSON	K	1984	GEORGAS	O	2023	HODGKINS	M	1994	LEAN	S	2017	MCKAY	K	2011
BROWNLEE	I	1989	DAVIES	J	2015	GERARD	P	2023	HOLLIS	L	2022	LEE	B	2013	MCKEARNEY	J	2000
BULT	P	1985	DAVIES	E	2018	GIANOTTI	B	1985	HOLLOWAY	S	1985	LEE	M	2004	MCKENDRY	M	2001
BURLEY	P	1973	DAVIS	T	2004	GIBBONS	P	1972	HOOPER	R	1968	LESLIE	M	1968	MCKERROW	K	1985

2024-2025 MEMBERS

LIFE MEMBER'S IN BOLD

LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR	LAST NAME	INITIAL	YEAR
MCKINNON	M	2022	PARKER	A	2014	SHAW	G	2025	VALENTINE	L	2015
MCLEOD	M	2013	PARKINSON	A	1998	SHAW	I	1988	VALENTINE	W	2015
MCLEOD	K	2013	PATON	R	1999	SHEARING	G	1992	VINCE	T	2017
MCMATH	B	1987	PAUL	M	1960	SHEEHAN	D	2017	WAIDE	R	1979
MCRAE	J	1972	PEART	G	2017	SHEW	S	1965	WALKER	W	2021
MCRAE	J	1972	PENGELLY	W	1966	SHORTER	D	2004	WALLNUTT	A	2022
MEADOWS	A	1978	PETTIFER	L	1975	SHORTT	L	2015	WAPP	A	2007
MEALE	B	1980	PHELAN	S	2019	SIXTON	C	1994	WAPP	D	2007
MEDCALFE	D	2023	PHILLIPS	S	1972	SIXTON	D	1990	WARNOCK	P	1960
MENDE	F	1998	PHILPOTT	J	1985	SKINNER	K	1977	WATERS	S	1975
MEYERS	A	2023	PILKINGTON	R	2018	SKINNER	M	1977	WATT	R	1969
MIDDLETON	I	2015	PLANT	B	2005	SMITH	P	1996	WAYMOUTH	J	2018
MILLAR	J	2024	PLANT	S	2005	SMITH	C	2012	WEBSTER	J	2010
MILLIER	G	1999	POLLOCK	K	2017	SMITH	D	1989	WELLS	P	2011
MILWARD	B	2015	PRATT	A	2007	SMITH	D	1999	WETHERILL	R	1990
MITCHELL	R	2024	PRESTON	H	1969	SNELL	J	2025	WETHERILL	M	1975
MOFFIT	J	1962	PRICE	D	2023	SOUTHEY	R	1983	WHARFE	G	1998
MOHAMMED	N	2024	PURDON	B	2001	STEWART	R	1975	WHYTE	W	2003
MOHANAKRISHNAN	J	2011	PURDON	K	2014	STOCKMAN	G	1994	WILLIAMS	G	2013
MONTAGNA	C	2019	PYE	L	1976	STOCKMAN	S	1981	WILLY	A	1967
MOORE	D	2003	QUINN	T	1977	STORCK	E	1992	WILSON	W	2013
MOORE	T	1988	RACK	G	2001	STRAWBRIDGE	C	2006	WOOLLAMS	K	1968
MORRIS	K	2005	REYNOLDS	J	2001	STREET	L	2017	WOOLSTON	G	1991
MRKUSICH	G	1990	RINGROSE	M	2002	STREET	J	1984	WRIGLEY	M	1977
MULLINS	P	2018	ROBERTSON	G	1976	STUART	C	2005	YEE	L	1986
MUNRO	I	2022	ROBERTSON	G	1967	SUMICH	M	1984	YEE	V	1965
MURRAY	R	2022	ROBINSON	W	1997	SWEENEY	G	2020	YONG	K	1997
MURRAY	C	1988	ROBINSON	G	1967	SYKES	G	1973	YOUNG	J	2024
MUSSON	H	1965	ROGERSON	G	2009	TAPPER	S	1984	ZALOUM	R	1969
MYLES	G	1984	ROIGARD	P	2021	TAYLOR	A	2016			
NEVILLE	K	1997	ROOSE	D	2024	TAYLOR	J	2016			
NICOLSON	A	1981	ROUSE	G	1965	TAYLOR	J	2005			
NIEPER	M	1972	RUPP	C	2005	TAYLOR	D	2013			
NIGRO	J	1984	SADLER	R	1983	THOMPSON	S	2013			
NOTMAN	M	1984	SADLER	J	1997	TILSLEY	N	2017			
O'CONNOR	S	2019	SAMPSON	M	1993	TONG	F	1982			
OLIVER	W	1968	SCOLTOCK	W	1966	TRAPSKI	F	2011			
O'SULLIVAN	A	2020	SCOTT	J	1986	TREVENEN	R	1995			
OUGHTON	F	2014	SCOTT	B	1965	TRILLO	V	1976			
OUGHTON	S	2017	SCREEN	J	2015	TUKUITOGA	T	2025			
OUGHTON	L	1975	SCREEN	T	2015	TURNER	D	1995			
OUTTRIM	W	1984	SCREEN	P	2003	TWOMEY	B	2022			
OUTTRIM	S	1988	SHAND	G	2005	UPTON	J	2022			



ALEXANDRA
— PARK —