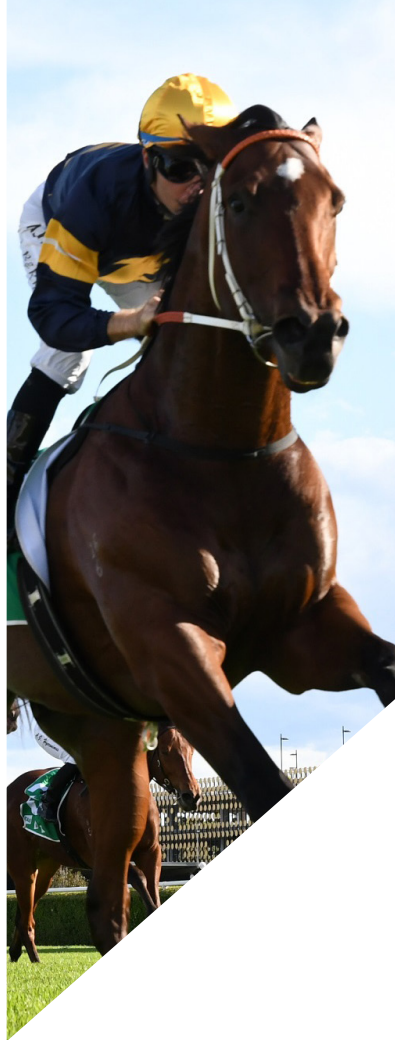
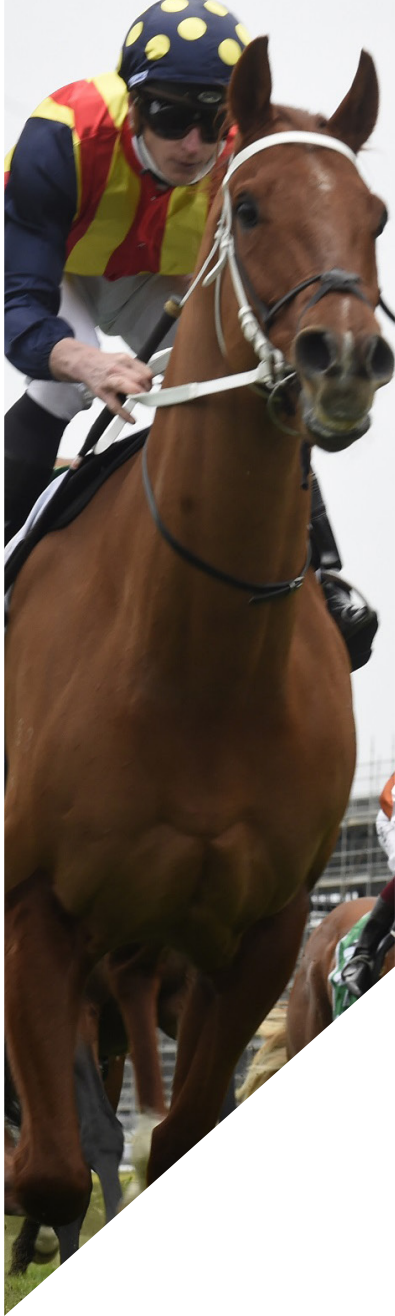




2022 ANNUAL REPORT



MISSION

**TO ESTABLISH A
DYNAMIC NSW
THOROUGHBRED
RACING INDUSTRY
THAT ADVANCES
PARTICIPATION,
ENSURES INTEGRITY
AND DELIVERS
QUALITY RACING AT
ALL LEVELS**

VISION

Provide a committed, user-friendly, professional and cost-effective administration which uses best business practice in serving all aspects of the NSW Thoroughbred Racing Industry.

Provide Leadership and Strategic Direction to ensure the NSW Thoroughbred Racing Industry achieves revenue growth, profitability and greater returns to Owners and Industry Participants.

Provide a Racing Product that appeals to all demographics and takes all actions necessary to guarantee integrity and confidence in the sport. In particular, ensuring animal welfare is of the highest standard.

Maximise betting turnover on NSW Thoroughbred race meetings by accommodating punters' needs and desires, and work with Tabcorp to promote new wagering products that reflect changes in demand.

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CURRENT MEMBERS OF THE BOARD



R Balding AO (Russell)
CHAIRMAN
 Re-appointed 19 Dec 2021
 Attended 11 meetings



Dr S Cooke (Saranne)
DEPUTY CHAIRPERSON
 Appointed Deputy
 Chairperson 19 Dec 2021
 Re-appointed 19 Dec 2019
 Attended 10 meetings



P N V'landys AM (Peter)
RACING NSW
CHIEF EXECUTIVE
 Appointed 23 Feb 2004
 Attended 11 meetings



S Tuxen (Simon)
 Re-appointed 20 Dec 2018
 Attended 10 meetings



A Shepherd AO (Anthony)
 Re-appointed 20 Dec 2018
 Attended 11 meetings



The Hon G Souris AM
(George)
 Re-appointed 19 Dec 2021
 Attended 11 meetings



M Crismale (Michael)
 Re-appointed 20 Dec 2021
 Attended 11 meetings



PAST MEMBER OF THE BOARD
A G Hodgson AM (Tony)
DEPUTY CHAIRMAN
 Retired 18 Dec 2021
 Attended 7 meetings

FUNCTIONS OF THE BOARD

Under section 13(1) of the Thoroughbred Racing Act (NSW) 1996, the Board has the following functions:

- a) all the functions of the principal club for New South Wales and committee of the principal club for New South Wales under the Australian Rules of Racing,
- b) to control, supervise and regulate horse racing in the State,
- b1) such functions in relation to the business, economic development and strategic development of the horse racing industry in the State as are conferred or imposed by this Act,
- c) to initiate, develop and implement policies considered conducive to the promotion, strategic development and

welfare of the horse racing industry in the State and the protection of the public interest as it relates to the horse racing industry,

- d) functions with respect to the insuring of participants in the horse racing industry, being functions of the kind exercised by the ATC on the commencement of this section, and such other functions with respect to insurance in the horse racing industry as may be prescribed by the regulations,
- e) such functions as may be conferred or imposed on the board by or under the Australian Rules of Racing or any other Act,
- f) such functions with respect to horse racing in New South Wales as may be prescribed by the regulations.



Russell Balding AO

Chairman

The Hon. Kevin Anderson, MP
Minister for Lands and Water, Hospitality
and Racing
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Minister,

In accordance with Section 30 of the Thoroughbred Racing Act 1996, I am pleased to submit to you the 26th Annual Report of Racing NSW covering the period 1 July 2021 to 30 June 2022.

I am delighted to report that despite the difficulties caused in the early part of the year by the COVID-19 Pandemic, Racing NSW and the overall NSW Thoroughbred Racing Industry had a very successful year which enabled us to attain many achievements and milestones which have helped to secure the future of the industry in the years to come. These have included:

- Record levels of prizemoney including increases in prizemoney for many of our major races including the Golden Slipper, the Epsom Handicap, Villiers Stakes (The Ingham), Flight Stakes and the Craven Plate
- The announcement of a further \$19.5 million in general prizemoney from 1 July 2022, much of which will be directed towards Provincial and Country racing together with the announcement of prizemoney increases for The Golden Eagle, The Kosciuszko, Sydney Stakes and Nature Strip Stakes
- Announcing the establishment of The Big Dance - a \$2 million race for the winners of Country cups
- Returns to Owners increasing by 7.1% to a record \$311.78 million
- The continued funding of investments in

racecourses and capital infrastructure projects at Metropolitan, Provincial and Country racecourses

- Continuing to expand our world's best practice Equine Welfare Program which incorporates Racing NSW's rehoming and retraining of retired Thoroughbred racehorses
- Acquisition of additional properties to assist with the Equine Welfare Program and as a means of future proofing the industry as well as providing income bearing assets for the Workers Compensation Fund
- Continuing to make a significant contribution to the NSW economy

Board meetings were held on 11 occasions throughout this period, and I again acknowledge the contributions and support of my fellow Board Members whose knowledge, experience and passion contributed to the well-being of the NSW Thoroughbred Racing Industry and its many participants.

The former Deputy Chairman, Mr Tony Hodgson AM retired in December 2021, and I must take this opportunity to thank him for his enormous contributions to the NSW Thoroughbred Racing Industry over recent years. Apart from Chairing the Board's Audit and Risk Committee, Tony's wide experience in the Business Community and in the administration of racing and betting throughout Australia proved invaluable to the Board's strategy formulation and decision-making processes.

Fortunately, the strict bio-security protocols (including the adoption of Rapid Antigen Testing Technology) and restrictions put in place by Racing NSW and the stringent adherence to them by industry participants allowed the continuation of racing activities during the worst of the COVID-19 Pandemic.

Fortuitously, with the easing of the

pandemic, the Government was able to relax and eventually remove the various restrictions previously imposed to limit the spread of the virus. This allowed the industry to return to normal operations.

Racing NSW maintained its policy of ensuring the viability of Country racing with increases in prizemoney of \$9.4 million across all parts of the sector from 1 July 2021. Total annual prizemoney to the country sector has now risen to \$90 million. This represents an increase of \$58 million (176%) in total prizemoney since 2012, the largest increase of any sector over this period.

During the year, Racing NSW continued to develop and police strict rules and practices to ensure the maintenance of public confidence in the integrity of the NSW Thoroughbred Racing Industry which continues to be of the highest level. In fact, the level of respect in which the NSW Industry is held is evidenced by the large number of NSW-trained Stewards and other officials now working in other racing jurisdictions in Australia as well as other countries.

Public confidence in its integrity is vital to the overall financial welfare of the industry and allows Thoroughbred Racing in New South Wales to remain a major contributor to the NSW economy in terms of direct taxation and the provision of employment opportunities of more than 27,600 full-time-equivalent jobs, with 17,700 of these being in regional and rural NSW.

In furtherance of its strategy to future-proof the industry by acquiring landholdings and other assets, Racing NSW acquired additional land adjacent to the Kembla Grange, Warwick Farm and Scone Racecourses to supplement training facilities.

In addition, in continuance of our search to locate and acquire a suitable site to establish a large-scale training complex we inspected several properties on the outskirts of Sydney which offered the potential for the development of such a facility. We will continue with this process during the upcoming financial year.

During the year we continued to liaise with officers of the NSW Department of Planning, Industry & Environment, Housing and Property to facilitate the transfer to Racing NSW of the administration of crown lands upon

which Thoroughbred racecourses are located thereby providing certainty of tenure of those racecourses for the NSW Thoroughbred Racing Industry.

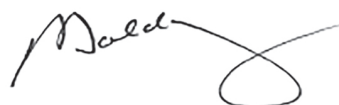
Following the Government's commitment to provide a series of infrastructure grants totalling \$67 million for various NSW racecourses – mostly in regional centres – we embarked on a collaborative approach to work with the relevant race clubs to complete the various projects. Where necessary, Racing NSW also provided \$55 million from its own sources to allow the projects to proceed and to finance other capital works. This included the acquisition of suitable properties to house the proposed developments.

Pleasingly, the year also saw the opening of the new \$47 million Winx Grandstand at Randwick Racecourse which is specifically designated for public usage and will provide a welcome resource for Sydney's race going public.

On behalf of the Board, I again thank and acknowledge the Chief Executive, Mr Peter V'landys AM and the executive and staff of Racing NSW for their outstanding service to the Board and the NSW Thoroughbred Racing Industry. Peter and his staff are to be congratulated on their major achievements during a year in which they have continued to deliver outstanding service to the industry in the most trying of circumstances.

Finally, I would like to thank you and your personal staff, as well as your Departmental Officers for your assistance and support during the year. Your personal support and that of your Cabinet colleagues has been instrumental in the industry's successful year and your introduction of legislation to increase the Point of Consumption tax rate from 1 July 2022 will further enhance the viability of the NSW Thoroughbred Racing Industry.

Yours Sincerely,



Russell Balding AO

Chairman

24 October 2022



Peter V'landys AM

Chief Executive

Executive Summary

The first quarter of the year featured the most stringent and severe restrictions and lockdowns that were imposed throughout the entirety of the COVID-19 pandemic.

Local Government Areas were in lockdown (leading to the closure of three of the four Sydney Metropolitan racecourses) and the majority of businesses and industries were closed.

Racing NSW's strict bio-security measures and protocols and its contingency plans meant that the NSW Thoroughbred Racing Industry was able to navigate its way through these most stringent and severe restrictions and continue to conduct race meetings and training.

Most critically, Racing NSW identified the importance of detecting COVID-19 cases before they entered a racecourse in order to safeguard the industry from the wide-spread lockdowns being imposed on the majority of industries and businesses. Accordingly, it implemented Rapid Antigen Testing at NSW racecourses as a further precaution to protect the industry. Not only was the NSW Thoroughbred Racing Industry one of the first industries in Australia to utilise this technology, but it proved invaluable in identifying some positive COVID-19 cases before the persons entered the racecourse. It was six months before Rapid Antigen tests were used by Government, other sports and the community.

Financially, the NSW Thoroughbred Racing Industry is in a healthy position following the continued implementation of strong financial management practices by Racing NSW and record wagering on our races.

This allowed further major increases in prizemoney and the introduction of several new races thereby increasing the overall returns to owners to \$311.78 million per annum, more than double what it was 10 years ago. In addition to the \$19.5 million in prizemoney increases throughout the year, Racing NSW announced a further \$55 million in prizemoney and bonus increases which commenced in the

first quarter of the 2023 financial year. It is envisaged that \$361 million will be paid for the next financial year. It will be the most of any State in Australia.

Racing NSW has also continued with its program of property acquisitions to future proof the industry against unforeseen financial downturns.

Financial Performance

Racing NSW reported a strong Operating Surplus of \$11.429 million for the 2022 financial year (up from \$2.620 million in 2021). Racing NSW was not only able to provide excellent returns to stakeholders during difficult COVID-19 times but also set aside \$65.382 million for a prizemoney sustainability fund. That fund will ensure Racing NSW has sufficient reserves to maintain prizemoney at existing levels for the benefit of stakeholders should future events occur that adversely impact wagering returns to racing, such as pandemics or weather-related events.

Racing NSW continues to operate extremely efficiently, recording a first charge to the NSW Thoroughbred Racing Industry against the TAB distribution of \$9.93 million, a decrease from the previous year (\$10 million in 2021). In addition to continuing to operate efficiently, Racing NSW provided significant direct financial support to NSW Thoroughbred Race Clubs throughout the year.

Highlights

- Navigating through the most severe and stringent lockdowns of the COVID-19 pandemic with minimal loss of race meetings, thereby sustaining the livelihood of our industry participants.
- Pioneering the use of Rapid Antigen Testing at NSW racecourses during the height of the pandemic so as to prevent positive COVID-19 cases from entering racecourses, which would have resulted in the shutdown of the industry. This was six months before it was

used by the Governments, other sports and the community.

- Despite the adversities of the COVID-19 pandemic, returns to owners reached record levels of \$311.78 million which represented an annual increase of 7.1% and being more than double the amount from 10 years ago. It's envisaged \$361 million will be paid in the next financial year – more than any other State in Australia.
- Racing NSW's concentration on revitalising the spring continues to be incredibly successful. The Everest and The Golden Eagle are the two most wagered upon NSW races, by some margin. The Invitation, in its inaugural year came in at number 10 and the final race at each of The Everest race meeting and The Invitation race meeting sit at number 11 and 12, notwithstanding their benchmark rating. The full list is shown below:
 - The Everest (which has held the number 1 spot since its inception in 2017)
 - Golden Eagle
 - Golden Slipper
 - Doncaster Mile
 - Classique Legend Stakes (Winners Stakes) on Golden Eagle Day
 - Epsom Handicap
 - Queen Elizabeth
 - The Kosciuszko
 - Golden Rose
 - The Invitation
 - Final Race Everest Day (Benchmark 78)
 - Final Race Invitation Day (Benchmark 88)
 - Sydney Cup
 - Australian Derby
 - George Main Stakes
 - T J Smith
 - St Leger
 - The Metropolitan
 - George Ryder Stakes
 - The Hunter
- Announcement of further prizemoney increases of \$55 million including a \$6 million bonus for the Sportsbet Sprint Series in the spring and the establishment of a new race called The Big Dance with prizemoney of \$2 million to be contested in conjunction with the Melbourne Cup supplemented by The Little Dance.
- Introduction of a new feature race, The Five Diamonds, at Rosehill Racecourse on Golden Gift Day for 5-year-old horses for \$2 million in prizemoney.
- Further prizemoney increases to several other feature races including The Golden Eagle, The Golden Slipper, The Ingham, Spring Champion

Stakes and the George Main Stakes.

- Enactment by the NSW Government of legislation to increase the rate of Point of Consumption Tax with the additional revenue to the NSW Thoroughbred Racing Industry.
- Securing a long-term free-to-air broadcast agreement with Channel Seven to televise on free-to-air television Sydney Metropolitan race meetings on 51 Saturdays throughout the year until 31 December 2027, up from 24 Saturday race meetings previously.
- Official opening of the Winx Grandstand at Royal Randwick Racecourse in early December 2021, providing premium facilities for the public, with no additional fees or charges to enter and use any part of the Winx Grandstand.
- Acquisition of several new properties for the provision of additional training and pre-training centres and for the equine welfare program. These property acquisitions also featured in Racing NSW's aim of future proofing the industry against unforeseen financial downturns and providing income bearing properties for the Workers Compensation Fund.

COVID-19

During the year, the challenges presented by COVID-19 far exceeded that faced in the previous year. The strict and extensive lockdowns of Local Government Areas (LGA's) from June to October 2021 meant that three of the four Sydney Metropolitan racecourses could not be used for race meetings. Rosehill Gardens was unable to be used for two months (late July to late September), Warwick Farm for three months (July, August and September) and Canterbury Park for 3 months (mid-July to late October).

Accordingly, contingency plans were implemented to ensure that race meetings continued during the lockdown periods, with the Saturday Metropolitan race meetings being shared between Royal Randwick, Kembla Grange and Newcastle. Kembla Grange Saturday meetings were then transferred to Goulburn when necessary and the mid-week Metropolitan meetings that were to be held at Canterbury Park were transferred to the Kensington Track at Royal Randwick.

The LGA's lockdown also had the potential to have an extreme adverse impact on training operations, with the majority of trackwork riders residing in LGA's that were under the most extreme lockdowns.

Accordingly, Racing NSW negotiated extensively with NSW Government and Health Authorities to ensure that training and racing was able to continue. In this respect, the NSW Government and Health Authorities accepted our position that trackwork riders and other training staff met the exemption that applied in respect of animal welfare, which meant that those workers were able to travel outside their LGA's to continue training, feeding and caring for the horses.

Rapid Antigen Testing

However, the most important action that Racing NSW took was pioneering the use of Rapid Antigen Testing at NSW racecourses during the height of the pandemic. Industries and businesses were being closed as soon as a COVID-19 positive case was detected on site, with all persons on site being declared close contacts. Accordingly, it was critical to detect any positive COVID-19 cases before they entered a racecourse.

Racing NSW implemented Rapid Antigen Testing at all Metropolitan and Provincial racecourses from July 2021. This was six months before the community, Government and other sports started to use this protocol. Further, any licensed person travelling from the Metropolitan or Newcastle area to another racecourse also had to have a Rapid Antigen Test.

Racing NSW's Rapid Antigen Testing regime detected a number of positive cases who were then not permitted to enter the relevant racecourse. There is little doubt that there would have been extensive closure of racecourses and declarations of licensed persons, including jockeys, as close contacts if those positive cases had not been detected and excluded from entry.

Equine Welfare Program – Rehoming of Thoroughbred Horses

In April 2022, Racing NSW announced a game changing innovation for the Equine Welfare Program, Equimillion.

Equimillion is an equestrian event carrying a minimum of \$1 million of prizemoney that is exclusively for Thoroughbred horses who will compete in a range of disciplines including eventing, dressage, showjumping and showing. The first Equimillion competition will be conducted on the October long weekend in 2023 at the Sydney International Equestrian Centre.

This level of prizemoney for equestrian horses is world leading and will provide an incredible boost to the demand for retired Thoroughbred horses, creating a secondary market and growing the already significant interest in Thoroughbred horses within the equestrian community.

Eligibility for Equimillion will be restricted to Thoroughbred horses sold at a Racing NSW run auction, with those horses then paying sustaining fees to gain a start in the competition. This sustaining fee model will support the prizemoney being paid and allow for additional prizemoney growth as the volume of horses competing increases.

In addition to development of the Equimillion concept, the Equine Welfare Team has continued to care for, retrain and rehome horses from Racing NSW properties. During the year, the number of horses in the care of the team has reduced considerably, showing that the vast majority of owners are continuing to rehome their horses on retirement and that there is a strong demand for Thoroughbreds outside of racing.

The Stewards and the Equine Welfare Veterinarians continued their enforcement of the rules and policies with regards to retirement and the conduct of retired horse audits to ensure that owners were meeting their obligations to find suitable new homes. Over 1280 random inspections were carried out of horses that had been rehomed to ensure that they were at peak health.

Revenue

Wagering Revenue

Excluding the TAB distribution, \$314.11 million was received from the various other wagering sources listed below.

Point of Consumption Tax

As with other Australia jurisdictions, a Point of Consumption Tax (PoCT) is levied on all Wagering Operators accepting bets from NSW residents and applies to all online, telephone and face-to-face betting. In the 2022 financial year, the NSW Racing Industry (all codes) received 20% of the total proceeds of the PoCT.

On 23 June 2022, the NSW Parliament enacted legislation increasing the rate of the PoCT to 15% with the NSW Racing Industry to now receive 33% of the PoCT collected. Those amendments take effect from 1 July 2022.

Parity with Victoria on the Sharing of TAB's Gross Wagering Revenue via NSW State Tax Rebates

In accordance with the provisions of the Betting Tax Legislation Amendment Act 2015, the NSW Thoroughbred Racing Industry continues to receive the benefits of parity with the Victorian Racing Industry in respect of the sharing of NSW TAB's gross wagering revenue between the Government and the NSW Racing Industry (all three codes).

Full parity was achieved in the 2021 financial year, following a staged introduction commencing from 1 July 2015.

The 2022 financial year was therefore the seventh year of wagering tax parity. The NSW Thoroughbred Racing Industry's 77.3% share was \$67.02 million taking the total amount received to date to \$321.56 million. This was a decrease from the previous year given that the NSW TAB's retail network (retail agencies, pubs and clubs) was closed for over a quarter of the year due to COVID-19 lockdowns.

Year	NSW Thoroughbred Racing Industry Proceeds from Parity
FY16	\$18.53 million
FY17	\$35.76 million
FY18	\$36.84 million
FY19	\$43.14 million
FY20	\$47.87 million
FY21	\$72.39 million
FY22	\$67.02 million

Prizemoney and Returns to Owners

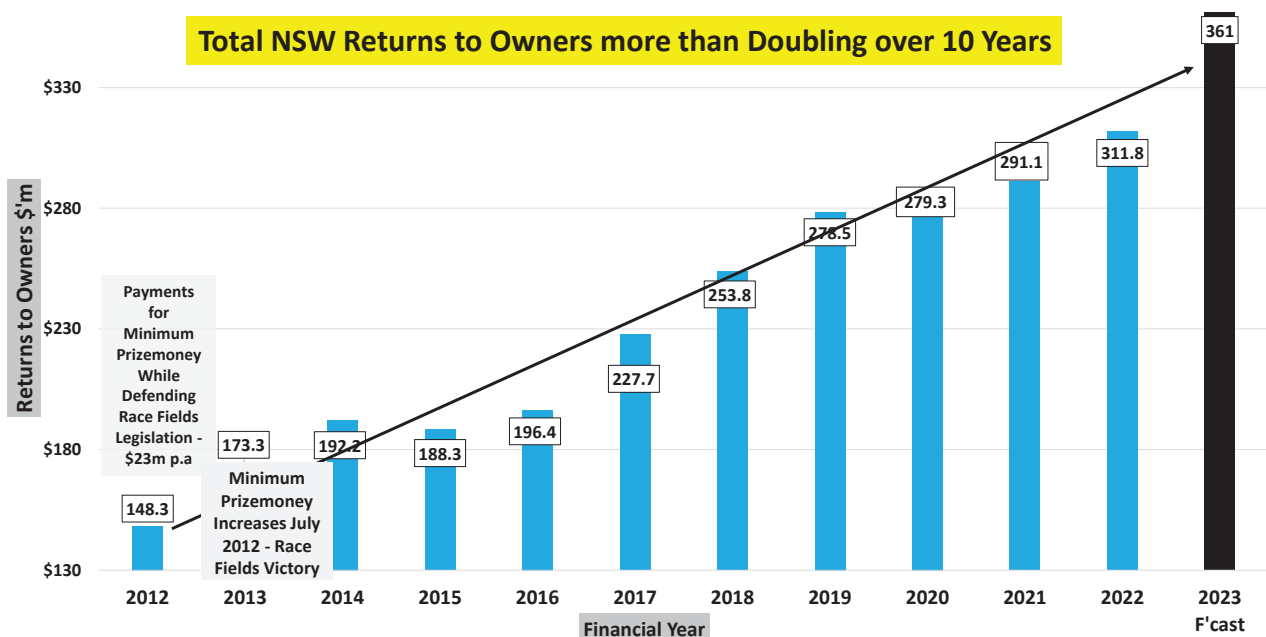
Racing NSW continued in its endeavours to maximise returns to owners to assist them in offsetting the costs incurred by them in keeping their horses involved in racing activities. Returns to owners for the 2022 financial year amounted to \$311.78 million (an increase of 7.1%, which was well above the annual CPI).

Total returns to owners were made up of the following amounts:

Item	2021/22	2020/21	2011/12
Prizemoney, BOBS & Bonuses	\$290,734,182	\$271,141,054	\$135,324,443
Other Payments on behalf of Owners (i.e., jockey's riding fees, etc.)	\$21,042,955	\$19,936,111	\$12,978,013
Total	\$311,777,137	\$291,077,165	\$148,302,456

TOTAL RETURNS TO OWNERS PAID IN NSW HAVE DOUBLED OVER THE PAST TEN YEARS AS SUMMARISED IN THE CHART BELOW:

Growth in Total NSW Returns to Owners of \$163m since 2012



Race Fields Legislation

The Race Fields scheme is a critical source of funding for the NSW Thoroughbred Racing Industry, contributing almost as much as the revenue from the NSW TAB. During the year, 249 Wagering Operators were granted approvals to provide wagering services on NSW Thoroughbred Race Fields and revenue increased by over 10% from that collected in the 2021 financial year.

The fee structure remains the same as previous years, being:

Bet Types	Standard	Premium (Meetings with at least one race of a minimum \$150,000 in prizemoney)	Premier (Meetings with at least one race of a minimum \$1m in prizemoney)
Derivative Bets	2.50%	3.00%	3.50%
Other (non-derivative) Bets	2.00%	2.50%	3.00%

BOBS

BOBS has entered its 20th year and continues to perform strongly. During the 2021/22 racing season, 1211 BOBS bonuses were paid out for a total of nearly \$11.5 million, including bonuses and Double-up vouchers. In the 20 years since its inception, Racing NSW has paid out more than \$174 million in bonus prizemoney.

A popular feature of BOBS is the Double-up option, with owners choosing to double the cash component into a voucher to be used to buy another horse or to pay stallion fees if they wish to breed. By way of example, a Metropolitan Saturday bonus of \$16,000 can be Doubled-Up to a voucher of \$32,000. More than \$56 million has been put back into the NSW Breeding Industry through this scheme, benefiting not just breeders, but also owners and trainers since the Double-Up option was introduced in January 2005.

The success of the BOBS scheme is even more impressive when paired with BOBS Extra, which is an extended nomination scheme with bonuses available for nominated horses that are four or older competing in races that are over 1800 metres or further. Last season, an extra \$456,000 was distributed to owners of BOBS Extra horses.

The availability of BOBS bonuses at all NSW racecourses (except in Group and some Listed Races) means that trainers and owners who are

located outside the Metropolitan area can race at Provincial and Country racecourses, reducing travel and increasing the competition and class of racing.

Country Racing

The Country racing sector displayed incredible resilience in a year challenged with adversity, disrupted by the COVID-19 pandemic and an extended period of wet weather resulting in devastating flooding across parts of the State. A significant effort from the dedicated volunteer committees, executives and staff across 114 Country racecourses was again instrumental in the sector conducting 463 Country race meetings during the year.

The impact of COVID-19 and wet weather was far reaching, and the Country Race Clubs prepared racing and training facilities during trying conditions to support the industry to continue to race. The culture of Country race meetings in NSW extends to engaging the local and surrounding communities and bringing those groups together to showcase and enjoy a day at the races. While it is understandable that a number of Community and Picnic clubs had to make the difficult decision to abandon meetings due to crowd restrictions during COVID-19, these successful and much anticipated annual events are significant to the broader regional communities, and we look forward to those Country Race Clubs that missed an opportunity this year to be back at the races in 2022/23.

Racing NSW, to counteract the effects of adverse weather, strategically replaced abandoned race meetings, transferred meetings to alternative venues and the division of races served as additional support to abandoned programs. This was significant and resulted in the Country sector providing opportunities at Country race meetings for over 33,000 total raceday starters, with 26,200 of those starters being trained in the Country sector.

As detailed in the section below containing prizemoney increases, the Country sector is one of the biggest beneficiaries of the prizemoney increases announced by Racing NSW. Further, the Country sector continues to benefit from the races for Country-trained horses only, featuring \$9.4 million in prizemoney as set out below:

- \$1.3 million - The Kosciuszko (increasing to \$2 million in 2022)
- \$1.1 million - Country Championship Qualifiers and Wildcard throughout NSW (increasing to \$1.35 million in 2023)

- \$500,000 - Country Championships Final
- \$4.3 million - \$100,000 weekly Highway races (increasing to \$120,000 per race from 1 September 2022 with the total to be \$5.16 million per annum)
- \$1 million - \$50,000 Country Magics for Country-trained horses only
- \$1.2 million - \$40,000 maidens for Country-trained horses only

Recently Introduced Feature Races

During the year, Racing NSW endeavoured to ensure that its recently established feature races including The Everest, The Golden Eagle, The Kosciuszko, The Hunter and The Gong continued to grow as events and all revenues were maximized.

Despite the continuation of the COVID-19 pandemic and the associated crowd restrictions imposed by the State Government, each of these major races were conducted successfully and were well supported by owners and trainers with quality fields entered for each race.

In addition, the racing public provided their overwhelming support to the races with excellent betting turnovers achieved on each event.

Most pleasingly, the increases in turnover for the respective races was complemented by the increase in turnover for the race meetings, illustrating the success of those racedays, as detailed below:

Race	Race Increase	Meeting Increase
The Everest	14%	21%
The Kosciuszko	12%	21%
The Golden Eagle	2%	22%
The Hunter	30%	19%
The Gong	Same	18%

The Everest

The fifth running of the world's richest race on turf, The Everest, produced a stunning result when the favourite Nature Strip clung on desperately to claim the \$15 million event from the fast-finishing Masked Crusader.

The race was designed with the younger generation in mind and as it was the first major event held since the end of Sydney's lockdown it was embraced by a young and enthusiastic crowd despite a limit on crowd numbers.

The Everest is now regarded as one of the world's best sprint races with 2021's field one of the best assembled in Australia. The race

was broadcast via Sky Racing to more than 65 countries around the globe.

Remarkably, The Everest has been the most wagered upon NSW race each year since its inception in 2017. The success of The Everest race meeting is highlighted by the fact that the final race of the day was the 11th most wagered upon race in NSW for the year.

The Kosciuszko

The fourth edition of The Kosciuszko with prizemoney of \$1.3 million was also held on The Everest race meeting. The Terry Robinson-trained Art Cadeau ran down and defeated the 2019 champion Handle the Truth with a terrific late run.

The Kosciuszko is one of the highlights of the year for Country-trained horses and, as in previous years, the starters were selected by sweepstakes winners who shared in the prizemoney. Over 260,000 tickets were sold to persons throughout the State which reflects the widespread interest in the race.

The Golden Eagle

2021 saw the third running of The Golden Eagle and the Mick Price & Michael Kent Jnr-trained, I'm Thunderstruck, was too good for his rivals, coming late from well back to run down Count De Rupee and take out a thrilling edition of the \$7.5 million race.

The Golden Eagle is an elite race restricted to four-year-old horses only and is held annually at Rosehill Racecourse, providing a major event for the Western Suburbs of Sydney.

Prizemoney for The Golden Eagle has been increased to \$10 million from 2022.

The stellar field featured four-year olds from throughout Australia. It was again the second most wagered upon race in NSW, with only The Everest attracting higher turnover.

The Golden Eagle race meeting also featured The Classique Legend Stakes, The Four Pillars and the Rosehill Gold Cup.

A unique feature of The Golden Eagle is that 10% of all prizemoney is donated to charities nominated by the connections of the starters in the race. The connections of I'm Thunderstruck nominated Camp Quality which received \$410,000 when the horse won the race. Rural Aid, nominated by the connections of the second placegetter Count De Rupee, received \$150,000 with MS Australia, nominated by connections of the third placegetter, Vangelic, receiving \$75,000. With the increase of prizemoney from 2022 to \$10 million, \$1 million will now be donated to charity.

The Invitation

The inaugural running of The Invitation was conducted in conjunction with the Bondi Stakes at Randwick on 23 October 2021 and attracted an excellent field of 12 starters. The Invitation is a new race for fillies and mares with prizemoney of \$2 million over 1400 metres, run under a compressed set weight and penalties weight scale with entry into the race being by way of invitation only for a select field of 12 runners.

The Invitation was won by the Brad Widdup-trained Icebath, defeating a field of fillies and mares that had all won or placed at Group level.

The race attracted significant public interest which resulted in a major increase in betting turnover for the race meeting. The Invitation was 10th most wagered upon race in NSW for the year with the final race at the meeting, a Benchmark 88, coming in at 12th on the list of most wagered upon races in NSW.

The Hunter and The Gong

The third running of the \$1 million The Hunter, conducted by Newcastle Jockey Club on 13 November 2021 and the \$1 million The Gong conducted by Illawarra Turf Club on 20 November 2021 were held as adjuncts to the successful NSW Spring Carnival and ensured that there were 10 race meetings in succession during the period September to November carrying at least one \$1 million race.

In addition, the following races were added to the programs which guaranteed the overall success of the meetings – The Beauford Stakes, a \$300,000 Handicap race conducted on The Hunter program and The Warra, a \$300,000 Open Handicap over 1000 metres held in conjunction with The Gong.

Again, both race meetings were well supported by participants and the public alike.

The Championships

Racing NSW also partnered with the Australian Turf Club to ensure the continued successful running of The Championships and the maximisation of revenue from this carnival.

With the easing of the crowd restrictions imposed because of the COVID-19 pandemic, the 2022 edition of The Championships returned to normal with sizeable crowds again returning to witness the running of the ninth edition of the two-day event.

The Championships continues to produce world-class racing that showcases Australia's best racehorses to a worldwide audience.

Their continued success has ensured that the concept of grouping these major races together over the two days of the carnival will continue in the future.

The meetings again proved to be fitting grand finals for the various classes of races which comprised the two days of the carnival. In excess of \$21 million of prizemoney was distributed over the two days, which featured eight Group 1 races as well as several other Group and Listed races and the Provincial Championships and the Country Championships.

The meetings also provided an attractive viewing and betting medium for the large off-course audience who were able to watch the races through Sky Channel and Channel 7's free-to-air service and place their bets through the TAB and other off-course wagering operators.

Highlights of Day 1 included the hard-fought victory of Hitotsu in the Australian Derby and the sensational win of Nature Strip in the TJ Smith. The highlights of Day 2 were an amazing victory by Think It Over in the \$4 million Queen Elizabeth Stakes, an all-the-way win by Knights Order in the Sydney Cup and Mazu's sizzling win in the 3yo Sprint.

Prizemoney Increases and New Feature Races

As announced in the 2021 Annual Report, prizemoney increases totalling \$19.5 million were implemented during the 2021/22 financial year. In addition to those prizemoney increases:

- To maintain its elite standing in the industry, Racing NSW increased prizemoney of The Golden Slipper to \$5 million cementing its position as the pre-eminent two-year-old race in the world and one of the highlights of the Sydney Autumn Racing Carnival.
- In addition to increased prizemoney for The Golden Slipper, Australian Turf Club offered a \$1 million bonus for any horse that wins The Golden Slipper having won feature pathway races in the lead-up.

Further to those prizemoney increases that applied from 1 July 2021, Racing NSW announced two further rafts of prizemoney and bonus increases totalling \$55 million, the first on 9 February 2022 to apply from 1 July 2022 and the second on 3 August 2022, to apply from 1 September 2022. Those announcements also included the establishment of new races intended to capitalise on the success of the revitalisation of the Spring Carnival together

with changes to existing pathway races. Details of those announcements are set out below:

Prizemoney Increases and New Feature Races Announced on 9 February 2022

On 9 February 2022, Racing NSW announced \$25 million in annual prizemoney increases to apply from 1 July 2022, as set out below:

General Prizemoney

- Increase Group 1 minimum prizemoney to \$600,000 per race;
- Increase Group 2 minimum prizemoney to \$250,000 per race;
- Increase Group 3 minimum prizemoney to \$200,000 per race;
- Increase Listed minimum prizemoney to \$160,000 per race;
- Increase Saturday metropolitan minimum prizemoney to \$150,000 per race;
- Increase Metropolitan midweek minimum prizemoney to \$55,000 per race;
- Increase Provincial minimum prizemoney to \$40,000 per race;
- Increase Country TAB prizemoney to \$25,000 per race;
- Increase Picnic minimum prizemoney to \$5,000 per race.

New Feature Races

The Big Dance

Racing NSW introduced a new race called The Big Dance with prizemoney of \$2 million to be held at Royal Randwick in conjunction with the Melbourne Cup. In order to be eligible, a horse needs to have either won or run second in nominated Country Cups throughout New South Wales or the \$150,000 Wild Card Race held on The Everest race meeting. The final field will be determined by finishing positions or benchmarks.

The Five Diamonds

Racing NSW also created a new feature race, The Five Diamonds, over 1800 metres at Rosehill Gardens on Golden Gift Day for five-year-old horses only, with prizemoney of \$2 million.

The distance of the Craven Plate was reduced from 2000 metres to 1800 metres, providing a further lead-up for The Five Diamonds.

Spring

- Increase Silver Eagle prizemoney from \$500,000 to \$1 million;

- Increase Winx Stakes prizemoney from \$500,000 to \$750,000;
- The Spring Champion Stakes prizemoney increased to \$2 million and the spring 3yo old staying program amended by moving the Spring Champion Stakes to Royal Randwick Racecourse and to be held on Bondi Stakes Day Saturday, 22 October 2022;
- The prizemoney for the Dulcify Stakes increased to \$250,000 and prizemoney for the Gloaming Stakes increased to \$500,000, with both races rescheduled to provide a staying path to the Spring Champion Stakes;
- The Stan Fox Stakes renamed as the Callander-Presnell in honour of Sydney racing media living legends, Ken Callander and Max Presnell. The Callander-Presnell will be run at Royal Randwick on Saturday, 22nd October 2022 with prizemoney of \$1 million over a distance of 1600m for 3yos and will replace the Bondi Stakes, and
- A new \$500,000 race over 1400m for 3yos will be run at Royal Randwick on Saturday 8 October 2022 to be named the Tapp-Craig in honour of legendary Sydney racecallers John Tapp and Ian Craig.

Prizemoney Increases and New Initiatives Announced on 3 August 2022

On 3 August 2022, Racing NSW announced a further \$30 million in annual prizemoney increases to apply from 1 September 2022, as set out below:

General Prizemoney

- Increase Country TAB prizemoney to \$27,000 per race;
- Increase Country SKY 2 prizemoney to \$16,000 per race;
- Increase Country Non-TAB prizemoney to \$12,000 per race;
- Increase Picnic minimum prizemoney to \$7,000 per race;

In addition to the above minimum prizemoney increases, two races at every Country TAB race meeting will now be restricted to NSW Country-trained horses only and will carry prizemoney of \$30,000. Two races at every Country Showcase meeting will also be restricted to NSW Country-trained horses and will carry prizemoney of \$35,000.

Additional prizemoney will also be offered in the Provincial sector, with two races at each Provincial race meeting carrying prizemoney of

\$45,000. One of these races will be restricted to Provincial-trained horses only and the other will be restricted to Midway-trained horses only.

To build on the success of the Highway and Midway races, prizemoney for these races will increase from \$100,000 to \$120,000 per race at Saturday Metropolitan race meetings.

Spring Feature Race Increases

Further to the above minimum prizemoney increases, the following feature races in spring also received increases in prizemoney as follows:

- Concorde Stakes will increase from \$160,000 to \$500,000;
- The Shorts will increase from \$500,000 to \$1 million;
- Premiere Stakes will increase from \$500,000 to \$1 million;
- The Kosciuszko will increase from \$1.3 million to \$2 million;
- Sydney Stakes will increase from \$500,000 to \$2 million;
- Nature Strip Stakes will increase from \$1 million to \$3 million.

Two new races were also added to the spring carnival. A \$1 million race will be added to The Everest race meeting, called The Five Diamond Prelude, over 1500m for 5yo horses only, providing a lead-up for The Five Diamonds.

Also, The Little Dance with prizemoney of \$500,000 was added to The Big Dance race meeting for horses that were eligible for The Big Dance but did not gain a start in the race.

New \$6 million Sportsbet Sydney Sprint Series bonus

The Everest is the feature of the NSW Spring Racing Carnival and the popularity of The Everest has quickly seen the surrounding sprint races develop significant interest and betting turnover.

Accordingly, to further grow these sprint races across spring, a new \$6 million bonus fully sponsored by Sportsbet will be paid to the horses winning the most points across the following six races. These races will be known as the Sportsbet Sydney Sprint Series:

Race Name	Date	Track	Distance
Concorde Stakes	3 Sep 22	Randwick	1000m
The Shorts	17 Sep 22	Randwick	1100m
Premiere Stakes	1 Oct 22	Randwick	1200m
The Everest	15 Oct 22	Randwick	1200m
Sydney Stakes	15 Oct 22	Randwick	1200m
Nature Strip Stakes	29 Oct 22	Randwick	1300m

Points will be awarded based on 5 points for 1st, 4 points for 2nd, 3 points for 3rd, 2 points for 4th and 1 point for 5th in each of the first 5 races. Double points will be awarded for the Nature Strip Stakes held at The Golden Eagle race meeting. It will also be a condition of the bonus that horses must have competed in at least three races in the series to be eligible.

Autumn Feature Race Increases

There were also increases in prizemoney for key races during the Sydney Autumn Carnival:

- Queen Elizabeth Stakes to increase from \$4 million to \$5 million;
- The Doncaster Mile to increase from \$3 million to \$4 million;
- TJ Smith to increase from \$2.5 million to \$3 million;
- The Galaxy to increase from \$700,000 to \$1 million;
- The Ranvet Stakes to increase from \$700,000 to \$1 million.

Change in Prizemoney Distribution

In July 2012, Racing NSW introduced the 1.5% strappers bonus, being the first State in Australia to do so. This bonus provides a significant reward for the industry's lowest paid workers, letting them share in the success of their stables. As part of announcements on 3 August 2022, Racing NSW increased the strappers bonus from 1.5% to 2% of prizemoney.

In October 2016, Racing NSW introduced the Equine Welfare Fund which receives 1% of all prizemoney paid, being the first state in Australia to do so. These funds are used to care for, retrain and rehome NSW Thoroughbred racehorses. The Equine Welfare Fund share of prizemoney will increase to 1.5%.

Jockey's Riding Fees

Following a review of riding fees paid to jockeys in New South Wales, Racing NSW resolved to implement the following increases, to apply from 1 July 2022:

- That the jockeys ride fee in NSW be increased by an amount up to \$258.50/ride which includes superannuation.
- That the barrier trial ride fee be maintained at 35% of the ride fee.

Jockeys will also benefit from their share (5%) of the significant increases in prizemoney announced during the year.

Free-to-Air Television Coverage

In September 2021, Racing NSW secured a long-term free-to-air broadcast agreement with Channel Seven to televise Sydney Metropolitan race meetings on 51 Saturdays throughout the year until 31 December 2027.

This coverage commenced on 1 November 2021 and Racing NSW also secured other benefits (financial and promotional) for the NSW Thoroughbred Racing Industry. Prior to this agreement, Sydney Metropolitan race meetings were only broadcast on free-to-air on 24 Feature Saturday race meetings during spring and autumn.

Capital Development Projects

Winx Grandstand

The new Winx Stand Grandstand at Royal Randwick Racecourse was officially opened on Thursday, 2 December 2021. The project was completed within budget which is testament to the professionalism of the Project Control Group and the discipline with which the project was administered.

The development has delivered premium public facilities in the spectator precinct including an array of bars and food outlets, lounge areas and a terrace area providing superb views over the home straight. Most importantly, access to the Winx Stand is included in general admission ticketing with no additional fees or charges to enter and use any part of the Winx Grandstand.

The Winx Grandstand will allow 7,500 public patrons to be housed in a world class facility:

- 100m Ground Level fully enclosed and serviced facility;
- 100m Level 1 – 60% fully enclosed and serviced facility and 40% open air terrace;
- Link Bridge from Level 1 to QEII Grandstand;
- Structure futureproofed for an additional two floors to be built in the future.

The completion of the Winx Stand was the culmination of a Racing NSW and ATC strategy to introduce a new exclusive public facility by instigating a Randwick Development Fund (RDF) where Racing NSW allocated revenue it received from international pooling. The funding of the Winx Stand was completely funded from the RDF.

Racing to the Regions

In June 2021 the NSW Government announced a \$67 million 'Racing for the Regions'

infrastructure funding package for the NSW Thoroughbred Racing Industry. This funding followed a detailed submission from Racing NSW which highlighted the substantial economic return to the NSW economy from the projects across NSW.

This substantial funding package includes construction of new stables, training tracks and raceday amenities across 18 different locations.

Since the announcement, Racing NSW has progressed the projects, seeing the completion of a new Polytrack at Gosford, sand track at Tamworth and raceday amenities at Sapphire Coast during the year.

Racing NSW has also developed a best in class double story stable design for the new stables to be constructed at Scone, Cessnock, Gosford and Hawkesbury. These double story stables have been designed to create the most efficient use of land and for the best possible environment for horses and staff.

Other Capital Developments

Racing NSW funded Capital Works projects continued through 2021/22, although operations were extremely challenging due to lingering COVID-19 impacts and significant wet weather during 2022. Notwithstanding these challenges, the following projects were completed:

- The installation of a new Polytrack training surface at Gosford Racecourse. All five Provincial racecourses are now equipped with these state-of-the-art synthetic training surfaces which have proven so effective in enabling trackwork to be conducted under all weather conditions. This outcome delivers Provincial trainers with the same high quality training surfaces to be found at the four Metropolitan racecourses in Sydney.
- A substantial upgrade of the pumping plant and irrigation system at Sapphire Coast Racecourse was also successfully completed. Along with improved watering uniformity to the course proper, the project will also deliver a dual row irrigation system to the sand training track, enabling presentation of a better, more consistent sand track conditions to trainers.

Property Acquisitions

Additional properties were acquired during the year in implementation of Racing NSW's strategy to future-proof and grow the NSW Thoroughbred Racing Industry.

These acquisitions included land surrounding and adjacent to NSW Thoroughbred training centres to ensure the continuity of training facilities and to counter the risk of encroachment of residential development.

Land was also acquired to facilitate the construction of additional stabling that is being funded by the NSW Government's Racing for the Regions program. These purchases are vital to increasing the number of horses in training in NSW and will yield long-term benefits once projects are finalised.

Racing NSW also acquired a lucerne hay production farm to provide hay for the Equine Welfare Program horses and also to be on-sold to industry participants. This property provides a level of feed security for the industry in the event of future price increases or hay shortages.

The various properties acquired by Racing NSW in recent years are also creating valuable additional revenue streams.

Workers Compensation

The Racing NSW Workers Compensation Fund operates on a not-for-profit basis and its objective is to collect sufficient premiums to cover claims costs and future liabilities. As a not-for-profit scheme, the premiums charged to NSW Race Clubs and Trainers are considerably less than if they had to obtain workers compensation coverage through a non-industry, commercial scheme.

There were 504 workers compensation claims received during 2021/22 which was 5.6% lower than the 2020/21 new claims incidence of 533 claims. The Fund experienced a revenue to costs deficit of \$1.29 million which was due to the finalisation of two very large claims. These were claims of significant potential cost and the finalisation of these matters now extinguishes all future liability.

There was an improvement of \$1 million in the actuarial valuation of the possible future liability of the Fund as at 30 June 2022 (compared to 30 June 2021).

The overall valuation of the future liability of the Fund decreased from \$45.7 million as at 30 June 2021 to \$44.7 million as at 30 June 2022. Having regard to the improvement in the valuation of future liabilities, the Fund experienced a loss of \$0.29 million for the 2021/22 financial year million. The Fund continues to perform soundly and, despite the loss for 2021/22, the Fund's reserves sit at \$5.5 million. It is pleasing to confirm that the target

set for the Fund by the Board of Racing NSW of holding a reserve of \$5 million has been maintained.

From 1 July 2022, Racing NSW has engaged the services of third-party claims administrator, Gallagher Bassett, to undertake the management of the majority of claims and for injury management. The engagement of Gallagher Bassett has been supported and approved by the State Insurance Regulatory Authority of New South Wales. Notwithstanding the outsourcing of the claims management function, Racing NSW continues to be the licensed specialised insurer for all relevant participants within the NSW Thoroughbred Racing Industry and remains responsible for all workers compensation matters.

Australian Racing Forensic Laboratory

As an integral department of Racing NSW, the Australian Racing Forensic Laboratory (ARFL) is committed to the integrity of the racing industry by providing world class analytical testing services to control the misuse of prohibited substances for Racing NSW Stewards and external clients.

In 2021/22, an additional 16,079 enhanced tests were undertaken on top of routine surveillance tests on raceday swab samples, bringing the total number of tests (including enhanced tests) to 114,676 up from last year's 113,507. The Out of Competition testing program strategy designed to detect any misuse of performance enhancing substances during training and to monitor compliance of veterinary treatment records following the administration of legitimate therapeutic substances was held steady this year after the significant increases generated from the previous year.

During 2021/22, the ARFL invested further in state-of-the-art automation with the acquisition of additional equipment replenishing outdated versions for immunoassay testing of biological molecules such as erythropoiesis stimulating agents (EPO and analogues) as well as the next generation testing equipment for the quantification of total carbon dioxide in equine plasma utilizing Head Space Gas Chromatography Mass Spectrometry to combat a form of doping dated back to the 1980s with the drenching of horses with concentrated bicarbonate solution.

The ARFL conducts R&D internally and in collaboration with universities, research institutions and other racing laboratories into the detection of new drugs and the improvement of analytical methodologies. This covers a diverse range of science; from biomarker monitoring for the Racing NSW Equine Biological Passport (EBP) to the expansion of prohibited substances that can be detected in hair samples. The quality of ARFL research is reflected by the publication of six papers in leading international peer-reviewed journals during the past year.

Acknowledgements

With the first quarter of this year being the most challenging of the COVID-19 pandemic, I again acknowledge and thank the industry participants for their commitment to the COVID-19 protocols implemented by Racing NSW, including but not limited to the Rapid Antigen Testing regime which safeguarded the industry.

I must also express my appreciation to the Board, for their leadership, friendship and support during the year. Their collective administrative experience, business acumen and working knowledge of the racing and wagering industries has again proved vital to the administration of Thoroughbred racing throughout the year. In particular, to the Chairman Russell Balding AO who is the ultimate quiet achiever. His tenacity, extreme professionalism and strong support is inspirational to the management and staff.

The former Deputy Chairman, Mr Tony Hodgson AM retired during the year and I would particularly like to thank Tony for all his assistance to me during his tenure on the Board which was invaluable.

I also thank the Minister, The Hon Kevin Anderson MP and his personal staff and officers of his Department for their support and assistance during the year.

Thanks also to the executive and staff of Racing NSW for their continued loyalty, dedication, and friendship. The combined efforts and achievements of these officers, have contributed largely to the continued viability of the NSW Thoroughbred Racing Industry.

I also thank the many other persons involved in the industry, including members of the Racing Appeals Tribunal, the Appeal Panel, the

Integrity Assurance Committee, the Jockey's Benefit Scheme Trust, the Animal Care and Ethics Committee and the Racing Industry Consultation Group. And to all Club Committees and participant groups who give freely of their time and effort mostly in a voluntary capacity in the various administrative and other roles which contributed to the success of the industry in New South Wales.

Finally, I offer my sincere condolences to the families and friends of those participants who sadly passed away during the year. In particular, I was extremely saddened by the passing of my former Chairman Alan Brown AM. Alan was an outstanding Racing administrator and his contribution to racing is immeasurable.

Alan was the ultimate gentlemen who was full of class and respected and admired by all he came into contact with.

His greatest asset was his loyalty and he would be the strongest supporter when most needed.

In fact, he was the perfect role model not only for racing administrators but anyone who seeks success.



Late Alan Brown AM

Full details of those who left us are shown on the obituaries page (p54).

Peter V'landys AM

Chief Executive



Scott Kennedy
General Manager
Industry & Analytical

Racing in New South Wales

The 2021/22 year was significantly disrupted, with COVID lockdowns imposed on greater Sydney for more than three months until 11 October 2021.

These affected all NSW, with regional NSW impacted by various lockdown periods of at least four weeks from 14 August 2022.

Further, from February 2022, NSW endured an extended and widespread run of wet weather which included flooding, most notably in the North Coast and in the Hawkesbury region.

Despite the extended period of COVID 'stay-at-home' orders for Greater Sydney and also regional NSW, Thoroughbred racing was able to continue operating under strict protocols.

Restrictions on specific local government areas also impacted the ability of essential staff working outside their resident local government area.

From a racing viewpoint the most significant change was that Rosehill Gardens and Warwick Farm Racecourses were unable to be raced at for an extended periods. Rosehill Gardens was unavailable late July until late September 2021 and Warwick Farm was not utilised for racing until 4 October 2021.

Most notably, Kembla Grange Racecourse proved to be a reliable substitute venue for three Saturday race meetings originally scheduled for Rosehill Gardens before racing returned for the Golden Rose meeting on 25 September 2021.

The Greater Sydney stay-at-home orders meant that race meetings in the affected area were unable to host racegoers until after the restrictions were lifted on 11 October 2021.

The Everest in 2021 was the first feature meeting to be staged following the lifting of restrictions with a capped crowd of 10,000 attendees.

Travel restrictions in place at the time meant that racegoers from regional NSW, outside the Greater Sydney region as defined at the time, were unable to travel to Sydney and attend the race meetings in the weeks immediately after the lifting of restrictions.

COVID lockdowns in Greater Sydney and in regional NSW for at least four weeks in August/September 2021 impacted race meetings across the state with racegoers unable to attend the races during this period.

In some instances, protocols associated with racing during the COVID period and caution to ensure that the continuation of racing was not jeopardised, meant that some country meetings

held at locations not subject to COVID lockdowns were run without racegoers.

Non-TAB and picnic racing were particularly impacted during the first half of the year. In many instances, non-TAB meetings scheduled outside of lockdown period through to December 2021 were cancelled by their respective committees.

In some cases, this was attributable to difficulties in attracting racegoers that traditionally travel to these meetings given the difficulties, as well as a reluctance to have people travel to their small community at a time when there was a high level of anxiety regarding COVID.

The decline in non-TAB meetings was despite the addition of non-TAB and picnic races to provide racing opportunities for these horses.

The extended period of wet weather from February 2022 saw a significantly lower number of race meetings held during the year across sectors.

Consistent efforts were made to transfer or schedule meetings impacted by wet weather. Despite this, there were 15 fewer meetings held between February and June 2022 than in the same period of 2021.

The total number of TAB meetings staged during the year was at 630, the lowest since 2016/17 when 619 TAB meetings were run. For the third consecutive year COVID and its related impacts saw the total number of non-TAB and picnic meetings well below the level usually staged.

NSW RACE MEETINGS HELD

SECTOR	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Metropolitan	116	113	116	116	114	113	112
Provincial	131	130	133	130	127	126	125
Country TAB	304	318	342	348	348	347	330
Country Saturday TAB	64	58	75	74	70	71	63
Country Non-TAB	93	87	83	82	57	51	51
Picnic	27	26	31	29	22	20	18
TOTAL	735	732	780	779	738	728	699

NSW RACES RUN

SECTOR	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Metropolitan	913	929	955	949	920	917	950
Provincial	1,020	1,010	1,039	1,012	964	935	942
Country TAB	2,291	2,411	2,560	2,616	2,603	2,563	2,478
Country Saturday TAB	418	381	481	464	453	436	417
Country Non-TAB	504	481	462	458	317	264	283
Picnic	159	152	179	164	121	113	107
TOTAL	5,305	5,364	5,676	5,663	5,378	5,228	5,177

The total number of races run was the lowest in recent years, attributable to COVID and extended periods of wet weather.

The total number of races run is influenced by Racing NSW continuing to take a more commercial approach at the close of nomination and acceptances, to races likely to produce very small field sizes compared to three years ago.

There were also an unusually high number of meetings that were held on very heavy tracks. From February to June 2022, 96 meetings were run on heavy rated tracks with 25 of these being on Heavy 10 tracks.

The same period in 2021 saw 55 meetings held on heavy rated tracks with 12 of these being on Heavy 10 tracks.

NSW RACE STARTERS

SECTOR	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Metropolitan	9,082	8,735	8,864	9,317	8,894	8,795	9,183
Provincial	9,176	8,542	8,436	8,891	8,912	8,368	8,238
Country TAB	24,304	25,792	26,781	27,596	27,501	26,381	25,617
Country Saturday TAB	4,289	3,924	4,842	4,763	4,686	4,395	4,502
Country Non-TAB	4,121	3,723	3,288	3,264	2,320	2,069	2,293
Picnic	902	925	1,034	921	683	667	620
TOTAL	51,874	51,641	53,245	54,752	52,996	50,675	50,453

The total NSW race starters during 2021/22 decreased in line with the number of meetings and races held.

NSW AVERAGE FIELD SIZES

SECTOR	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Metropolitan	9.95	9.40	9.28	9.82	9.67	9.59	9.67
Provincial	9.00	8.46	8.12	8.79	9.24	8.95	8.75
Country TAB	10.61	10.70	10.46	10.55	10.57	10.29	10.34
Country Saturday TAB	10.26	10.30	10.07	10.27	10.34	10.08	10.80
Country Non-TAB	8.18	7.74	7.12	7.13	7.32	7.84	8.10
Picnic	5.67	6.09	5.78	5.62	5.64	5.90	5.79
TOTAL	9.78	9.63	9.38	9.67	9.85	9.69	9.75

Average field sizes increased slightly against 2020/21, partly reversing the decline from 2019/20.

In total, 8,820 individual horses contested at least one race in NSW during the year, an increase of 60 over the previous year.

As was the case last year, the total number of interstate-trained horses racing in NSW was below the pre-COVID period, falling to 2,161 from more than 3,000 in 2019/20.

NSW-trained horses contributed 230 more starters than last year, with strong growth in the number of horses from Metropolitan and Provincial tracks.

As was the case in 2020/21, the decline in interstate-trained horses and starters has been partly attributable to a lesser schedule of non-TAB racing in regions accessible by interstate trainers.

The decline in the individual number of interstate horses and starters running in TAB races conducted impacted Country racing as well as Metropolitan race starters.

Racing Highlights

Although Greater Sydney was subject to stay-at-home orders at the time, July 2021 saw the introduction of Midway races at Metropolitan Saturday race meetings.

Boasting prizemoney of \$100,000 a race and restricted to horses from eligible Metropolitan and Provincial stables, the races were instant successes.

TAB Highway races were also run for prizemoney of \$100,000 from July 2021. In addition to the above, prizemoney for standard Saturday races increased to \$130,000 a race.

Country TAB prizemoney increased to \$24,000 per race, in addition to increases in prizemoney for Sky 2, non-TAB and picnic races.

In the spring of 2021, prizemoney for the Epsom Handicap was increased to \$1.5 million, the 100th running of the Hill Stakes for \$1 million, with the Flight Stakes, Craven Plate, Rosehill Gold Cup and the Villiers Stakes in December 2021 were run for prizemoney of \$750,000.

The Hill Stakes, Craven Plate and Rosehill Gold Cup also formed a \$1 million bonus which was taken out by Think It Over.

Golden Eagle Day saw the running of the Four Pillars Midway race at Benchmark 68 level for prizemoney of \$700,000.

The Midway concept was expanded to the Provincial Championships with the Provincial-Midway Championships held over seven qualifying races leading to the Final on the second day of The Championships.

Despite COVID restrictions, The Everest race meeting was able to be held in front of a crowd of 10,000 racegoers.

At his third attempt, Nature Strip won The Everest from the fast-finishing Masked Crusader and the consistent Eduardo, the result replicating the trifecta from the TJ Smith Stakes at The Championships six months earlier.

Also on Everest day, The Kosciuszko run for NSW Country-trained horses with prizemoney of \$1.3 million also saw a reprise of The Championships with Art Cadeau for Terry Robinson repeating his win from the Country Championships in overhauling 2019 winner Handle the Truth.

A fortnight later saw the third staging of the \$7.5m Golden Eagle. Melbourne visitor I'm Thunderstruck for Hugh Bowman and Michael Price & Michael Kent Jnr, ran down the Kembla Grange-trained Count De Rupee in a thrilling finish.

On the same day, the Classique Legend Stakes saw Eduardo produce an all-the-way win after his placing in The Everest, landing a \$750,000 bonus for his connections.

On the Saturday between the Everest and Golden Eagle, The Invitation with prizemoney of \$2

million was run for the first time, with the previously luckless Icebath recording a big race win for trainer Brad Widdup.

The spring was capped off with both The Hunter at Newcastle and The Gong at Kembla Grange Racecourse again proving to be successful on and off course.

Both races highlighted racing in their cities with prizemoney of \$1 million and completed the spring racing carnival.

Lost and Running confirmed the Everest form with a strong win in The Hunter for John O'Shea and jockey Hugh Bowman. In The Gong, Count De Rupee produced a fantastic result at his home course for Robert & Luke Price and jockey Brock Ryan.

With prizemoney increased to \$5 million, the Golden Slipper was won brilliantly by the filly Fireburn, providing second wins in the race for both trainer Gary Portelli and jockey Brenton Avdulla.

As was the case in 2021, the Tancred Stakes was postponed from the date it was initially scheduled, this time by two days and to Newcastle Racecourse when the scheduled Rosehill Gardens meeting was postponed after running three races.

The unusual transfer proved to be wise, continuing the Carnival and providing one of the best performances with Duais comfortably winning the Tancred Stakes for trainer Edward Cummings and jockey Josh Parr.

Five days later The Championships commenced and saw Day 1 run on a very heavy track.

Nature Strip was again brilliant in winning a third consecutive TJ Smith Stakes, repeating the feat of Chatauqua from 2017.

Ben Hayes and jockey Craig Williams combined to win the Doncaster Mile with four-year-old Mr Brightside. Fireburn followed her Golden Slipper victory by winning the Sires' Produce Stakes.

The Australian Derby was won for the second consecutive year by Ciaran Maher & David Eustace combining with jockey John Allen, when Hitotsu proved too classy in a driving finish.

Wagga Wagga claimed the Country Championships Final with Another One, improving on his placing in 2021, scoring for trainer Gary Colvin and local jockey Nick Heywood.

Day 2 of The Championships was highlighted by a strong Queen Elizabeth II Stakes. In a dashing ride, Nash Rawiller took out the race on the consistent Think It Over capping a memorable season. Ridden by Rachel King, Knights Order recorded an all-the-way win in the Sydney Cup for the Waterhouse-Bott stable.

Victorian visitor El Patroness won the Australian Oaks for Danny O'Brien and jockey Damien Lane, and Nimalee won the Queen of the Turf Stakes for Warwick Farm trainer Matthew Smith.

Following the Sydney Autumn Carnival, successful Provincial stand-alone Saturday meetings were run with the Hawkesbury Cup and Gosford's Gold Cup and 'The Coast'.

The Scone Saturday meeting also successfully returned for the first time in two years.

In the 2021/22 season NSW trainers produced 42 of the 74 Group 1 winners in Australia across the year.

Chris Waller was again the most successful NSW trainer with 10 Group 1 wins including three by Verry Elleegant and two by Nature Strip who also won the King's Stand Stakes at Royal Ascot.



Icebath (Kerrin McEvoy) races away with the inaugural \$2 million The Invitation at Royal Randwick. Image by Bradley Photographers

Both the partnerships of Gai Waterhouse/Adrian Bott and James Cummings for Godolphin recorded five Group 1 wins.

Victory in The Everest and three Group 1 races ensured that Nature Strip was named the Australian Horse of the Year, as well as Champion Sprinter.

Other NSW horses were very prominent in the Australian Classifications categories. Top-rated horses were Fireburn (Champion 2yo and Filly), and Anamoe (Champion 3yo Colt or Gelding).

Among the riding achievements, James McDonald captured his sixth Metropolitan Jockeys' Premiership in 2021/22 with 105 wins ahead of Hugh Bowman on 74.

Keagan Latham went one better than the previous year winning the Provincial Premiership from Tommy Berry.

The Country Premiership again went to Ashley Morgan with 118 wins from Grant Buckley. The overall NSW Premiership was taken out by Ashley Morgan from James McDonald.

Dylan Gibbons was the most successful apprentice jockey in the state with 116 wins, ahead of Reece Jones with 104 wins. Tyler Schiller won the Metropolitan apprentice title with 45 wins.

Chris Waller topped the Sydney Trainers' Premiership for the 12th consecutive year with 154 wins, ahead of runner-up James Cummings with 60 and Waterhouse/Bott on 49 wins.

Chris Waller was also the leading trainer state-wide with 205 winners ahead of Kris Lees with 143 winners and claimed the prestigious Bart Cummings Medal.

Industry Support

Racing NSW undertakes a program of racing and training infrastructure improvements, upgrades under the capital works program and support to Clubs undertaking other capital works.

The new Winx Stand Development at Royal Randwick Racecourse was completed during the year and opened in December 2021.

The project was completed within budget which is testament to the professionalism of the Project Control Group and the discipline with which the project was administered.

The Winx Stand brings to general admission customers, premium public facilities in the spectator precinct including an array of food and beverage outlets, lounge areas and a terrace that provides excellent views of the racecourse.

Capital Works projects funded by accumulated Race Fields monies have continued throughout the year notwithstanding that operations have been hampered due to the ongoing impacts of COVID-19 and wet weather from February 2022.

The installation of a new Polytrack synthetic training surface at Gosford Racecourse was completed and available for use in October 2021. Given the rainfall since, the synthetic track enabled training activity to be maintained to an extent that would not otherwise have been possible.

Racing NSW has also approved financial assistance towards conversion of the existing all-

weather training surface at Newcastle Racecourse to a Polytrack.

Assessment of the pre-existing track confirmed that the outside concrete kerb existing basecourse and subgrade were suitable for use, meaning that the scope of the civil works contract is substantially less than other projects. This significantly shortened the construction program.

Procurement for the Newcastle works were complicated by difficulties in sourcing key raw materials out of Europe. At the end of the reporting period, civil works were underway with Martin Collins Australia geared-up to commence installation of the synthetic surface profile during July.

At the conclusion of this project all five Provincial racecourses will be equipped with high quality synthetic training surfaces which have proven so effective in enabling trackwork to be conducted under all weather conditions.

This outcome provides Provincial trainers with the same excellent training surfaces to be found at the Metropolitan racecourses in Sydney.

Site investigations have also been completed at Scone Racecourse in connection with the proposed development of new on-course stabling plus the upgrading of training facilities.

These proposed works will build upon recent irrigation and pump station upgrading which will collectively deliver an outstanding regional training facility.

Reconstruction of the 'B' Grass project at Kembla Grange Racecourse is scheduled to commence in 2022 and will complement the previously completed Polytrack project.

Procurement of this next phase of the Kembla Grange redevelopment has been complicated by the need to develop a new stormwater & floodwater management plan for the site.

Kembla Grange Racecourse is highly susceptible to stormwater inundation via upstream catchment flows into the northern boundary.

Additionally, the site is located within the Mullet Creek floodplain and is therefore also extremely vulnerable to a backwater effect from these waterways during flood events, whereby the racecourse is inundated by these off-site floodwater inflows. Detailed modelling will inform the best possible solution in the context of these considerable constraints.

During 2021/22, a number of other significant capital works projects were also undertaken in collaboration with RNSWC's Country Racecourse Development Fund (CRDF) and Country race clubs. A significant upgrade of the sand training track at Tamworth Racecourse was successfully completed and commissioned in December 2021.

This project was complicated by travel restrictions due to COVID-19 but constraints were actively managed by the Project Control Group.

The project overcame the sudden unavailability of a preferred source of sand, with a suitable alternative found. Despite the cost of longer distance transportation of this alternative sand, the project

was still completed on budget due to disciplined contract administration.

A substantial upgrade of the pumping plant and irrigation system at Sapphire Coast Racecourse was also successfully completed. Along with improved watering uniformity to the course proper, the project will also deliver a dual row irrigation system to the sand training track enabling presentation of better, more consistent sand track conditions to trainers.

Racing NSW also provides project management services to other racecourse developments financed with third party funding, such as funding sourced from the NSW Government's COVID-19 Economic Stimulus Package.

An example of such a project is the \$3.7m development of new stabling and strategic track improvements at Bathurst and Taree Racecourses.

The bi-yearly WHS Seminars for all NSW Race Clubs scheduled to be delivered throughout the state in late 2021 were postponed due to COVID-19 impacts and associated capacity constraints imposed by host venues which rendered the conduct of the seminars impractical.

Racing NSW is therefore currently investigating all options for delivery of these seminars to Clubs in 2022.

In the interim period, online training and support continues to be offered for the Online WHS Management System (OWHSMS) which is used by all NSW Race Clubs.

Wagering on Racing

Wagering on NSW Thoroughbred racing continued its trend of year-on-year growth during the 2021/22 financial year, generating strong Race Fields fee

income for the NSW Thoroughbred Racing Industry.

Overall wagering levels were strong in the first half of the year despite the impact of COVID lockdowns on the NSW TAB's outlet betting until 11 October 2021 as also the impact of some interstate lockdowns on betting in outlets of the local state TABs.

Turnover on the second half of the year was significantly impacted by the prolonged and extensive wet weather throughout NSW. This both impacted the number of race meetings able to be staged and the higher proportion of wet tracks negatively impacting wagering.

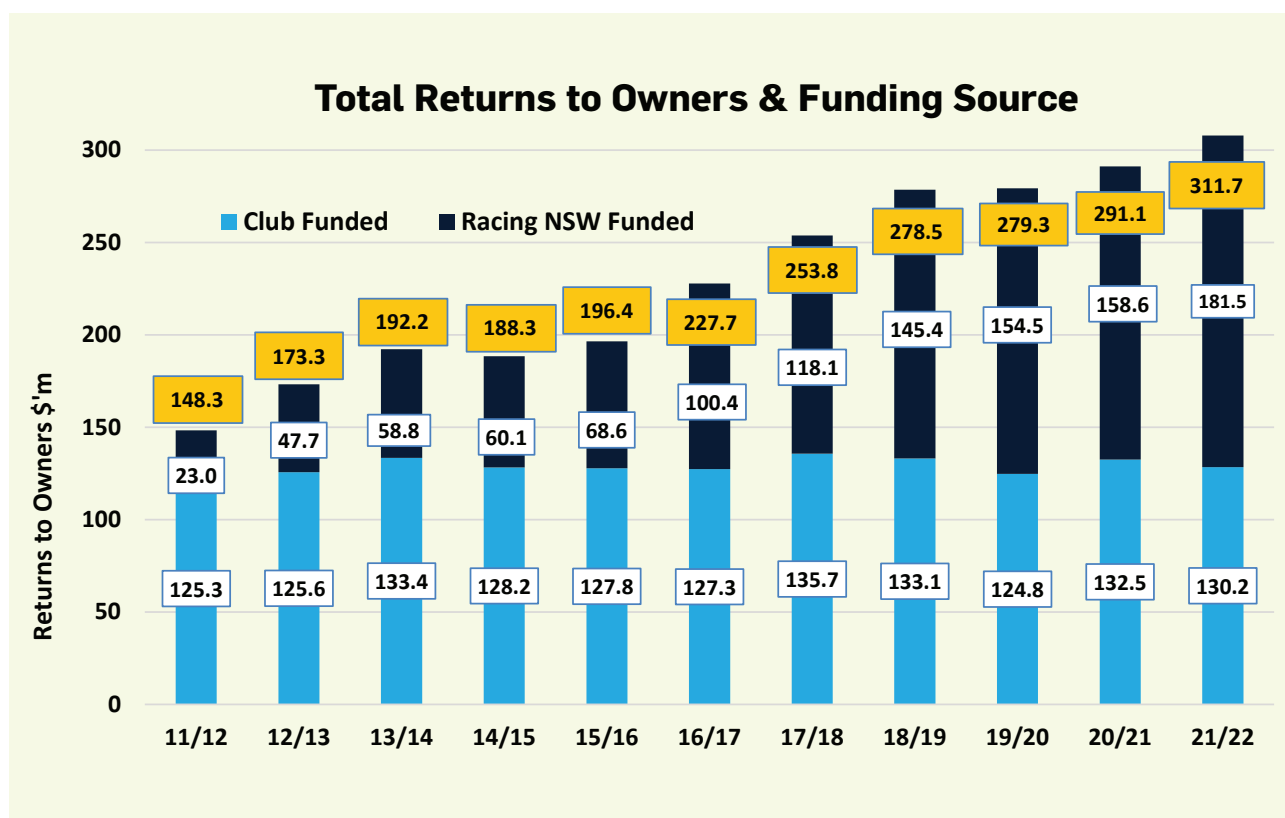
Despite this, wagering on NSW Thoroughbred racing has increased by almost 80% over the past six years.

Payments to Race Clubs from TAB Funding and Returns to Owners

TAB distributions to NSW race Clubs were significantly impacted by the extended period of COVID lockdowns during the first 15 weeks of 2021/22.

Total prizemoney and Returns to Owners in NSW also increased against 2020/21. Despite the disruption from COVID and wet weather, the total prizemoney paid during 2021/22 was a new record high at \$277.14 million with increases in prizemoney for selected races and the creation of Midway races.

Total Returns to Owners were \$311.78 million. The difference between total Returns to Owners and TAB distributions paid to Clubs highlights the critical importance of alternative income streams that have been developed over the past 10 years by Racing NSW.





Keith Bulloch
General Manager
Regulatory

Background

The role of the General Manager-Regulatory is to manage the following functions: -

- Race Fields Legislation – Wagering Operators approval to use NSW Race Fields Information, and payment of required fees
- Licensing Department – licensing of racing industry personnel
- Registration – NSW functions including changes of horse ownership; transfers, leases and syndicates, racing colours (jockey silks)
- Industry Training Department - the delivery and assessment of training to new and existing industry licensees
- Syndications, Licensed Promoters and ASIC communication
- Stablehand 1.5% prizemoney bonus scheme
- Welfare funding and support to participants in necessitous circumstances or flood/drought/bushfire relief
- Chairman Racing NSW Licensing Committee
- Trustee, NSW Jockey's Trust
- Chairman, NSW Jockey's Governance Advisory Committee
- Alternate Member, NSW Animal Care and Ethics Committee
- Alternate Director, Racing Australia
- Rules of Racing, betting, and some disciplinary inquiries in conjunction with stewards
- Project work as assigned
- Chairman – a number of Racing NSW Show Cause Hearings
- Barrier Draw auditing

The GM-Regulatory has senior management responsibility for each area including implementation of Board policy. Department activities are reported under department headings later in this section.

In addition to these, specific project work was undertaken, such as:

Racing NSW Race Fields Information Use – Review of the Standard Conditions

The structure and function of the Race Fields scheme is continually reviewed by Racing NSW and when amended, changes are included in the Standard Conditions and advised to Wagering Operators.

In 2015 there was an amendment to the Race Fields Information Use Standard Conditions to provide for

the introduction of the product category: Totalizator Derived Odds. This product and variations of it is popular with punters and offered by the majority of Corporate Bookmakers and some On-Course Bookmakers. As a result of the change, bets taken at Totalizator Derived Odds attracts a higher product fee payable by the Wagering Operators to the NSW racing industry than regular Fixed Odds bets.

As a result of the 2016 review, the category of a "premier" meeting category was introduced from 1 July 2016, which applies to race meetings with at least one race carrying advertised prizemoney of \$1 million or greater. The fee for Premier meetings is set at 3.5% for Derivative Bets and 3.0% for other (non-derivative) bets.

Following this year's 2022 annual Race Fields review, no changes to the fees structure were made. The Standard Conditions were published 1 July 2022.

Jockeys Insurances – Renewal of Policies

Racing NSW as a member of the Racing Australia Jockey Insurance Sub-Committee reached agreement on the renewals of Jockey Personal Accident and Public Liability Insurance policies. Extensive consultation with the NSW Jockeys Association balances the policy objectives, achieving best coverage for reasonable premium costs.

Trainers Insurances – Renewal of Policies

Different to the National Jockey's policy, the Trainer's policy is NSW centric, held by the NSW Trainer's Association ("NSWTA"). This has been the case since 2008 when the NSWTA formed and sought better insurance cover for NSW Trainers.

Racing NSW attended three meetings with the NSWTA and the insurance brokers regarding the renewals of Trainer Personal Accident policy and Public Liability Insurance policy. Racing NSW's role is to check the terms of each policy with the objective to provide the optimum protection possible within favourable terms for all trainers.

After pricing the market and receiving quotes for each type, the policies were renewed by NSWTA for 2021/22 with existing underwriters for Public Liability coverage. Equal or improved policy coverage terms to the previous year's coverage (2020/21) was achieved for both policies. An increase in premium for PLI cover

was required due to rising global insurance markets - trainers will pay an increase in the starter fee for Public Liability coverage.

REGULATORY DEPARTMENT REPORTS

Licensing

The Racing NSW Licensing Department is responsible for the issuing of NSW industry licences. Criteria regarding applicant's qualifications apply, depending on the category of licence sought. Gary Rudge is the Licensing Supervisor, assisted by Ruby Price and Matthew Robinson who both also assist with state based registration functions.

Licensing decisions are reviewed or made by the Racing NSW Licensing Committee - a panel of Managers representing Licensing, Stewards, Legal Division and chaired by the General Manager - Regulatory. The Licensing Committee met on eight occasions during 2021/22. Applicants for licences may also be further interviewed at these meetings. The role of the Licensing Committee with oversight of the Chief Executive and Board is to make recommendations to the Chief Executive on licence applications and to recommend licensing policy and procedure for Racing NSW.

Applications for licences are considered and applicants may be further interviewed at these meetings. In 2021/22 the Committee at these meetings;

- conducted 20 interviews in relation to licence and other applications
 - considered 23 licence applications that were referred to them by the Licensing Supervisor, of which 6 were approved and 17 refused
 - considered 10 other matters that were referred to them including licensee disciplinary matters & proposed amendments to licensing policy and procedures
- The Committee also reviewed and agreed with the approval of the following new licences;
- 20 Trainer licences
 - 2 Trainer partnerships
 - 13 Jockey licences
 - 16 applications to register an Apprentice Jockey
 - 20 applications to transfer the indentures of an Apprentice Jockey
 - 12 applications from an Apprentice Jockey to extend their indentures

- 10 applications to register as an Approved Rider
- 1 Bookmaker licence
- 1 Bookmaker Company licence
- 6 Rider Agent licences
- 786 Stable employee licences (178 declined/did not proceed due to the applicant not obtaining the required Police Certificate, or not obtaining their HorseSafe Certificate)
- 36 Bookmaker Clerk's licences (3 declined/did not proceed due to the applicant not obtaining the required Police Certificate)

Comparison of Licensing Statistics – 2020/21 vs 2021/22

Trainers: 899 vs 840 (-6.6%) this represents a slightly larger percentage decline than has been experienced in recent seasons. A fewer number of new registrations following a greater expectation in regard to the financial position and business plan provided by new applicants can largely explain the reason for the more significant decline.

Riders: Jockeys: 135 vs 135 (-0%), Apprentice Jockeys 55 vs 51 (-7.2%)

This equates to total riders eligible to ride in races of 190 vs 186 (-2.1%)

Bookmakers: 115 vs 110 (-4.3%). This reduction is consistent with the trend experienced over a number of years. There has been a significant increase in the number of licensed NSW Bookmakers who have applied to register a Betting Office/Premise and for permission to accept bets over the internet.

REGISTRATION

Racing Australia manages the Registrar of Racehorses which processes all new horse registrations nationally. Racing NSW is a stakeholder in Racing Australia.

Racing NSW acts as Deputy Registrar for NSW registration functions, which include Transfers of Ownership, Leases, Syndicates, Registration of Racing Colours (silks) and recording of Promoter Product Disclosure Statements to the final registration of the relevant horses. Functions are carried out by Kristy Livingstone assisted by Ruby Price and Matt Robinson and casual assistants Bev Lawless, Carole Patterson and Jack Jones.

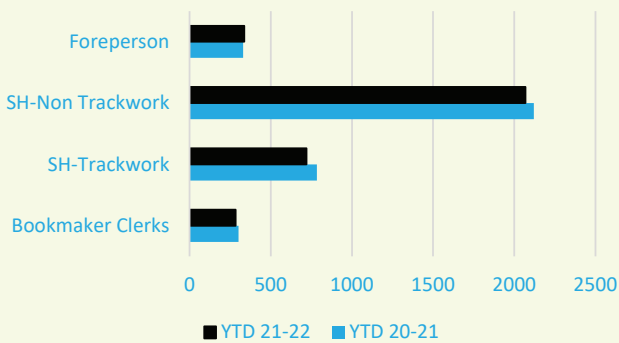
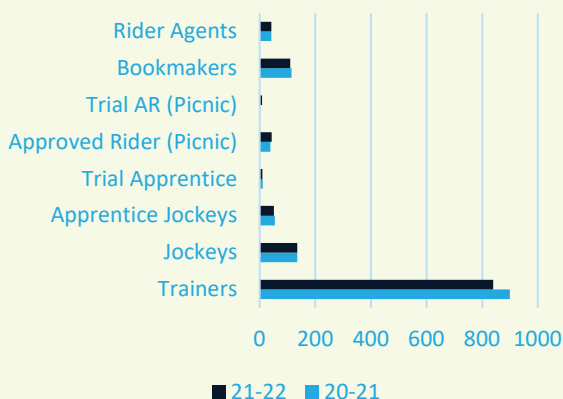
LICENCES WITH THE EXPIRY DATE 30 JUNE 2022 (1/7/2021 TO 30/6/2022)

	Metropolitan		Provincial		Country		Total	
	Total 2021	Total 2022	Total 2021	Total 2022	Total 2021	Total 2022	Total 2021	Total 2022
Trainers	68	64	150	151	681	625	899	840
Jockeys	46	47	19	19	70	69	135	135
Apprentice Jockeys	12	10	13	15	30	26	55	51
Trial Apprentice	-	3	5	1	6	6	11	10
Approved Rider (Picnic)	-	13	-	-	38	43	38	43
Trial AR (Picnic)	-	-	-	-	2	9	2	9
Bookmakers	35	34	6	6	74	70	115	110
Rider Agents	17	17	7	9	18	16	42	42

Licences with the expiry date 31 October 2021 (1/11/2020 to 31/10/2021)

	Metropolitan			Provincial			Country			Total		
	YTD 2021	Total 2021	YTD 2022	YTD 2021	Total 2021	YTD 2022	YTD 2021	Total 2021	YTD 2022	YTD 2021	Total 2021	YTD 2022
Bookmaker Clerks	174	185	158	16	17	15	112	114	111	302	316	284
SH-Trackwork	248	298	259	124	130	108	412	395	353	784	823	720
SH-Non Trackwork	657	758	644	375	403	397	1089	1147	1027	2121	2308	2068
Foreperson	129	129	133	50	51	53	150	153	151	329	333	337

TOTAL LICENCES



Horse Registration - NSW

At the end of the 2021/22 financial year Racing Australia through the Registrar of Racehorses (ROR) had registered 11,092 new horses nationally, of which 3,387 are owned in NSW. NSW represents 31% of the total number of horses registered, as identified having the Manager (first named owner) located in NSW.

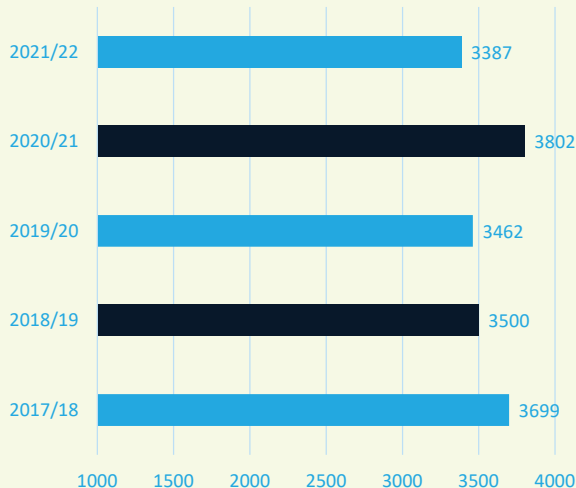
Transfers/Leases/Syndicates - NSW

The Regulatory Department recorded 3,359 Transfers of Ownership for the 2021/22 financial year, a decrease of 7% from the previous season.

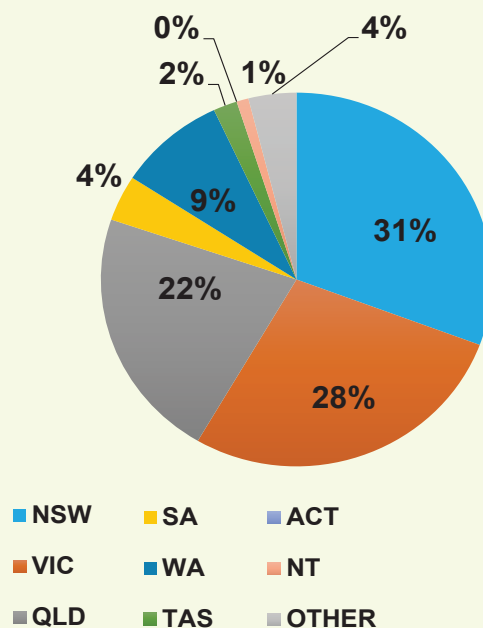
NSW registered 930 Syndicates during the 2021/22 season which is a 7% increase on the previous season.

The gradual increase in these numbers over the past few seasons points to the success of attracting

NSW REGISTRATION FIGURES



REGISTRATION FIGURES BY STATE

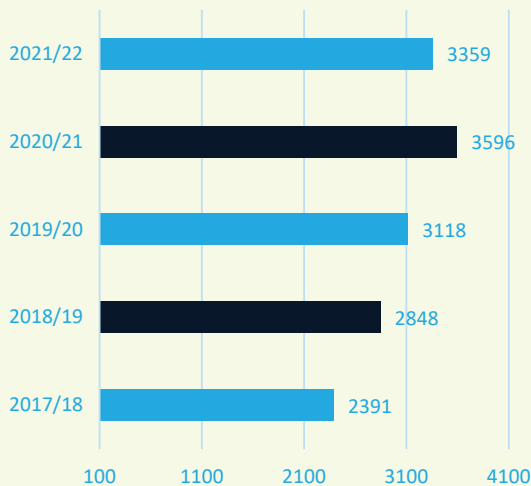


first time owners by promoting a more affordable ownership option in larger groups.

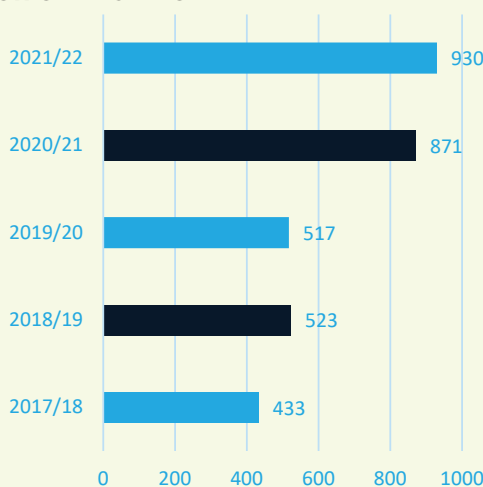
Of NSW registered syndicates this season, 96% of those were 'ordinary' syndicates made up of a group of up to 20 persons (or up to 50 persons for publicly promoted syndicates). The remaining 4% of syndicate registrations comprise Company, Firm or Stud Syndicates.

Transfers of ownership have slightly decreased. 429 Lease Agreements were recorded. A decrease of 16% on the previous season, representing a change in ownership structure by some major owners.

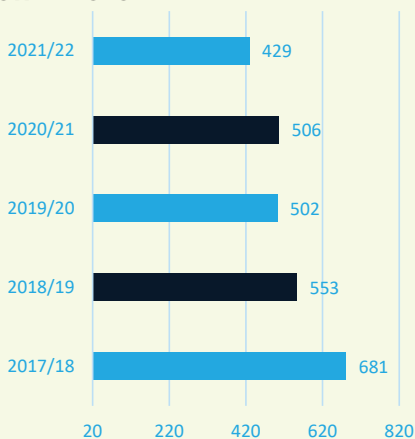
NSW TRANSFERS



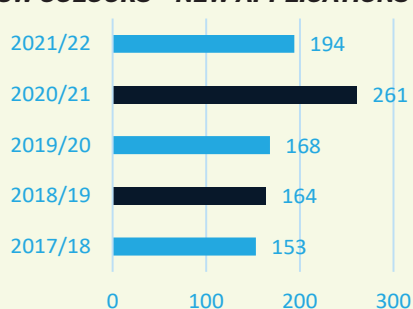
NSW SYNDICATES



NSW LEASES



NSW COLOURS – NEW APPLICATIONS



Racing Colours – NSW

Racing NSW registered 194 new sets of jockey silks during the 2021/22 financial year. There is a total of 2,158 sets of colours currently registered in NSW.

Each Principal Racing Authority now registers colours in the Single National System (SNS), the national database developed by Racing Australia.

Online Functions - MyHorseRacing

Over May and June 2019 Racing Australia launched several online functions for owners on the new Owners Portal MyHorseRacing.horse (MHR), with 23,018 Racing NSW participants activating an account since inception.

Horse Registrations, Transfers, Leases and Syndicates are some of the forms now available for those who wish to make online transactions. Paper-based forms will continue to be available.

Annual Syndicate renewals were also sent out with renewals available online only through MHR. At time of writing (July) 1684 of 3467 (49%) have already been renewed through the portal for the new season.

Industry Training

The Industry Training Department is responsible for coordinating the delivery and assessment of training to new and existing industry licensees.

The department has been delivering training and education programs as a Registered Training Organisation (RTO) since November 2019, under the trading name Team Thoroughbred NSW Training Academy (RTO code 45565), a division of NSWTRB Training Limited.

Team Thoroughbred NSW Training Academy has become the preferred Training Provider for the NSW Racing Industry since the Australian Racing Equine Academy, a partnership between Racing NSW and TAFE NSW, expired on June 30, 2019.

The RTO underwent a performance assessment (audit) from ASQA (Australian Skills Quality Authority) in November 2021, and was granted a new certificate of registration until 26 November 2028.

Specialist Workplace Trainers and Assessors ("WTA's") employed by Racing NSW provide training and assessment services to apprentices, trainees and work experience placements which results in the learners gaining a range of qualifications under the National Training Package.

Stuart Rich is Training Manager/Executive Officer; with Workplace Trainers and Assessors Dan Power (Metropolitan/Provincial), Jamie Whitney (South East, Central West, Southern Districts), and Scott Thurlow (Mid North Coast, Northern Rivers, Hunter North West). Phillip O'Brien manages the Training Department's eLearning, Web and Digital Media programs (including HorseSafe).

Apprentice Jockey Coaches are Pat Webster, Rodney Quinn, Dale Jeffries, Brad Clark, Scott Thurlow, Jamie Whitney and Head Jockey Coach Corey Brown (Manager), who was appointed during the year.

Both on-the-job and off-the-job training forms an integral part of a participant's future qualifications.

In particular, focus applies to new riders and future Apprentice Jockeys and Racehorse Trainers. The following full qualifications and Skill Sets have been approved on scope:

- RGR20221 Certificate II in Racing Industry (Stablehand)
- RGR30218 Certificate III in Racing (Stablehand)
- RGR30518 Certificate III in Racing (Trackwork Rider)
- RGR40118 Certificate IV in Racing (Racehorse Trainer)
- RGR40221 Certificate IV in Racing (Jockey)
- RGR30419 Certificate III in Racing Services (Racing Administration)
- RGR30419 Certificate III in Racing Services (Cadet Steward)
- RGRSS00053 Thoroughbred Barrier Attendant Skill Set

The objectives of the Industry Training Department include:

- Assisting people entering the racing industry to find their most pertinent career path;
- Encourage greater participation of people in the racing industry;
- Ensuring participants are informed about the National Racing Industry Training Package;
- Providing equitable training throughout the Country, Provincial and Metropolitan areas;
- Seeking State and Federal funding to assist with the delivery of training for trainees and apprentices in the racing industry; Smart and Skilled funding is currently being received for delivery of the above qualifications, with the NSW Government fee-free-training initiative granted to all eligible apprentices and trainees. The RTO enrolled 135 Government funded trainee and apprenticeships over the 2021/22 financial year, with an additional 94 Stable Skills Short Course enrolments to all of those not eligible;
- Manage the Racing NSW Apprentice School;
- Managing the Rising Star Apprentice Race Series.

Monthly Apprentice Jockey Schools were held across NSW from July to December 2021, which included a blend of online delivery during the COVID-19 pandemic.

Face to face Apprentice School learning was reintroduced in March 2022 with the launch of Academy-style delivery in the form of a "High Performance Camp" at the Racing NSW-acquired Scone campus. 42 Apprentice Jockeys attended a four-day training program at the camp over three weeks, delivered to both non-race riding apprentices and first-year apprentices followed by second and third-year apprentices.

Topics were delivered by expert presenters including:

- Training Department staff including Stuart Rich, Dan Power, Scott Thurlow, Jamie Whitney and Phillip O'Brien
- New Head Jockey Coach Corey Brown
- Racing NSW Senior Investigators Tony Williams and Jacqueline Johnstone
- Sports nutritionist Megan Roberts

- Racing NSW drug and alcohol mentor Pat Webster
- NSW police representative (drug and alcohol awareness) from Muswellbrook
- SKY Racing media personalities Greg Radley and Gavin Carmody
- Taxation and finance speaker Matt Old
- Personal trainer/fitness coach Heidi Rumsby

It's the first of multiple classroom-based activities at the Scone campus with a bi-yearly apprentice camp expected to follow in late 2022, in addition to training camps for participants and pre-licensed Racehorse Trainers enrolled in RGR40118 Certificate IV in Racing (Racehorse Trainer).

Executive Officer Stuart Rich currently sits on the Board of the Agrifood Industry Training Advisory Board (ITAB) to represent the training requirements of the racing industry. A "Showcase" Day, in conjunction with both Harness and Greyhound industries, will take place at Newcastle Racecourse in September 2022, aimed at promoting racing industry careers to females.

Stuart also sits as a member for racing on the Racing and Breeding (RGR) Industry Reference Committee (IRC) that meets twice per year to discuss all elements of the racing package and general industry wide feedback. Stuart is in regular contact with representatives from Skills Impact who oversees the IRC.

Team Thoroughbred NSW Training Academy has cemented positive working relationships with Training Services NSW as to current and future State Government funding opportunities. The network also extends to various other government departments including the Regional Industry Education Partnerships (RIEP) to deliver school programs and Local Jobs Programs exploring racing industry employment opportunities for job seekers. Similar Showcase Days to those explained above will be rolled out through these funded initiatives into the new financial year.

Stuart Rich continued to be part of a working group including representatives from Racing Australia, Thoroughbred Industry Careers, Godolphin, Racing Victoria, Racing SA and Arrowfield Stud after delivering the Australian Thoroughbred Workforce Development Forum in 2021.

After a successful delivery of the NSW Wanyua program to indigenous participants, in collaboration with the KARI foundation in 2021, Team Thoroughbred NSW Training Academy is looking at further indigenous pre-employment opportunities and pathways into the racing industry.

Work experience program pathways are currently in planning with leading metro stables in a pilot program to assist those looking to further their knowledge and experience within the racing industry.

A collaboration with Corrective Services Industries and St. Heliers commenced in March 2022 to deliver RGR20218 Certificate II in Racing (Stablehand) to three current inmates in Muswellbrook, with the traineeships due to be completed in December 2022.

In 2015, the RGR40118 Certificate IV in Racing (Racehorse Trainer) national qualification was linked as a requirement for a NSW Trainers Licence. This

has proved to be a successful step in providing new Racehorse Trainers with skills and knowledge of small business, horse welfare and the rules and regulations associated with this career.

Safety is a critical part of the industry training program. The HorseSafe program commenced at the start of 2016 for all new licence applicants. An on-line compulsory induction program for new entrants, and since its introduction all new entrants who seek registration or licensing have successfully completed the HorseSafe program which has a focus on safety and industry awareness.

Career Markets School Visits

The Training Department has commenced hosting 'Racing Showcase Days' delivered at various NSW racecourses. The RTO, together with Training Services NSW and their Regional Industry Education Partnerships deliver these Showcase Days to interested school children and school leavers promoting various roles in the racing industry where participants get to speak with current Stablehands, Trackwork Riders, Jockeys, Barrier Attendants, Stewards and Stable staff.

The Training Department has also been promoting racing industry careers and traineeship/apprenticeship pathways at various career expos that were rolled out across New South Wales from March 2022. Locations included the Sydney Royal Easter Show (15th April), Forbes Tertiary Day (27th April), Dubbo Western Plains Expo (28th April), Central West FACTS Day Bathurst (29th April), Western Sydney Schools Expo (18th & 19th May) and the Sydney Jobs Fair at Darling Harbour (28th June).

Rising Star Series

The Rising Star Apprentice Series is open to NSW and ACT indentured Apprentice Riders who are enrolled at Racing NSW Apprentice Schools.

Jenny Duggan is the Rising Star Series Champion for the 2021/22 racing season.

Duggan was declared the winner after accumulating the most points (28) across 16 contested heats.

Reece Jones and Jackson Searle were declared equal runners-up (25 points), ahead of Dylan Gibbons (23).

Apprentice Rides

The overall apprentice ride summary for the 21/22 season is comparable with that of the previous year. This table includes Metropolitan, Provincial and Country statistics.

APPRENTICE WINNING RIDES

	17/18	18/19	19/20	20/21	21/22
Total Winning Rides	1186	1212	1233	1177	1215

COMPARISON OF APPRENTICE RIDERS TO TOTAL STARTERS

	17/18	18/19	19/20	20/21	21/22
Apprentice Rides	12,830	12,798	12,788	13,915	12,752
Total Starters	54,871	56,519	54,165	56,970	51,702
Percentage of Total Rides	23.38%	22.64%	23.60%	24.42%	24.66%

Other Student Numbers

This year the department continued delivering training and assessment services to a range of qualifications covering many other facets of the racing industry, including a Stable Skills Short Course for International participants (as well as those ineligible for a subsidised NSW training contract).

The year also saw an expansion of online learning resources and an increase in the diverse range of delivery methods for all of courses.

The HorseSafe WHS Induction Course too has been accepted by the industry and now has had over 7,000 participants complete it in the five years since its inception.

Race Fields Legislation – Management of Legislative Requirements

The Racing Administration Act 1998 (the Act) provides that Wagering Operators (which includes Bookmakers, TABs, Corporate Bookmakers and Betting Exchanges) must seek the approval of Racing NSW to use NSW Thoroughbred Race Fields information. The approval process came into effect on 1 September 2008.

NSW Thoroughbred Race Fields information is considered to be any information that identifies, or can identify, the name/s or number/s of horses that have nominated for, or will take part in, a Thoroughbred race to be held at a NSW Thoroughbred race meeting, or that has been scratched or withdrawn from a Thoroughbred race meeting.

"Use" includes amongst other things, any oral, visual, written, electronic or other display or communication.

The Act also provides that Racing NSW may impose conditions on Approval Holders who use NSW Thoroughbred Race Fields information. The Standard Conditions which Approval Holders must comply with include:

- Integrity and quality control processes regarding the recording of betting information and key employee accreditation;
- Payment of a fee determined by the Wagering Operator's full year net accessible turnover;
- Other conditions designed to enable Racing NSW to administer the Race Fields Information Use legislation.

At the end of the 2021/22 period the total number of Australian Wagering Operators who had been approved to use NSW Thoroughbred Race Fields Information was 249.

Trainee And Student Figures

	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Cert II Stablehand (including School-based)	13	43	27	10	8	10	0	0	5	5
Cert III Stablehand	101	83	105	47	55	59	60	34	61	38
Cert III Trackwork Rider	77	78	80	34	46	57	78	31	68	44
Cert IV Jockey		63	55	45	40	26	20	19	27	15
Cert IV Racehorse Trainer	63	97	125	129	118	63	36	32	50	34
Cert III Racing Cadet Steward	2	4	3	0	0	8	5	5	14	5
Cert III Racing Administration	3	11	3	3	0	6	3	0	1	2
Cert III Track Maintenance	8	21	17	16	20	26	6	0	0	0
Barrier Attendant Skill Set	268	129	67	42	28	16	27	0	16	3
Approved Rider (Picnic Race Jockeys) Skill Set	No Stats	No Stats	7	14	19	16	12	0	2	3
Stable Skills Short Course*	No Stats	No Stats	No Stats	No Stats	No Stats	No Stats	No Stats	66	155	94

* Stable Skills Short Course – Short course offered to those not eligible for subsidised training, also lends itself to the 1.5% Stablehand Prizemoney Scheme

Collection of venue by venue turnover figures is arranged for critical assessment by the Analytical Department of Racing NSW.

Media and other publications, such as not-for-profit use for social purposes, and certain racing organisations are authorised to use NSW Thoroughbred Race Fields and are not subject to Racing NSW Standard Conditions. These approvals are sub-delegated by Racing NSW to Racing Australia's publication arm to ensure suitable contractual arrangements are established.

Registered NSW Syndicate Promoters and Authorised Representatives

Racing NSW continues to act in its appointed role as Australian Securities & Investment Commission lead regulator for the syndication of racehorses in NSW. The Horse Instrument 2016-790 describes the regulatory relationship between Racing NSW and ASIC.

Promoters (Syndicators) are registered by Racing NSW as either Approved Promoters (in which case the applicant also requires an ASIC Australian Financial Services Licence) or as Authorised Representatives (who operate under the licence of an Approved Promoter).

When a horse is sold in shares by one of these parties it is described as a promotion, requiring production of a Product Disclosure Statement (PDS) that explains the investment to the purchaser before deciding to buy. Each PDS requires approval by Racing NSW before being released to the public.

At the end of 2021/22 there were 19 Approved Promoters and 22 Authorised Representatives on the

NUMBER OF HORSES SYNDICATED BRACKETED ON PRICE PER 10% SHARE

Price Range – 10% Share	16/17	17/18	18/19	19/20	20/21	21/22
<\$10,000	57	79	63	39	96	74
\$10,000 +	118	128	117	108	116	128

NUMBER OF HORSES SYNDICATED BASED ON KNOCK DOWN PRICE OF HORSE AT YEARLING SALE (OR VALUATION IF PRIVATE)

Price Range - Horse	16/17	17/18	18/19	19/20	20/21	21/22
<\$30,000	15	34	31	14	41	38
\$30,000 to \$59,999	44	46	29	22	45	32
\$60,000 to \$99,999	49	47	34	32	55	34
\$100,000 to \$149,999	40	36	36	34	38	25
\$150,000 +	27	44	50	45	33	73
Total	175	207	180	147	212	202

Racing NSW registers, which is an increase of 1 and 4 respectively from the previous season.

There was a total of 202 approved promotions in the 2021/22 period, a decrease of 10 from 2020/21.

There was a notable increase in the number horses syndicated by Promoters in the higher price range bracket this season. This represents a display of confidence in the NSW Racing Industry from Promoters and a belief in their ability to syndicate higher quality stock, following the recent run of prizemoney increases.



Alice Gibson
General Manager
Equine Welfare

Equine Welfare Program

2021/22 was another strong year of growth for the Equine Welfare Department further implementing, and expanding on, our extensive Equine Welfare Program.

Continued support was offered to events showcasing the versatility of Thoroughbreds and Racing NSW committed to further drive demand for Thoroughbreds in careers after racing with the announcement of Equimillion.

The share of prizemoney distributed to the Equine Welfare Fund was increased from 1% to 1.5% and Racing NSW continued to lead the way to ensure the welfare of NSW Thoroughbreds remained the number one priority.

Announcement of Equimillion Initiative

In April 2022, it was announced that Racing NSW would be launching Equimillion, an equestrian event exclusively for retired Thoroughbred racehorses with \$1 million in prizemoney.

The inaugural Equimillion event will be held on the October long weekend in 2023.

Equimillion further highlights Racing NSW's commitment to promote the versatility and suitability of Thoroughbreds in a variety of careers outside of racing.

Equimillion will showcase this with the inclusion of a number of disciplines for competitors to enter including dressage, show jumping, eventing and showing.

Importantly, Equimillion will have a diverse range of classes available to ensure it is accessible for competitors of all abilities, from amateur to professional, aiming to encourage maximum participation from around the country at this event that will celebrate the Thoroughbred.

As part of this initiative, Racing NSW will host an auction for recently retired Thoroughbred racehorses, with those horses purchased gaining eligibility to compete at Equimillion.

Equimillion has been developed to further involve racing and equestrian participants in the exciting transition of Thoroughbred racehorses into their second careers by strengthening the demand for them in equestrian sports.

Partnerships

Racing NSW's longstanding partnership with Corrective Services NSW has continued to deliver positive outcomes for both horses and humans.

Inmates at St Heliers Correctional Centre in

Muswellbrook are able to obtain world-recognised training and qualifications in the racing industry, under the guidance of Racing NSW staff and the Team Thoroughbred NSW Training Academy.

Inmates learn horse handling and retraining skills at 'the Stables' department at St Heliers Correctional Centre working with recently retired Thoroughbreds surrendered to Team Thoroughbred NSW.

This process contributes to the retraining process of the horses and ultimately has resulted in them being rehomed to a variety of new careers.

Inmates enrolled in certificates have had the opportunity to attend racecourses on day leave, exposing them to the multifaceted career opportunities in the racing industry that they can pursue with their qualifications.

Inmates have also been offered employment opportunities in racing stables upon their release, with one inmate obtaining employment in stables in the Hunter and North West Region.

In addition to this, major stud operations in the Upper Hunter region have recognised the skills attained by the inmates in the Program at St Heliers Correctional Centre, resulting in the development of a works release program for inmates whilst still serving their sentence.

Feedback from custodial officers, case managers, and parole officers is that positive behavioural changes have been observed in those inmates that have been involved in the Stables department at St Heliers Correctional Centre.

Events Attended/Sponsorship

In January 2022, Team Thoroughbred NSW provided sponsorship for the Thoroughbred Spring Fair, where 139 Thoroughbreds competed in a wide variety of led and ridden showing classes from beginner to advanced.

In addition to Showing, this year the event also included its inaugural Show Jumping section. With 857 entries across all classes, it was a fantastic event showcasing the versatility of Thoroughbreds in careers after racing.

Team Thoroughbred NSW also attended the Sydney Royal Easter Show as it celebrated its 200th Anniversary.

Representatives from the Equine Welfare Team and Team Thoroughbred NSW Training Academy attended the event on 'Thoroughbred Day' to highlight career opportunities in the racing industry and highlight our equine welfare program and initiatives.

Both events provided great opportunities to promote and highlight the success of Thoroughbreds off the track.

The presence of Team Thoroughbred NSW enabled our team to further educate the wider community about the vast equine welfare initiatives in the racing industry and create further brand awareness.

Racing NSW has also provided sponsorship to former jockey, Kate Nipperess, as she strives towards her goal of representing Australia in the Equestrian team at the 2024 Paralympics in Paris.

Kate had a serious accident whilst riding trackwork in 2016 that resulted in her becoming a paraplegic.

Kate has been training with Equestrian Pathways Australia, a charity that supports athletes with disabilities getting back into equestrian sport, and their Program Executive Manager, Julia Battams, is confident in Kate's ability and talent.

Kate has been training hard at Tall Timbers in Box Hill and will be competing at events in Sydney and Melbourne to qualify for the Olympic team.

Sponsorship funds will predominantly be directed towards finding the perfect horse to suit Kate's specific needs that she can take to the Olympics.

Equine Welfare Properties

It has been another successful year of rehoming horses from Team Thoroughbred NSW.

We have seen an overall reduction in the number of horses being surrendered to the program with the vast majority of horses being rehomed to secondary careers by our industry participants.

Horses rehomed from Team Thoroughbred NSW have gone into a variety of new homes including

eventing, show jumping, pony club, adult riding club and companion homes.

In addition to this, our teams on the properties assisted with further training and upskilling opportunities for Racing NSW Stewards and Investigators.

Working with horses on the properties, as well as the staff in Team Thoroughbred NSW Training Academy, new and existing staff members have been able to improve their horse handling skills with horses in the program.

Equine Welfare Investigations

The Equine Welfare Department continued to work closely with the Integrity Department to conduct retired horse audits throughout 2021/22 and investigate any concerns reported to Racing NSW regarding the welfare of Thoroughbreds.

Where necessary, horses have been seized and brought into the program to ensure their welfare before being retrained and rehomed.

Increase in Contribution to Equine Welfare Fund

Racing NSW was the first state in Australia to introduce the Equine Welfare Fund which receives 1% of all prizemoney paid in NSW.

In August 2022 it was announced that the Equine Welfare Fund share of the prizemoney would be increasing to 1.5%.

Funds are used to care for, retrain and rehome NSW Thoroughbred racehorses, and contribute to other important initiatives to ensure the welfare of NSW Thoroughbreds throughout their life.





Marc Van Gestel

General Manager
Integrity/Chairman of Stewards

Role of Integrity Department

The Integrity Department is responsible for safeguarding the image, interests, integrity and welfare of the NSW Thoroughbred Racing Industry. The department is responsible for the employment of:

- Stipendiary Stewards
- Investigators
- Veterinarians and Horse Welfare Officers
- Wagering and Form Analysts
- Administration Officers

To ensure appropriate integrity and welfare standards are met, these key personnel are responsible for completing the following functions:

- Officiating at all race meetings and official trials in NSW
- Attending and supervising trackwork
- Conducting track and stable inspections and audits, including monitoring of stable returns and horse location
- Conducting audits of retired horses
- Inquiring into and prosecuting breaches of the Rules of Racing in respect to horse welfare
- Administering drug testing operations, including Out of Competition testing and investigating the use of prohibited substances
- Addressing rider, track and horse safety issues
- Inquiring into the conduct of licensed persons
- Conducting the sampling of riders and stable employees for banned substances
- Conducting inspections of horses in the lead up to raceday and away from competition

- Regulating and investigating wagering activities
- Arbitrating on betting disputes
- Producing speed maps for race meetings

COVID-19

The management of the Racing NSW COVID-19 policies and protocols were again at the forefront of the Integrity Department's operations this year to ensure that the NSW Racing Industry was able to continue to operate during the pandemic.

Racing NSW Stewards continued to require the use of Rapid Antigen Testing for all jockeys and officials on raceday to ensure COVID-19 was not spread amongst the jockey group.

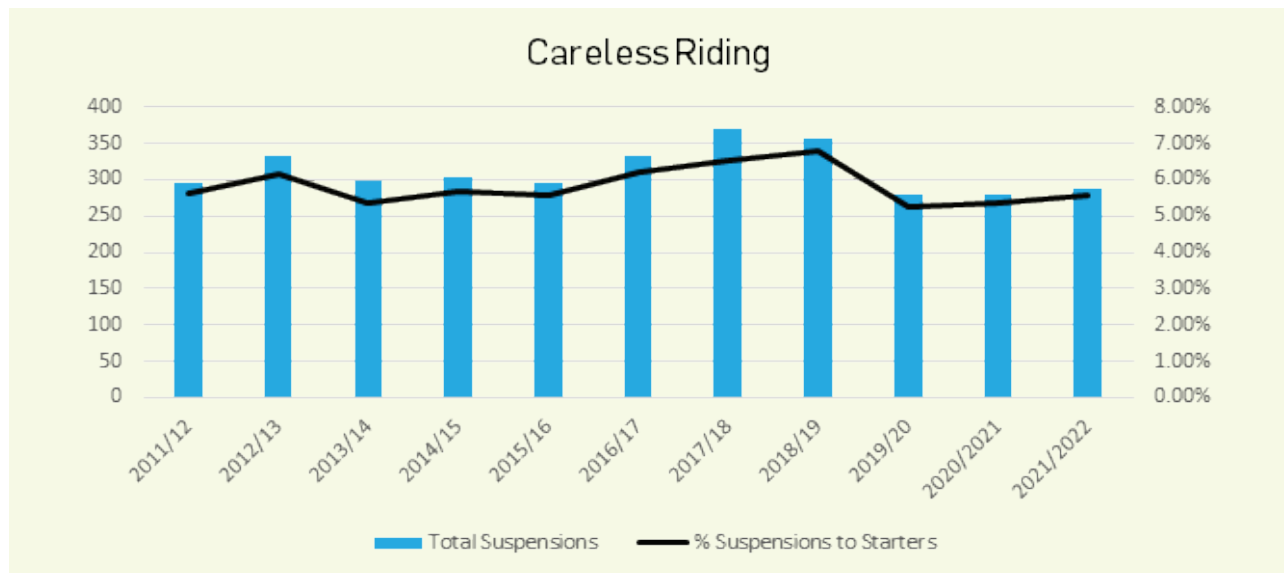
This testing program has proved effective in stopping the spread of the virus with only minimal disruption to the jockey group.

Special mention should be given to the majority of industry participants who have continued to comply with all policies and protocols implemented by Racing NSW.

Training and Development

The focus to appoint Trainee Stewards again continued this year. Trainees have been enrolled into the Certificate IV Racing Administration (Stewards) which was delivered in-house, as Racing NSW is accredited as a Registered Training Organisation.

Trainees are provided with the benefit of working alongside experienced Stewards and being delivered



the course components by these Stewards. Topics undertaken by Trainees included:

- Race reading skills – race tactics
- Principals of administrative law
- Dealing with conflict
- Interview techniques
- Giving evidence at inquiries
- Drug testing procedures

The Certificate IV provides each Trainee with a formal qualification at the completion of their traineeship.

In addition to this qualification, all Trainees are provided with on-the-job training and specific training in the conduct of Stewards inquiries and investigations.

Further, Trainees are seconded to the Investigations and Surveillance Unit for a period of their traineeship to gain skills in non-raceday investigative functions.

This year Trainees were able to utilise the resources of Bart's Farm to provide practical horse skills and training from Racing NSW Investigators and Veterinarians.

The use of these resources provides Trainees with a good practical background to launch their careers as Stewards.

Stewards Inquiries

During the 2021/22 year, the Stewards panel presided over a broad range of inquiries involving offences under the Rules of Racing. The following periods of suspension were issued against Jockeys during this period:

- ART131(a): Careless Riding - 288 suspensions of licence
- ART131(b): Failure to ride horse out to finish - 18 suspensions of licence
- ART32: Whip related offences - 20 suspensions of licence
- ART129: Failure to take all reasonable and permissible measures to win or obtain the best possible placing – four suspensions of licence

Appeals

Racing NSW Stewards prosecuted Appeals before the Racing NSW Appeal Panel on 29 occasions during 2021/22 involving a total of 51 charges appealed against.

26 of the charges were proven by the Stewards with 25 charges being dismissed.

There were a further four Appeals before the Racing Appeals Tribunal, two of which were dismissed and the remaining 2 upheld.

Stable Inspections

Stewards and Investigators throughout the state continued to conduct unannounced stable inspections to ensure compliance with the Rules of Racing. Inspections focused on compliance with:

- Lodgment of stable returns including horse location
- Horse welfare
- Adherence to the storage and possession of medication
- Stable security
- Work Health and Safety

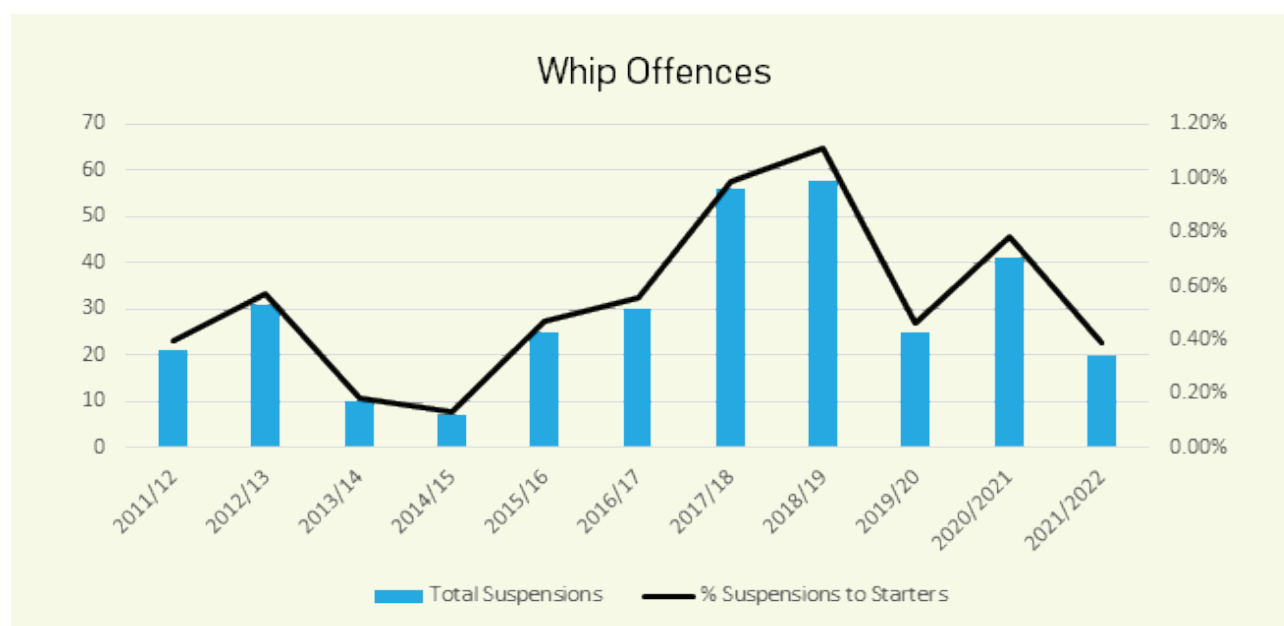
Equine Welfare

Racing NSW Stewards, Investigators and Horse Welfare Veterinarians continued to work with the Racing NSW Equine Welfare Department in monitoring and ensuring compliance with LR114.

The stable inspections process detailed above was an integral part of ensuring horse welfare, by Stewards conducting audits of stable returns to ensure that the location of a Thoroughbred during training and retirement is recorded.

Stewards issued a number of penalties for Trainers that had not complied with the Rules of Racing.

Equine Welfare Veterinarians Dr Rose Bensley and Dr Carly Garling have continued to conduct inspections and audits of retired racehorses to complement the Integrity Department's audit process, as well as investigating any breach of the welfare within the Rules of Racing.

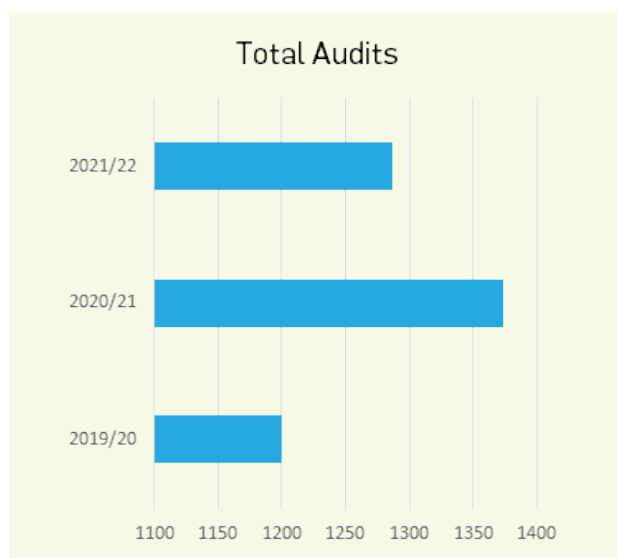


This year Racing NSW Stewards and Welfare Officers completed 1287 retired horse audits to ensure that there was compliance with Racing NSW Minimum Standards for equine welfare and that horses were kept in proper condition and provided sufficient nutrition.

In cases where horses were in need of veterinary care, Racing NSW Veterinarians provided advice to Owners in respect to nutritional requirements or in some cases, horses were rehomed into the Racing NSW Team Thoroughbred program.

In addition, horses that entered the Team Thoroughbred program were inspected by Racing NSW Veterinarians.

Throughout the year Stewards conducted several inquiries into equine welfare matters which resulted in periods of disqualification, suspension and persons being placed on the Racing NSW Excluded list, which prevents non-licensed persons from being given a Thoroughbred from a licensed person.



Drug Testing

The Integrity Department and the Australian Racing Forensic Laboratory continued their unique association in sharing intelligence regarding the use of prohibited substances.

Regular strategy meetings were conducted between the departments which had allowed the Stewards to efficiently channel their resources into relevant areas.

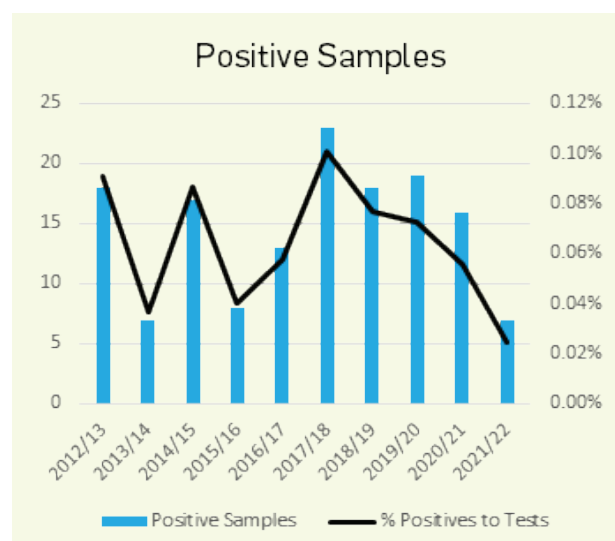
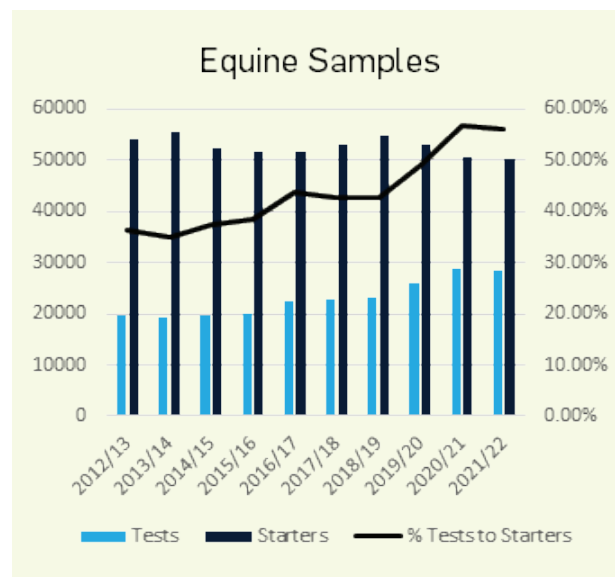
During 2021/22 a total number of 28,368 tests were performed by the ARFL on raceday samples that were analysed for prohibited substances in accordance with the Rules of Racing.

This figure is comparable with the 2020/21 figures, whereby 56% of test-to-runners were performed.

Pleasingly, only seven samples returned positive to prohibited substances, a decrease from 2020/21 whereby there were 16 positives recorded.

Substances detected in these samples included Flunixin, Meloxicam, Triamcinolone and Phenylbutazone.

Racing NSW Stewards and Veterinarians continued to obtain Out of Competition samples, whereby Stewards ordered samples to be analysed for substances prohibited at any time in accordance



with Part 1 of the Prohibited Substance List A of the Australian Rules of Racing.

Samples collected for Out of Competition testing also included samples analysed as part of the Equine Biological Passport program in addition to tactical samples collected for comparison with raceday samples.

The Stewards continued their testing program at barrier trials and the taking of hair samples for the detection of anabolic steroids, including the taking of these tests at spelling properties. This year 4198 Out of Competition samples were taken.

Licensee Sampling

Stewards and Investigators continued to obtain samples from licensees for analysis by the Australian Racing Forensic Laboratory for banned substances.

Samples were taken from Stablehands both working on the ground and riding trackwork as well as Jockeys and Trainers.

Again, this year, due to the COVID-19 pandemic the sampling of licensed persons was reduced to ensure all proper bio-security measures were put in place and to adhere to social distancing requirements.

This resulted in a reduction in the number of human samples obtained to 328, with 23 positive results recorded.

In licensee swab cases, emphasis continued with rehabilitation and an educative process with access to professional counselling provided by Racing NSW. Those who complete counselling were provided with a reduction in penalty.

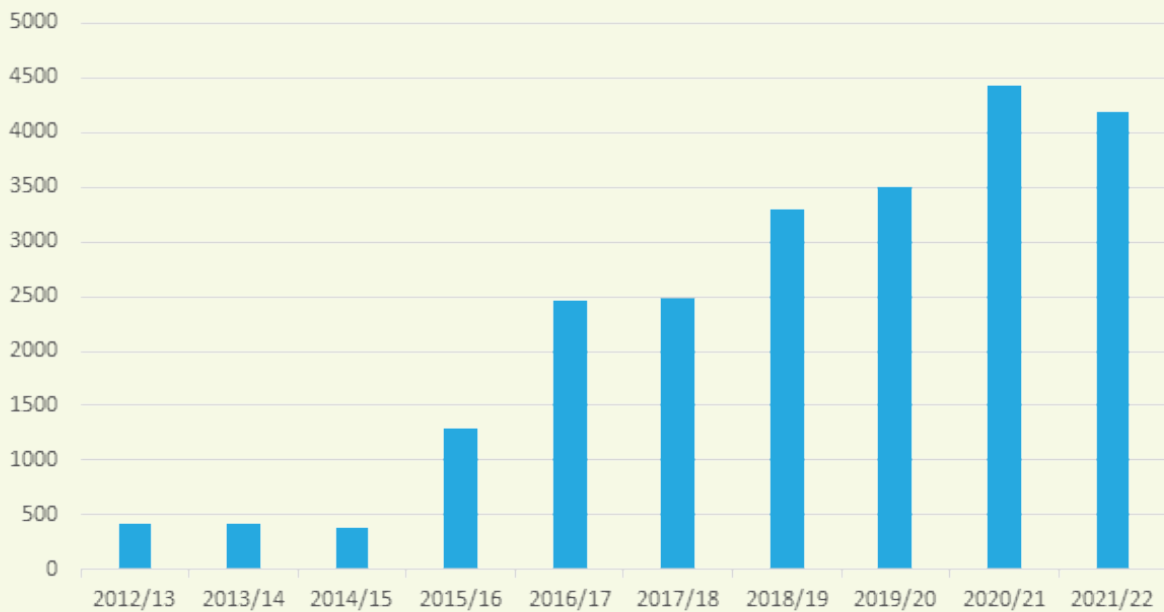
Liaisons and Contacts

Industry matters continued to be addressed through liaison by the Integrity Department with a number of bodies, including:

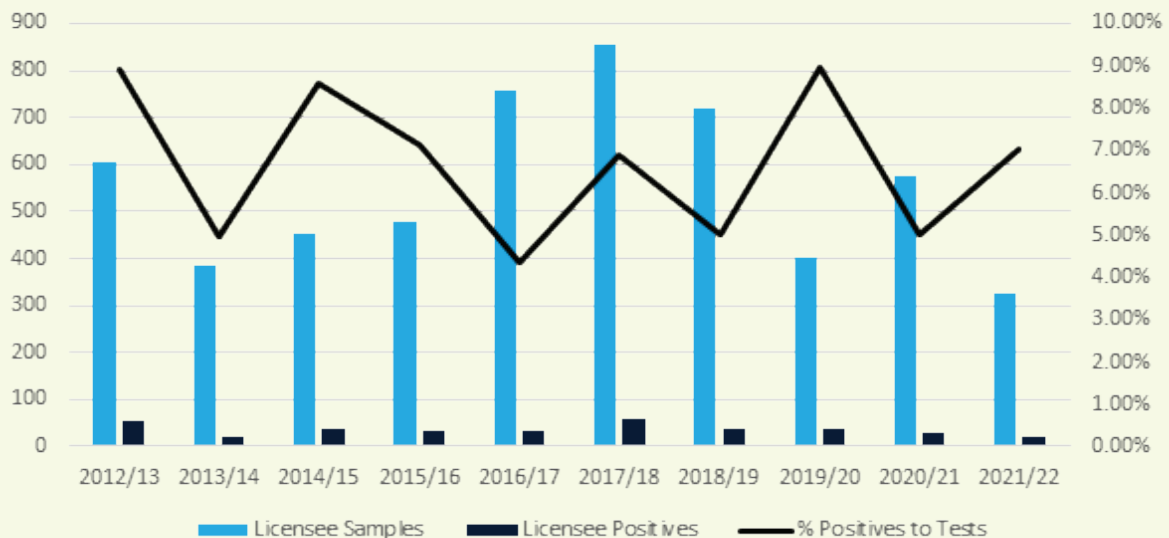
- Australian Criminal and Intelligence Commission (MOU)

- NSW Police Casino and Racing Investigation Unit (MOU)
- Australian Pesticides and Veterinary Medicines Authority (MOU)
- Australian Federal Police
- NSW Border Force
- Racing Australia
- NSW Trainers and Jockeys Associations
- NSW Bookmakers' Co-operative Ltd
- Australian Equine Veterinary Association
- Veterinary and Analysts Committee
- Interstate and Overseas Principal Racing Authorities

Out Of Competition Samples



Licensee Sampling





Jacqueline Johnstone
General Manager
Investigations and Surveillance Unit

Racing NSW's Investigation's and Surveillance Unit was established to work in conjunction with the Racing NSW Stewards panel to assist maintaining the integrity of Thoroughbred racing in NSW.

Racing NSW has continued to foster a strong, working relationship with the NSW Police Force through the renewed secondment of Detective Sergeant Tony Williams.

The Memorandum of Understanding has unequivocally strengthened the relationship between organisations.

The exchange of information provides analysis of industry and criminal intelligence to identify risk areas and emerging crime categories.

Racing NSW is at the forefront of intelligence-based strategies to ensure the utmost integrity of Thoroughbred racing in NSW.

Racing NSW made over 200 individual requests for assistance this financial year to the NSW Police and continued to enhance investigative capabilities by referring identified breaches of the Rules of Racing for criminal investigation.

Racing NSW expanded their regulatory network by working together, engaging the services of the NSW Police and the Casino & Racing Unit to conduct patrols through Metropolitan stables during spring and autumn carnivals and the NSW Police, Rural Crime Investigation Unit throughout various regional locations to assist Stewards and Investigators with animal welfare matters throughout NSW.

The Investigations and Surveillance Unit focused on maintaining rapport with industry participants and responding to intelligence received.

The department has continued to investigate matters and prepare quality briefs of evidence for Stewards, leading to numerous successful prosecutions at inquiry and appeal stages.

The successful investigation and prosecution of raceday administration offences was a significant outcome for Racing NSW and for Thoroughbred racing across the country.

Other successful investigations include matters concerning participant's conduct, animal welfare and positive human samples containing prohibited substances. These penalties range from fineable offences to disqualification.

The Unit had an increased focus on statewide covert surveillance, employing the latest surveillance techniques and broadening our surveillance capabilities.

The Unit continued to conduct major operations

throughout NSW, these operations involved the use of Investigators, Detection Dogs, NSW Police, Surveillance Operatives, Stewards, and Veterinary Officers.

Operations are conducted based on intelligence received or as a proactive measure for deterrence.

The operations involve stable inspections, horse welfare audits and testing to detect prohibited substances including hair testing for the detection of anabolic steroids.

Following the limitations of the COVID-19 pandemic, the department has increased human testing of industry participants to maintain the integrity and safety of the sport and ensure compliance with the Rules of Racing.

The department proudly possesses two operational Detection Dogs that are used throughout the stable and raceday environments across NSW.

Racing NSW's Detection Dog 'Flo' has received extensive training over the past year and has now been imprinted on the odour of Lithium Cobalt Oxide, the most common battery ingredient found in electronic devices.

This builds upon the Detection Dogs' ability to locate prohibited substances and mobile phones.

In 2022, Detection Dog 'Bear' was used in a regional operation, resulting in the detection of a prohibited drug.

The racing industry has continued to respond positively to Racing NSW's initiative to strengthen integrity measures using Detection Dogs and varied Out of Competition testing strategies.

The Unit continues to work closely with the GM of Integrity, Veterinary staff and the Australian Racing Forensic Laboratory on testing strategies based on available research and statistical data to identify emerging trends in substances.

This information is used to strategically conduct Out of Competition testing and imprint Detection Dogs accordingly.

Recognising the importance of community and industry sourced information, the Unit welcomes information and complaints from any person that may impact upon the integrity of Thoroughbred racing in NSW. Areas of investigation include but are not limited to:

- Corruption, consorting, cheating, horse doping and race fixing
- Person related crimes including assault, extortion, and harassment including sexual harassment
- Use and abuse of drugs and banned substances

Information received will be treated in the strictest confidence. On receipt of information or a complaint, the Unit will assess the matter to consider the most appropriate course of action.



Dr Peter Curl BVSc (Hons) MRCVS
Chief Veterinary Officer

Supported by Veterinarians:
Dr Rose Bensley, Dr Carly Garling and
Dr Simone McColgan
Equine Veterinary Nurse: Susan Oram

Role of the Racing NSW Veterinary Department

- To protect and enhance the welfare, health and safety of horses – before, during and after racing;
- To support Racing NSW in producing a high-quality entertainment and wagering product by improving the public's confidence in the integrity of the sport and trust that the industry remains a responsible custodian of horse health and welfare;
- The provision and supervision of veterinary services at the Metropolitan and Provincial Thoroughbred racetracks and oversight of veterinary services throughout greater NSW;
- The management of forensic biological sample collection, processing and certification;
- The provision of expert veterinary advice to the Racing NSW Board, the Stipendiary Stewards and the industry on veterinary, equine health and welfare matters, anti-doping and medication control strategies and procedures;
- To assist the Australian Racing Forensic Laboratory (ARFL) in the development, management and implementation of cost-effective anti-doping strategies, procedures and initiatives;
- To represent Racing NSW nationally and internationally on matters relevant to equine health and welfare, injury prevention, racing integrity, anti-doping and medication use/control, biosecurity and infectious disease management;
- The provision of expert veterinary advice and evidence in Stewards' inquiries and appeals;
- Facilitation of veterinary supervision of the Canterbury Park Approved Quarantine facility, including the strict adherence and compliance with biosecurity procedures and the conduct of mandatory disease testing;
- Supporting Racing NSW Welfare Veterinarians and Investigators in the detection and investigation, and reporting of integrity, compliance and welfare matters, and
- To participate in the development and management of equine health, welfare and industry education programs.

The Veterinary Department at Racing NSW plays an integral role in supporting the Racing NSW Integrity Department to ensure the integrity, safety and welfare of horses and riders throughout the state.

It is the vision of the Racing NSW Veterinary Department to lead equine health, welfare and safety by assuring

the provision of appropriate veterinary care and reinforcing high standards of horse welfare, integrity and accountability among all participants – before, during and after racing.

In performing these critical industry roles, the Veterinary Department at Racing NSW is guided by three pillars – safeguarding the welfare of racehorses, the work health and safety of participants, whilst maintaining the confidence of the broader community and betting public.

Key Operational Activities and Achievements

Under the direction of Dr Curl, the Veterinary Services Department:

- Has collaborated with ARFL and the Stewards in the management of routine and strategic drug control, including implementation of the equine biological passport and the tactical Out of Competition testing programs;
- Is responsible for coordinating and facilitating state-wide Out of Competition testing;
- Is responsible for the approval process for veterinarians wishing to obtain a permit to provide services to racehorses in NSW and those applying to officiate at race meetings;
- Supports, implements, and oversee programs and policies as they pertain to veterinary services, welfare, anti-doping and medication control, including:
 - The provision of drug administration trials for the ARFL and participating and management of the Racing NSW Animal Care and Ethics Committee;
 - The close monitoring and review of raceday and non-raceday equine injuries and fatalities throughout the state;
 - Collaboration with the Pathology Department at the University Veterinary Teaching Hospital Camden (University of Sydney) and other academic institutions in Australia and internationally to better understand and minimise exercise-Associated Sudden-Collapse and fatal injury cases.
- Has consulted extensively with the NSW Veterinary Practitioners Board and relevant government authorities concerning the provision of veterinary services, prescription and administration of registered and compounded medications, and biosecurity and infectious disease management and preparedness.
- Has provided advice and support to the Integrity Department regarding:
 - Suitability to race and the return to racing after injury

or illness to reduce the risk of injury, minimise the risk of last-minute withdrawals on raceday, set standards of acceptable musculoskeletal soundness, encourage proper veterinary input, enhance the consistency of racing performances and protect the interests of the betting and broader public;

- Prohibited substance control;
- The management of hot weather racing protocols and safety measures;
- The review of health, safety and welfare of racehorses in stable and training environments, and
- Post-race inspections to protect horse and rider safety, welfare, and integrity and provide a potential explanation of poor racing performance.

Equine Welfare Program and Assurance

To ensure public confidence and compliance with Racing NSW's high standards and expectations of the lifetime

care and welfare of horses in retirement, Welfare Veterinarians Dr Rose Bensley and Dr Carly Garling, together with its Investigations Department, execute continuous retired racehorse inspections and property audits.

It is pleasing to report that, in most instances, husbandry practices are excellent, and horses are well looked after.

However, in the rare cases necessary, in consultation with Racing NSW Stewards and Team Thoroughbred, horses are actively seized and rehabilitated wherever possible with a view of responsibly rehoming them.

Racing NSW Stewards, Investigative Officers and Veterinarians will continue undertaking random inspections with increasing frequency to ensure the welfare of horses in their retirement from racing.

RACING INDUSTRY CONSULTATION GROUP (RICG)



The Racing Industry Consultation Group ("RICG") was established by the Thoroughbred Racing Act 1996 with the main function of consulting with, and making recommendations to, Racing NSW concerning horse racing in the State.

RICG is comprised of the following representatives of the following associations/organisations:

- NSW Trainers Association: Michael Callanan (Chairman)
- Australian Turf Club: Steve McMahon (Vice Chairman)
- Australian Turf Club: Jamie Barkley (James Ross)
- Provincial Racing Association: Peter De Vries
- Racing NSW Country: Bob Pavitt
- NSW Jockeys Association: Kerrin McEvoy (Tony Crisafi)
- NSW Racehorse Owners Association: Tony Mitevski
- Thoroughbred Breeders NSW: Hamish Esplin
- Unions NSW: Jeff Buhler

We thank all members of RICG for their time and valuable contributions throughout the financial year on all matters currently impacting the industry, after the industry had both successfully dealt with, and emerged from COVID-19.

The bodies they represent, with competence and mutual support and respect, have made every

endeavour to identify any areas which can be improved to further enhance racing in this State.

During 2021/22 RICG discussions were held on a number of topics, including:

- Horse welfare;
- Racing and training infrastructure;
- Industry training and skills;
- Industry WHS;
- Patterns;
- Wagering, Point of Consumption (PoC) tax, impact on industry participants and race clubs;
- Changes to Rules of Racing, national and local;
- NSW racing legislation amendments; and
- Pony racing

On behalf of RICG, and the bodies it represents, we wish to record our thanks to Russell Balding AO (Racing NSW Chairman), Peter V'landys AM (Racing NSW's CEO) for their dedicated contribution to racing in NSW, and Graeme Hinton (Racing NSW's COO) for his many attendances at RICG meetings to both inform RICG and support consultation with RICG across all issues.

Michael Callanan
Chairman

Jockey Safety Officer – Role

In order to improve communication between officials, medical staff and families where jockeys (or apprentices) are injured in a race fall, Racing NSW has the position of Jockey Safety Officer (“JSO”).

In the event of a race accident, the JSO is immediately advised of any injuries by the relevant Stewards.

The JSO then contacts the family of any affected jockey(s) to advise them of the accident and to provide any necessary support.

The JSO acts as a liaison between the Stewards, Racing NSW, race clubs, treating hospitals, Doctors and the family, to ensure that the family quickly has all possible information about the injured jockey’s condition, location and any action that may be required.

The Racing NSW Medical Liaison Officer, Dr David Duckworth, is another important link in the process.

Dr Duckworth keeps in contact with the hospital and liaises between specialists and jockeys to determine the best course of treatment, also undertaking surgery and delivering consultation on some cases.

- **Phillip O’Brien, Safety and Welfare Officer**

JOCKEY SAFETY OFFICER INCIDENT REPORTS

	17/18	18/19	19/20	20/21	21/22
August	13	11	10	24	14
September	14	11	9	14	14
October	14	7	15	12	10
November	26	12	17	24	6
December	18	16	13	16	10
January	17	10	18	13	14
February	10	11	12	20	15
March	11	17	15	15	21
April	23	16	13	14	13
May	12	6	15	21	9
June	16	12	13	4	4
July	19	10	12	11	11
Total	167	139	162	164	141

Riding Skills Panel

Under the Australian Rules of Racing, each State Principal Racing Authority may form a Riding Skills Panel to review and mentor apprentice jockeys/jockeys who may be referred by Stewards for issues with their riding, which may include issues of safety.

Racing NSW Skills panel members are Corey Brown, Pat Webster, Rodney Quinn and in regional areas assisted by local stewards and by jockey coaches Jamie Whitney, Dale Jeffries, Brad Clark and Scott Thurlow.

Hearings are convened throughout NSW with the attendance of the referring Steward in accordance with Australian Rule of Racing AR 144.

The Panel may make recommendations to Stewards for a remedial training program or restricted return to riding schedule.



Gulgong trainer Brett Thompson (left) with Racing Mates Ambassador Pat Webster at a Wellington Racing Mates BBQ

Racing Mates

Established by Racing NSW in 2016, the Racing Mates program empowers mates to look out for mates.

Services available include Clinical Psychologists, Counsellors and Assistance Hotlines. However, people are often more likely to initially reach out to a trusted peer or colleague for support.

This is why Racing NSW has appointed Ambassadors for the program who are available as a port of call when industry participants are in need of a mate.

The Ambassadors possess a wealth of industry knowledge allowing them to relate to multifaceted concerns people may be experiencing.

Industry specific expertise combined with accredited training ensures Ambassadors can provide a crucial link between those in need and the required support.

Racing NSW mentor and welfare support contact Pat Webster is the face of the Racing Mates program, delivering regular workshops and visits to racetracks and stables to promote mental health and well-being in the racing industry.

COVID-19 restrictions throughout the year halted Racing Mates face-to-face gatherings which include Morning Teas and BBQs.

Despite this setback, Racing Mates resumed hosting events in early 2022 at Mudgee (February) and Inverell (May).

As an accredited drug and alcohol mentor, Pat also raises drug and alcohol awareness to industry participants, and also delivers workshops annually at Racing NSW Apprentice Jockey Schools across New South Wales.

Further information can be found on the Racing Mates website at www.racingmates.com.au

- **Pat Webster, Racing NSW Mentor**



John Keledjian
General Manager
ARFL

Function and Accreditation

The primary role of the Australian Racing Forensic Laboratory (ARFL) is to provide accurate and independent analytical services to Racing NSW Stewards to assist in upholding the relevant rules pertaining to prohibited substances in the sport of Thoroughbred racing.

Similar services may be provided under contract to other racing codes or competitive animal sports organisations.

Non-racing contract work which does not affect the performance of these integrity functions may also be undertaken.

As an arm of the integrity functions of Racing NSW, the laboratory serves to control the use of prohibited substances by the provision of sampling kits and protocols of their use, analysis of received samples, and participation in research programs to improve capabilities, respond to new challenges as they arise and assist veterinarians in the legitimate use of medications.

ARFL is accredited by the National Association of Testing Authorities to ISO/IEC 17025 standard, assessed to ILAC G7 and is also a member of the Association of Official Racing Chemists.

It is one of only five laboratories in the world selected as an approved reference laboratory

to analyse samples for the Fédération Equestre Internationale (FEI), the others being in the United Kingdom, France, Hong Kong and Japan.

Sampling Kits

Assembling, packaging and dispatch of sample collection kits is performed by Beehive Industries Co-operative.

In an enrichment of an already 18-year partnership with Racing NSW, the contract work has allowed Beehive Industries to support a greater number of seniors and persons with a disability.

Sampling kits for urine and blood collection are distributed to all racing regional areas in New South Wales and to other clients around Australia.

The kits involve several layers of security and are uniquely numbered to enable tracking to ensure that all kits are accounted for. Non-compliance with sampling protocols during the collection process is monitored and reported to the Stewards for investigation.

Analysis of Samples

Over 26,000 animal samples were tested in 2021/22 with only a very small percentage found to contain prohibited substances (Table 1).

Negative samples are generally reported within 10 working days of receipt at ARFL. Positive findings

TABLE 1 – ANIMAL SAMPLE STATISTICS 1 JULY 2021 TO 30 JUNE 2022

	Total urine	Total Blood	TCO ² tests	OC tests	Cobalt tests	Enhanced testing	Prohibited Substances Detected
Metro T'breeds NSW	1823	5301	2948	-	1933	10540	2
Provincial T'breeds NSW	1390	1366	896	-	1400	1278	0
Country T'breeds NSW	3340	3161	1282	-	3528	4261	4
Other clients	3942	6536	4057	-	4173	8128	51
TOTAL	10495	16364	9183	-	11034	24207	57
Out of Competition T'breeds				4153	212	202	
Out of Competition Others			1	2570			
Hair samples	45						
TOTAL				6723			

are confirmed on the 'A' sample and then by referee analysis of the 'B' sample at another accredited racing laboratory.

OC – Out of Competition tests

Human urine samples collected from jockeys, track riders and stablehands are also tested for banned substances in accordance with AR 136.

Horse handlers were tested this year in accordance with AR 137. Approximately 7.0% of these samples found to contain banned substances (Table 2).

TABLE 2 – HUMAN SAMPLES STATISTICS 1 JULY 2021 TO 30 JUNE 2022

Human Samples	Urine	Banned Substances Detected
Metropolitan NSW	71	12
Provincial NSW	60	6
Country NSW	196	5
Other Racing NSW	1	0
Other clients	1	0
TOTAL	329	23

The ARFL also performs 'B' sample referee counter analyses to confirm the findings of other Australian and international racing laboratories. From 1 July 2021 to 30 June 2022 this totalled 148 confirmatory requests.

The number of special exhibit samples tested by the ARFL this year totalled 102. These included unregistered products seized by Stewards and members of the Surveillance and Intelligence Unit such as powders, feed, syringes and liquids.

Research and Development

The ARFL conducts R&D internally and in collaboration with universities, research institutions and other racing laboratories into the detection of new drugs and the improvement of analytical methodologies for equine blood, urine and hair samples.

The quality of ARFL research is reflected by publication of six scientific papers in leading international peer-reviewed journals during the past year. This covers substances that may not be amenable to conventional extraction methods.

The ARFL continues to adapt science from human medical research and anti-doping initiatives to implement a metabolomics approach for the Racing NSW Equine Biological Passport (EBP).

Racing NSW has made a significant investment over the past eight years to develop and implement the EBP, a world-first for Thoroughbred racing.

Development of the analytical component, managed by the ARFL, continued in 2021/22 to include additional biomarkers that can be compared for each horse over time to provide intelligence concerning novel doping threats.

Statistical modelling of longitudinal biomarker data can identify abnormal trends in horses that result from doping.

Furthermore, compliance to the Rules of Racing in relation to the use of therapeutic substances can be monitored (for example AR 87) by measuring the effects on biomarker profiles.

In addition, at the request of Racing NSW Stewards, samples are frozen at minus 80 degrees Celsius for re-testing at a later stage when additional biomarkers are included in the EBP.

Quality Assurance

ARFL holds accreditation to ISO 17025 and ILAC G7, and accordingly participates in internal and external quality assurance programs to monitor its performance.

Quality control samples are analysed as part of every sample batch to ensure proper operation, and all analytical data is checked by two analysts to minimise the chance of human error.

Procedures are also regularly assessed through the blind analysis of spiked samples or samples obtained from drug administration trials.

The ARFL scored 100% in the 2021 International Proficiency Testing Program used to assess all horse racing laboratories worldwide. ARFL also participates in a human urine external proficiency testing program to monitor laboratory analytical testing procedures.

Key Milestones

Following a concerted R&D effort, the ARFL achieved accreditation from NATA for the confirmation of erythropoiesis stimulating agents (e.g. erythropoietin (EPO)) using liquid chromatography–mass spectrometry.

Certain endogenous markers identified from the ARFL equine urine anabolic screen are able to determine if a post-race sample is from a pregnant mare. Notification to Racing NSW Stewards enables checks to be carried out to ensure compliance to AR 84.

A number of first time detections to prohibited substances were reported in 2021/22 from urine and blood samples analysed for external clients. These included the central nervous system stimulant modafinil, the potential haemostatic agent dobesilate as well as the nonsteroidal anti-inflammatory drug firocoxib.

Additional Clients

ARFL's major external clients during 2021/22 were Harness Racing NSW, Darwin and Alice Springs Turf Clubs, Equestrian Australia and Canberra Race Club.

Other clients include Royal Agricultural Society, Show Horse Council of Australia and Inglis Bloodstock. In addition, the ARFL's analytical testing capabilities are utilised by external clients undertaking drug pharmacokinetic studies.



Graeme Hinton
Chief Operating Officer

The NSW Thoroughbred Racing Industry endured the most stringent and wide-ranging restrictions from the COVID-19 pandemic to start the year, however, the industry persevered through this period before a return to normality by the Autumn Carnival. Through the hard work of industry participants and race clubs in particular, the industry has not only survived the COVID-19 pandemic but is now well positioned to continue to grow into the future. This is best illustrated by the major prizemoney announcements and innovation of new feature races announced during the year.

Feature Race Meetings

The Everest Carnival in 2021 coincided with the cessation of the strict COVID-19 restrictions that had been in place across NSW since June 2021. The feature spring race meetings of The Everest, Golden Eagle, The Invitation, The Hunter and The Gong were all highly popular with racegoers celebrating an escape from lockdown.

Wagering turnover through this period maintained its strong momentum, recording meeting high records for all spring feature race meetings showing the momentum that these events are already building.

The Everest again reached new heights in terms of public awareness and wagering, with the race cementing its place as a major event for Sydney. Despite the crowd restrictions that applied, the media attention, TV viewership and wagering all showed consistent growth, particularly with the 18-35 demographics.

The strong foundations now established for the Everest Carnival will be boosted even further with the announcement of new races and increased prizemoney. The \$2 million Big Dance, in particular, now provides another feature race meeting for Sydney during spring and will no doubt capture plenty of attention.

The Championships in autumn are the Grand Finals of Australian racing and continue to attract the best horses, trainers and jockeys in Australia. With Championship races for all ages and distances, these two days at Royal Randwick provide racegoers and punters with the opportunity to see the best against the best.

The Country and Provincial-Midway Championships provide an opportunity for all of NSW and importantly, all sectors of the industry to participate at The Championships. Hosting rights for The Country Championships qualifiers continue to be in high demand and each year the Country race clubs set new benchmarks in their enthusiasm for the concept.

Marketing, Media and Promotions

The Racing NSW Marketing and Media Team continued to drive engagement with racing by providing consistent and relevant content year-round and elevating the feature racing events.

Through a strategy of providing tips, speed maps, the magazine, trainer interviews, sectional times and video form, Racing NSW provides participants and punters alike with a one stop shop of information. Through social media the Racing NSW team is keeping the industry informed on any and all relevant matters and also growing the following of racing.

In partnership with the Equine Welfare and Industry Training Departments, the Marketing Team also use their resources to promote these two key initiatives of Racing NSW.

During the spring and autumn carnivals, the Marketing Team developed and implemented a wide ranging strategy to promote racing, including TV, radio, digital, print and social campaigns. This advertising strategy is supported through a strong media push to ensure that there is consistent and relevant editorial content related to the feature meetings reaching as far and wide as possible.

The execution of these feature race meetings also includes barrier draws, Chairman's dinner and other events that require a close collaboration with the race clubs and broadcast partners.



The Gosford Polytrack was opened during the year, funded by the NSW Government's Racing for the Regions program

Property and Capital Projects

Following an extensive business case to the NSW Government, in June 2021 it was announced that a total of \$67 million would be spent on infrastructure projects across 18 regional NSW racecourses. This business case illustrated the significant economic contribution of the racing industry and the economic return of the individual projects that provide vital employment opportunities across a range of fields.

This package, known as 'Racing for the Regions' provides funding for new and upgraded training tracks, improved raceday amenities and construction of over 1,100 new stables.

New Polytrack training tracks for Scone, Gosford and Cessnock being funded by Racing for the Regions will provide state-of-the-art facilities at these venues and importantly also support the increased number of horses in training expected. The Gosford Polytrack was completed during the year and it was proven invaluable during the period of extreme wet weather in early 2022. Had this new surface not been available, Gosford would not have been able to support the training of horses for several months.

A new sandtrack for Tamworth was also completed during the year via Racing for the Regions funding and it

ensured that this important regional training centre had reliable and safe training surfaces.

Racing NSW has worked with a team of architects and consulted heavily with trainers on the development of best-in-class double story stables that will be constructed at Scone, Cessnock, Hawkesbury and Gosford. This double story stable design incorporates the best possible ventilation and access to provide a safe and efficient operating model that will be adopted for all new stable constructions. These developments are currently pending council approval.

Racing NSW also continued with its strategy of procuring properties that provide key operational and strategic long-term importance for the industry. This includes the purchase of properties at Scone, Gosford and Hawkesbury that will be used for construction of the Racing for the Regions funded stabling. Additional properties that meet the strategic objectives were also acquired where they were adjoining major training centres. The acquisitions provide immediate economic returns, but also ensure that these important training centres remain in use for their primary purpose of training horses and are not at risk of residential or commercial development.



The Winx stand was utilised for The Championships at Royal Randwick providing a new asset for all general admission racegoers



Leonie Mendonça
General Manager
Marketing

The primary responsibility of the Marketing, Media and Digital division is to provide Racing NSW with corporate marketing and editorial support. Its key objectives aim to increase on-course attendance, wagering, engagement, and awareness. In addition, this division manages marketing, promotion, advertising and sponsorship activities for in-house stakeholders such as Team Thoroughbred NSW and Team Thoroughbred Training Academy. In 2021/22, key activities include:

Promoting sales of \$5 The Kosciuszko Sweepstakes Tickets

As the pandemic intensified, businesses the world over were completely disrupted. Although there was little impact on Thoroughbred racing, race meetings were conducted without attendees, pubs and clubs were closed, which adversely impacted face-to-face sales. With these activities no longer possible nor permissible, we had to think of alternative strategies to support The Kosciuszko sweepstakes.

We made a significant effort to promote The Kosciuszko, by launching a number of initiatives. The team worked closely with the NSW Country Clubs through a focused social media campaign. This encouraged punters to purchase \$5 tickets for The Kosciuszko sweepstakes online and enter in the draw to win a share of \$1.3 million prizemoney.

Racing NSW's social media platforms featured a variety of engaging social media content in the form of tiles and videos. Throughout the campaign, these assets were distributed to NSW Country Clubs to be posted on their online channels. Further opportunities for participation were provided by EDMs, editorial content and print advertising in the Sydney Morning Herald and The Daily Telegraph. Thanks to the integration with TAB Corp, 260,537 tickets were sold despite the chaos in 2020/21.

NSW Spring Racing Carnival

One of the most significant races in spring is the TAB Everest. With the help of our media partners, we developed strong digital marketing strategies that increased racing and wagering awareness and attracted new fans.

The marketing campaign focused on encouraging vaccinated crowds to return to the track as well as encouraged racing fans to watch the races online. A number of new concepts were introduced such as Group 1 Alerts, Jockey to Watch and Feature Race Trifectas.

The following analysis measures the campaign's impact on awareness and participation using Racing NSW's social media channels

A total of 4,710,000 impressions were recorded on Racing NSW's Twitter account. October grew by 28%. Facebook recorded 3,161,133 impressions. Instagram impressions rose by 144% in October to 1,549,832.

With effective hashtags, Racing NSW's Instagram account reached 77,000 accounts that weren't following the Racing NSW account, exposing the sport to a whole new audience. The engagement was 100% organic.

10,000 people attended TAB Everest Day at the Australian Turf Club, Royal Randwick on Saturday 16 October 2021.

Western Sydney's Rosehill Gardens Racecourse hosted the Golden Eagle. A major TVC-led campaign titled 'The Hibernation' was launched to promote The Golden Eagle, depicting the Coronavirus culture that replaced hugs and professional pleasantries with the awkward elbow bump. Campaign images showed individuals who feared catching Coronavirus from people who exhaled as they walked by. The Golden Eagle was marketed as a solution to resume normal life; the humorous commercial caught the audience's attention as many people could relate to it.

The \$1 million The Hunter and \$1m The Gong both made their mark as major events in Newcastle and Wollongong in 2021. Racing fans in the provincial areas were targeted by a marketing campaign that promoted the races as the first big events out of lockdown. Both meetings saw an increase in crowds, especially within the 18-35 age group.

NSW Autumn Racing Carnival

The Autumn Carnival was next in focus, more specifically, the Country Championships and the new Provincial-Midway Championships.

Advertising in The Sydney Morning Herald and The Daily Telegraph Form Guide aimed to encourage punters and racing enthusiasts to return to racetracks.

We developed a social media campaign to increase brand awareness. Content was widely shared, liked, commented on and reposted demonstrating a high level of engagement.

Organic Instagram stories such as Who Will Win and What's Your Early Pick generated a lot of engagement. Tips, Best Bets and Barrier Draws were still top-performing posts. The average reach was between 18,728 and 21,500 per post.



Warren Mitchell
Operations Manager
Workers Compensation

Racing NSW is a specialised insurer licensed under the provisions of the Workers Compensation Act 1987 (NSW) (“the Act”) to provide workers compensation insurance to certain employers (racing clubs and licensed trainers) in the NSW Thoroughbred Racing Industry.

The Fund also extends workers compensation indemnity to jockeys injured in the Australian Capital Territory.

Additionally, Racing NSW administers the run-off of claims under the former self-insurance licence, which covered industry participants prior to 30 June 1998.

The Racing NSW Insurance Fund (“the Fund”) had been managed internally since 1 July 2006.

From 1 July 2022, Racing NSW has engaged the services of a third-party claims administrator, Gallagher Bassett to assist with the claims and injury management of all claims within the Racing NSW workers compensation scheme.

The engagement of Gallagher Bassett has been supported and approved by the State Insurance Regulatory Authority of New South Wales.

Gallagher Bassett, in partnership with Racing NSW, will manage the claims of all injured workers who fall within the coverage of the Racing NSW Scheme.

Notwithstanding, the outsourcing of the claims management function, Racing NSW continues to be the licensed specialised insurer for all relevant participants within the NSW Thoroughbred Racing Industry and remains responsible for all workers compensation matters.

The object of the Fund is to provide affordable insurance to participants and deliver industry-specific claims, injury and risk management services to assist employers and injured workers in what is a unique and inherently dangerous industry.

2021/22 Performance

During 2021/22 the Racing NSW Workers Compensation Fund received 504 new claims which represented a decrease of 5.4% on the 533 claims that were received during 2020/21.

The Fund experienced a claims revenue to claims costs deficit of \$1.29 million during 2021/22 which was due to two very large claims. However, these were claims that had significant future exposure and the claims now extinguishes all future liability.

The Fund achieved an overall loss of \$0.29 million for the 2021/22 financial year. The Board of Racing NSW has set a strategic target of maintaining a reserve of \$5 million which was first achieved in 2018/19.

It is pleasing to note that despite the deficit for the 2020/21 year, the Board’s strategic target is maintained with an amount of \$5.3 million currently in reserve.

The Fund has continued to perform soundly over time having overcome an accumulated deficit which peaked at \$9.2 million at the end of the 2010/11 financial year.

2021/22 Actuarial Assessment

The 2021/22 actuarial assessment was conducted by Finity Consulting Pty Ltd (“Finity”). At 30 June 2022 the net provision for outstanding claims liability (inclusive of a 20% prudential margin) is \$44.7 million.

The current valuation of \$44.7 million represents an decrease of \$1.0 million on the Fund’s assessed liability of \$45.7 million as at 30 June 2021.

Claims Incidence

There were 504 workers compensation claims received during 2021/22 which was 5.1% lower than the 2020/21 new claims incidence of 533 claims. The new claims incidence during 2021/22 was 5.1% lower than the average claims incidence of 533 claims across the previous five claim years.

SUMMARY OF ACTUARIAL ESTIMATE OF OUTSTANDING CLAIMS LIABILITIES

	Estimate of Liability as at 30 June 2022 (\$m)	Projected Estimate of Liability as at 30 June 2022 (2021 Valuation) (\$m)	Estimate of Liability as at 30 June 2021 (\$m)	Projected Estimate of Liability to 30 June 2023 (2022 Valuation) (\$m)
Net Central Estimate ¹	37.3	37.8	38	36.8
Risk Margin	7.4	7.5	7.6	7.3
Outstanding Claims Provision ²	44.7	45.3	45.7	44.1

¹ Including claims handling expense and net of reinsurance and other recoveries

² Including risk margin of 20% of the net central estimate

Note: Amounts referred to have been rounded

Claims Profile

Racing NSW is committed to identifying injury trends and formulating prevention strategies specific to the Thoroughbred Racing Industry to ensure the welfare and safety of participants.

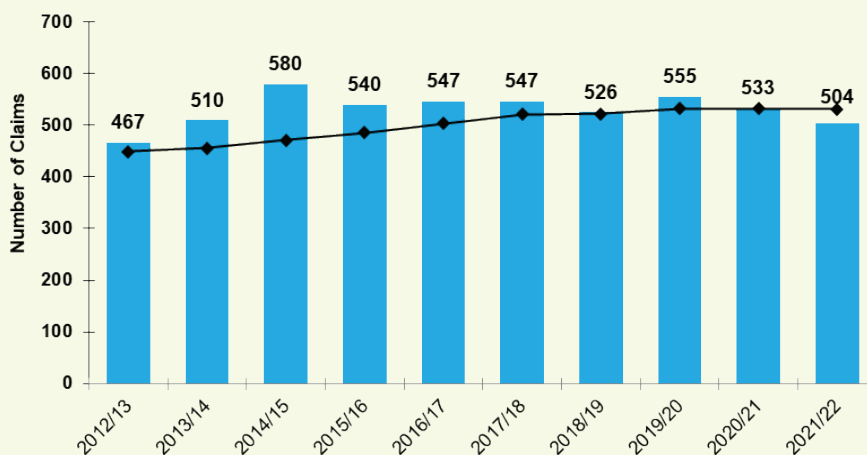
Analysis of claims data by injury type, claimant characteristics and body part are crucial to Racing NSW's ongoing development of risk mitigation strategies and industry safety standards.

The following tables provide an insight into the nature of workers compensation claims lodged during 2021/22.

The profile of the 2021/22 claims portfolio is similar to that of previous years insofar as:

- The highest incidence of injuries arises out of trackwork riding (36.7% of injuries)
- the most common mechanisms of injury arise from falls from a horse and being struck by in some manner by a horse (34.9% of injuries)
- injuries most commonly sustained are sprains, strains and soft tissue injuries (34.5% of all injuries), general fractures (15.5%) and trauma to joints and ligaments (14.5%)

Incurred Claims by Financial Year



2021/22 CLAIMS BY INJURY TYPE

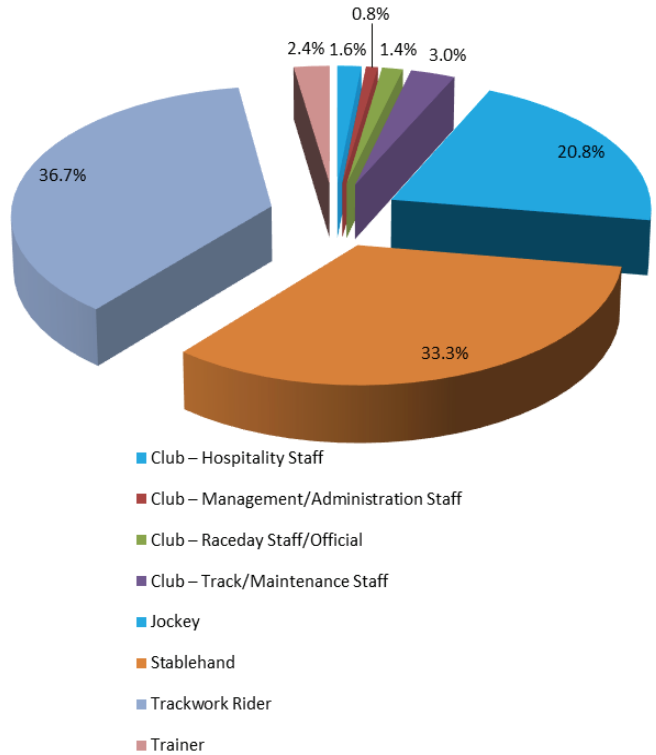
Sprain, Strain or Soft Tissue Injury	174	34.52%
General Fractures	78	15.48%
Trauma to joints and ligaments	73	14.48%
Contusion, bruising and superficial crushing	24	4.76%
Trauma to muscles and tendons	26	5.16%
Laceration or open wound	25	4.96%
Superficial injury	10	1.98%
Fractured skull and facial bones (including teeth)	19	3.77%
Concussion	16	3.17%
Dislocation	10	1.98%
Multiple injuries	20	3.97%
Fractured vertebrae	8	1.59%
Psychological injury	6	1.19%
Internal injury of chest, abdomen or pelvis	12	2.38%
Foreign body in eye	3	0.60%
TOTAL	504	100.00%

2020/21 CLAIMS BY BODY PART

Back	57	11.31%
Hand/Fingers	50	9.92%
Shoulder	46	9.13%
Leg	39	7.74%
Foot/Toes	32	6.35%
Head (simple frank injury)	32	6.35%
Knee	31	6.15%
Face/Nose	29	5.75%
Specified multiple locations	26	5.16%
Ankle	25	4.96%
Ribs	19	3.77%
Neck	17	3.37%
Head with concussion	16	3.17%
Arm	13	2.58%
Wrist	12	2.38%
Abdomen	12	2.38%
Chest/Trunk	10	1.98%
Mouth/Tooth	7	1.39%
Hip	6	1.19%
Psychological	6	1.19%
Internal organs	6	1.19%
Eye	5	0.99%
Pelvic Bones, Muscles and Tendons	4	0.79%
lbow	4	0.79%
TOTAL	504	100%

2021/22 CLAIMS BY MECHANISM OF INJURY		
Falls from a horse (or other height)	185	36.71%
Being struck by a horse	176	34.92%
Muscular stress while lifting, carrying or handling	53	10.52%
Being trapped between stationary and moving objects	32	6.35%
Falls on the same level (slips and falls)	21	4.17%
Being hit by falling objects	9	1.79%
Being bitten by a horse	7	1.39%
Hitting stationary objects	6	1.19%
Workplace conflict/stress	5	0.99%
Contact with machinery or moving objects	4	0.79%
Repetitive Movement	2	0.40%
Exposure to chemical substances	2	0.40%
Exposure to environmental heat	1	0.20%
Contact with hot objects	1	0.20%
TOTAL	504	100%

2021/22 CLAIMS BY OCCUPATION



INFORMATION TECHNOLOGY



Ariel Paez
General Manager
Information Technology (IT)

Racing NSW Information Technology (Racing NSW IT)

The primary role of the Racing NSW Information Technology (Racing NSW IT) Department is to:

- Provide support to internal and external Racing NSW end users;
- Oversee the integrity and security of the Racing NSW information systems;
- System Development and Maintenance, and
- Project co-ordination and implementation.

Objectives achieved include:

- Expansion of cyber security systems;
- Data protection;
- Hybrid cloud resources;

Expansion of Work From Home Capabilities

Implementing all staff to being able to work from home

during COVID lockdowns allowed all staff to continue operating as per business as usual

Data Integrity

Ongoing infrastructure changes allows Racing NSW to host all key data on cloud-based systems and moving away from on-premise systems.

- Multiple backups to different cloud-based vendors.
- Verifying the integrity of the backups daily.
- On-premise copy and cloud based allows for faster restores.

Cyber Security

All backups are maintained on multiple locations and secured with no encryption allowed. This is based on policies that detect encryption and not allowing the backups to be overwritten as they are locked. The data backups are stored in a read only container and stays in the original condition.

APPEALS

An independent two-tier system of Appeal exists for persons aggrieved by penalties imposed by a Racing Authority in NSW.

Appeal Panel Members

Richard Beasley SC (Principal Member)	Jo-Anne Avellano	Cliff Clare
Ross Clugston	Judith Foley	Tim Hale SC
Sandra Hudson	Paul Innes	Anthony King
Kevin Langby	Peter Losh	Jo Moore
James Murphy	John Nicholson	Steve Parr
John Rouse	Phillip Santucci	Sharon Skeggs
Colin Tuck	Leo Vellis	

Executive for Appeal Panel

Peter V'landys AM, Secretary

Kathy Reece, Appeals Coordinator

Avenue of Appeal

At the first level of Appeal, any person aggrieved by a decision of a Racing Authority has the choice of appealing to either one, but not both, of the following Appeal Bodies:

- The Appeal Panel, constituted under Section 45 of the Thoroughbred Racing Act 1996 (NSW), or
- In limited circumstances, the Racing Association in the region where the decision was made.

The second and final avenue of Appeal, the Racing Appeals Tribunal, is constituted under its own Act and can hear Appeals on certain matters from persons aggrieved by decisions of the Appeal Panel or Racing Authorities.

Appeal Panel

The Sydney-based Appeal Panel sat on 29 occasions during 2021/22, the Panel was chaired on those occasions as follows:

Chaired By	Number of Occasions
Richard Beasley SC (Principal Member)	27
Leo Vellis	2

Within those 29 sittings there were 51 charges Appealed. The Appeal on a further seven charges were withdrawn either prior to or at the time of hearing.

Appellants are required to lodge a \$200 deposit, which may be refunded at the discretion of the Panel.

DECISION ON CHARGES

Area	Upheld	Dismissed	Penalty Varied	Withdrawn	\$200 Refunded	Total Charges
Appeal Panel	26	25	35	7	25	58
Racing Association	-	-	-	-	-	-

SUMMARY OF CHARGES APPLICABLE TO APPEAL CASES LODGED

Rule	Description	Amount
AR52	Upon the death of a named horse which has not been retired from racing under AR 51 the manager or his or her authorised agent must, within 24 hours of the horse being deceased, notify Racing Australia of that by lodging the relevant death notification form prescribed by Racing Australia; and the manager must not dispose of the horse without the written approval of the relevant PRA unless a veterinary certificate as to cause of death is provided to the relevant PRA. Any person who fails to comply with subrules (1) or (2) is not guilty of a breach of the relevant subrule if he or she proves to the satisfaction of the Stewards that he or she was not aware, and could not reasonably have been aware, of the death of the horse.	1
AR129(2)	A rider must take all reasonable and permissible measures throughout the race to ensure that the rider's horse is given full opportunity to win or to obtain the best possible place in the field.	3
AR131(a)	A rider must not, in the opinion of the Stewards engage in careless, reckless, improper, incompetent or foul riding.	11
AR131(b)	A rider must not, in the opinion of the Stewards fail to ride his or her horse out to the end of the race and/or approaching the end of the race.	2

SUMMARY OF CHARGES APPLICABLE TO APPEAL CASES LODGED

Rule	Description	Amount
AR132 (7)(a)(ii)	Subject to the other requirements in this rule prior to the 100 metre mark in a race, official trial or jump-out the whip must not be used on more than 5 occasions except where there have only been minor infractions and the totality of the whip use over the whole race is less than permitted under subrules (7)(a) and (b) and also having regard to the circumstances of the race, including distance and context of the race (such as a staying race or a rider endeavouring to encourage the rider's horse to improve).	1
AR139 (1)(a)	A rider breaches these Australian Rules if a banned substance under AR 136(1) is detected in a sample taken from the rider.	2
AR140 (1)(a)	A horse handler breaches these Australian Rules if a banned substance under AR 137(1) is detected in a sample taken from the horse handler.	1
AR131(b)	A rider must not, in the opinion of the Stewards fail to ride his or her horse out to the end of the race and/or approaching the end of the race.	2
AR209 (2)(a)	Subject to subrule (3), if a horse carries less weight than what it is required to carry in a race it will be disqualified from the race, provided that the Clerk of the Scales must allow the rider of the horse 0.5kg.	1
AR228 (a)	A person must not engage in conduct prejudicial to the image, interests, integrity, or welfare of racing, whether or not that conduct takes place within a racecourse or elsewhere.	4
AR228(b)	A person must not engage in misconduct, improper conduct or unseemly behaviour.	3
AR228(c)	A person must not engage in improper or insulting behaviour at any time towards a PRA, the Stewards, a Club, or any official, employee, contractor or agent of any of them in relation to the relevant person's functions, powers or duties.	1
AR229(1) (a)	A person must not engage in any dishonest, corrupt, fraudulent, improper or dishonourable action or practice in connection with racing.	1
AR229(1) (h)	A person must not make a false or misleading statement or declaration in relation to a matter in connection with the administration or control of racing.	1
AR231(1) (a)	A person must not commit or commission an act of cruelty to a horse, or be in possession of any article or thing which, in the opinion of the Stewards, is capable of inflicting cruelty to a horse.	3
AR231(1) (b)(i)	A person must not if the person is in charge of a horse – fail at any time to exercise reasonable care, control or supervision of the horse so as to prevent an act of cruelty to the horse.	2
AR232(i)	A person must not give any evidence at an interview, investigation, inquiry, hearing and/or appeal which is false or misleading.	2
AR233(a)	A person must not breach a policy, regulation or code of practice published by Racing Australia or a PRA.	3
AR240(2)	Subject to subrule (3), if a horse is brought to a racecourse for the purpose of participating in a race and a prohibited substance on Prohibited List A and/or Prohibited List B is detected in a sample taken from the horse prior to or following its running in any race, the trainer and any other person who was in charge of the horse at any relevant time breaches these Australian Rules.	4
AR248 (1)(a)	A person must not administer an anabolic androgenic steroid to a horse.	1
AR250(a)	A person must not have in his or her possession a substance or preparation containing a prohibited substance on Prohibited List A.	1
AR252(1)	A person must not have in his or her possession or on his or her premises any medication, substance or preparation which has not been registered, labelled, prescribed, dispensed or obtained in accordance with applicable Commonwealth and State legislation.	2
AR254 (1)(a)(ii)	A person must not, without the permission of the Stewards inject a horse engaged to run in any race at any time during the 1 clear day prior to 12.00am on the day of the scheduled race.	2
AR254 (1)(d)(ii)	A person must not, without the permission of the Stewards be a party to the injection or attempted injection of, a horse engaged to run in any race at any time during the 1 clear day prior to 12.00am on the day of the scheduled race.	1
AR255 (1)(b)(ii)	A person must not, without the permission of the Stewards cause the stomach-tubing of a horse engaged to run in a race, official trial or jump-out at any time during the 1 clear day prior to 12.00am on the day of the scheduled race, official trial or jump-out.	1
AR267 (a)(b)(c)	Except with the consent of a PRA or the Stewards who imposed a suspension, during the period of the suspension a suspended trainer or a person holding a permit to train must not as a trainer or permit holder, nominate a horse for a race, official trial or jump-out; or train or participate in any way in the training of a horse; or be registered as a stablehand, or be employed or act or be involved in any capacity in any racing stable.	1

SUMMARY OF CHARGES APPLICABLE TO APPEAL CASES LODGED

Rule	Description	Amount
LR71A(a)	Except with the written permission of Racing NSW, any rider's agent who bets, has an interest in a bet, or facilitates a bet on any NSW race in which a rider whom the rider's agent represents (in accordance with AR1) is engaged to ride, commits an offence and may be penalised.	1
LR82C (1)(b)	A trainer shall not allow a horse under his care or control in New South Wales to receive veterinary services from any person other than a veterinarian who is registered with the Veterinary Practitioners Board of NSW or equivalent interstate body and has been issued a permit by Racing NSW.	1
LR114 (5)(e)	Further to AR64JA(1), where a decision has been made to retire a horse, or not to commence racing an Eligible Horse, and that horse has been domiciled in New South Wales for the majority of its life the horse is not to be, directly or indirectly, sent to an abattoir, knackery or similarly disposed of.	1
TOTAL		58

SUMMARY OF CHARGES APPLICABLE TO APPEAL CASES LODGED

	Dismissed	Upheld
Represented by Solicitor/Master	22	23
Represented Self	3	3
Totals	25	26

The Board gratefully acknowledges the time, effort and expertise that Appeal Panel members give towards this important part of the racing industry.

Racing Appeals Tribunal

Racing Appeals Tribunal comprised of:
 David Armati, Racing Appeals Tribunal
 Anthony Lo Surdo SC, Acting Racing Appeals Tribunal
 Peter V'landys AM, Secretary Racing Appeals Tribunal
 Kathy Reece, Appeals Coordinator

There were four Appeals determined by the Racing Appeals Tribunal during 2021/22 which comprised four charges:

Presided Over By	Dismissed	Upheld	Withdrawn
Mr D Armati	2	1	-
Mr A Lo Surdo SC	-	1	-
Total	2	2	-

BREEDER OWNER BONUS SCHEME (BOBS)

Racing NSW's Breeder Owner Bonus Scheme has become the most popular racing incentive scheme in Australia since it began paying bonus prizemoney back in 2002.

BOBS has entered its 20th year and gets stronger each season, having paid out 1211 BOBS Silver bonuses during the 2021/22 racing season for a total of over \$11.5 million including bonuses and Double Up vouchers.

These figures show how successful the BOBS scheme is, but even more impressive when paired with BOBS Extra where last season an extra \$456,000 was distributed to owners of BOBS Extra horses.

BOBS continues to grow each season, with more breeders and owners nominating stallions and two-year-old horses – this, in turn, leads to more bonuses being paid out and therefore, more nominations.

And the fact that BOBS bonuses can be won at all NSW tracks (except in Group and some Listed Races), means that trainers and owners racing outside of the Metropolitan tracks can continue to race their horses closer to home, reducing travel and increasing the competition and class of racing at Provincial and Country racecourses.

BOBS mare bonuses commenced in August 2017 and in accordance with a proposal from the Thoroughbred Breeders of NSW, the conditions of BOBS were altered to pay bonuses to the owners of mares breeding to BOBS-eligible stallions.

This replaced the existing bonus payment made to owners of nominated stallions, with these stallion owners agreeing to forego that bonus to create a larger payment to the broodmare owners.

The change has added a further \$2 million annually to bonus payments from BOBS to the owner of mares. Racing NSW funds \$1 million of the additional monies to broodmare owners.



BOBS Horse of the Year, Mazu with Sam Clipperton aboard scoring at Royal Randwick. Image by Bradley Photographers

BOBS SILVER BONUSES WON BY NUMBER PER MONTH

	18/19	19/20	20/21	21/22
August	66	50	52	57
September	69	73	69	69
October	70	83	74	81
November	97	79	80	79
December	100	81	86	105
January	94	98	114	102
February	112	92	107	92
March	123	121	98	107
April	117	125	145	125
May	155	153	151	126
June	162	151	124	128
July	159	142	164	140
TOTAL	1324	1248	1264	1211

BOBS EXTRA BONUSES WON BY NUMBER PER MONTH

	18/19	19/20	20/21	21/22
August	8	13	9	7
September	12	3	8	4
October	7	8	10	7
November	12	4	4	4
December	9	9	1	7
January	6	5	6	8
February	6	5	6	4
March	3	6	5	7
April	8	2	4	0
May	7	4	6	3
June	5	5	3	6
July	5	4	8	2
TOTAL	88	68	70	59

SEASON 2021/22 – BOBS SILVER BONUS WINNERS SIRE BY VALUE

Stallion	Standing At	Bonuses	Wins
I Am Invincible	Yarraman Park Stud	\$500,625	50
Snitzel	Arrowfield Stud	\$478,125	59
Maurice (Jpn)	Arrowfield Stud	\$371,250	39
Capitalist	Newgate Stud	\$309,375	44
Deep Field	Newgate Stud	\$281,250	35
Exceed And Excel	Godolphin	\$260,156	29
Shalaa (Ire)	Arrowfield Stud	\$213,750	35
Sebring	Widden Stud	\$208,125	27
Press Statement	Vinery Stud	\$203,906	33
Your Song	Gooree Park Stud	\$191,250	34
Rubick	Coolmore Stud	\$185,625	25
Vancouver	Coolmore Stud	\$180,000	23

BREEDER OWNER BONUS SCHEME (BOBS)

SEASON 2021/22 – BOBS EXTRA BONUS WINNERS SIRE BY VALUE

Stallion	Standing At	Bonuses	Wins
So You Think (NZ)	Coolmore Stud	\$70,000	6
No Nay Never (USA)	Coolmore Stud	\$40,000	2
Press Statement	Vinery Stud	\$40,000	2
Dundeel (NZ)	Arrowfield Stud	\$35,000	5
Casino Prince	Vinery Stud	\$35,000	3
All Too Hard	Vinery Stud	\$30,000	4
Choisir	Coolmore Stud	\$20,000	3
Street Cry (Ire)	Godolphin	\$15,000	2

SEASON 2021/22 – BOBS SILVER BONUS WINNING HORSES BY VALUE

Horse	Sire	Trainer	Bonuses	Wins
Mazu	Maurice (Jpn)	Peter & Paul Snowden	\$90,000	4
Bacchanalia	Exceed And Excel	James Cummings	\$56,250	3
Athelric	Exceed And Excel	James Cummings	\$45,000	3
I Am Lethal	I Am Invincible	John O'Shea	\$45,000	3
Dragonstone	Mikki Isle (Jpn)	Mark Newnham	\$45,000	2
Russian Conquest	Russian Revolution	Peter & Paul Snowden	\$45,000	2
Riva Del Sol	Press Statement	Con Karakatsanis	\$39,375	4
Swamp Nation	Stratum Star	Glen Milligan	\$39,375	4
Forzanini	Pride Of Dubai	Peter & Paul Snowden	\$39,375	3
Shihonka	Capitalist	Gai Waterhouse & Adrian Bott	\$39,375	3

SEASON 2021/22 – BOBS EXTRA BONUS WINNING HORSES BY VALUE

Horse	Sire	Trainer	Bonuses	Wins
Toomuchtobear	Press Statement	Chris Waller	\$40,000	2
Yiyi	No Nay Never (USA)	Chris Waller	\$40,000	2
Tinnie Winnie	So You Think (NZ)	Chris Waller	\$20,000	3
Tudor Prince	All Too Hard	Danielle Seib	\$20,000	3
Caesars Palace	Casino Prince	Anthony Cummings	\$20,000	1
Nothinsweet-aboutme	So You Think (NZ)	Gai Waterhouse & Adrian Bott	\$20,000	1
Rousseau	So You Think (NZ)	Chris Waller	\$20,000	1

SEASON 2021/22 – LEADING BOBS SILVER WINNING TRAINER

Trainer	Location	Bonuses	Wins
James Cummings	Royal Randwick	\$624,375	62
Chris Waller	Rosehill Gardens	\$618,750	54
Peter & Paul Snowden	Royal Randwick	\$466,875	44
Gai Waterhouse & Adrian Bott	Royal Randwick	\$410,625	53
Kris Lees	Newcastle	\$326,250	51
John O'Shea	Royal Randwick	\$281,250	33
Gerald Ryan & Alexiou Sterling	Rosehill Gardens	\$247,500	33
Bjorn Baker	Warwick Farm	\$241,875	34
Mark Newnham	Royal Randwick	\$241,875	29

SEASON 2021/22 – LEADING BOBS EXTRA WINNING TRAINER

Trainer	Location	Bonuses	Wins
Chris Waller	Rosehill Gardens	\$130,000	9
Matthew Smith	Warwick Farm	\$35,000	5
Gai Waterhouse & Adrian Bott	Royal Randwick	\$30,000	2
Danielle Seib	Goulburn	\$20,000	3
Les Bridge	Royal Randwick	\$20,000	2
Anthony Cummings	Royal Randwick	\$20,000	1
Gregory Hickman	Warwick Farm	\$15,000	3
Stephen Lee	Ballina	\$15,000	2

SOME QUICK FACTS ON BOBS

- In 2021/22 there were 1211 BOBS Silver bonuses paid
- Racing NSW has paid out more than \$174 million in bonus prizemoney since BOBS began 20 years ago
- Of the BOBS Silver bonuses won, two-year-old horses won 164 (13.5%) and three-year-old horses accounted for 1047 (86.5%) wins
- Some 13 of the 16 leading sires by value of bonuses are Australian-bred, and
- Since the Double-Up option was introduced in January 2005, more than \$56 million has been put back into the NSW Breeding Industry through this scheme, benefiting not just breeders, but also owners and trainers.

NSW GROUP AND LISTED WINNERS

GR	FEATURE RACE	DIST	PRIZE \$	WINNER	TRAINER
1	WINX STAKES	1400	500,000	MO'UNGA (NZ)	ANNABEL NEASHAM
1	GEORGE MAIN STAKES	1600	1,000,000	VERRY ELLEEGANT (NZ)	CHRIS WALLER
1	GOLDEN ROSE STAKES	1400	1,000,000	IN THE CONGO	GAI WATERHOUSE & ADRIAN BOTT
1	EPSOM HCP	1600	1,500,000	PRIVATE EYE	JOSEPH PRIDE
1	THE METROPOLITAN	2400	750,000	MONTEFILIA	DAVID PAYNE
1	FLIGHT STAKES	1600	750,000	NEVER BEEN KISSED (NZ)	GAI WATERHOUSE & ADRIAN BOTT
1	SPRING CHAMPION STAKES	2000	1,000,000	PROFONDO	RICHARD LITT
1	CHIPPING NORTON STAKES	1600	600,000	VERRY ELLEEGANT (NZ)	CHRIS WALLER
1	SURROUND STAKES	1400	500,000	HINGED	CHRIS WALLER
1	RANDWICK GUINEAS	1600	1,000,000	CONVERGE	GAI WATERHOUSE & ADRIAN BOTT
1	CANTERBURY STAKES	1300	500,000	FORBIDDEN LOVE	RICHARD & MICHAEL FREEDMAN
1	COOLMORE CLASSIC	1500	600,000	LIGHTHOUSE (USA)	CIARON MAHER & DAVID EUSTACE
1	GOLDEN SLIPPER STAKES	1200	5,000,000	FIREBURN	GARY PORTELLI
1	GEORGE RYDER STAKES	1500	1,000,000	FORBIDDEN LOVE	RICHARD & MICHAEL FREEDMAN
1	RANVET STAKES	2000	700,000	MONTEFILIA	DAVID PAYNE
1	ROSEHILL GUINEAS	2000	600,000	ANAMOE	JAMES CUMMINGS
1	THE GALAXY	1100	700,000	SHELBY SIXTYSIX	DANNY WILLIAMS
1	THE BMW	2400	1,500,000	DUAIS	EDWARD CUMMINGS
1	VINERY STUD STAKES	2000	500,000	FANGIRL	CHRIS WALLER
1	DONCASTER HANDICAP	1600	3,000,000	MR BRIGHTSIDE (NZ)	BEN & JD HAYES
1	TJ SMITH STAKES	1200	2,500,000	NATURE STRIP	CHRIS WALLER
1	ATC AUSTRALIAN DERBY	2400	2,000,000	HITOTSU	CIARON MAHER & DAVID EUSTACE
1	ATC SIRES' PRODUCE STAKES	1400	1,000,000	FIREBURN	GARY PORTELLI
1	QUEEN ELIZABETH STAKES	2000	4,000,000	THINK IT OVER	KERRY PARKER
1	ATC OAKS	2400	1,000,000	EL PATRONESS	DANNY O'BRIEN
1	SYDNEY CUP	3200	2,000,000	KNIGHTS ORDER (IRE)	GAI WATERHOUSE & ADRIAN BOTT
1	QUEEN OF THE TURF STAKES	1600	1,000,000	NIMALEE	MATTHEW SMITH
1	ALL AGED STAKES	1400	600,000	CASCADIAN (GB)	JAMES CUMMINGS
1	CHAMPAGNE STAKES	1600	500,000	SHE'S EXTREME	ANTHONY CUMMINGS
2	MISSILE STAKES	1200	200,000	PHOBETOR	MICHAEL COSTA
2	SILVER SHADOW STAKES	1200	200,000	SWIFT WITNESS	GAI WATERHOUSE & ADRIAN BOTT
2	CHELMSFORD STAKES	1600	250,000	THINK IT OVER	KERRY PARKER
2	FURIOUS STAKES	1200	200,000	JAMAEA	ROBERT & LUKE PRICE
2	TRAMWAY HCP	1400	200,000	ZAAKI (GB)	ANNABEL NEASHAM
2	THE RUN TO THE ROSE	1200	200,000	ANAMOE	JAMES CUMMINGS
2	THEO MARKS STAKES	1300	200,000	CHAT	JOHN THOMPSON
2	SHERACO STAKES	1200	200,000	ENTRIVIERE (NZ)	JAMIE RICHARDS
2	THE SHORTS	1100	500,000	EDUARDO	JOSEPH PRIDE
2	TEA ROSE STAKES	1400	200,000	FOUR MOVES AHEAD	JOHN SARGENT
2	SHANNON STAKES	1500	200,000	YONKERS (USA)	CHRIS WALLER
2	GOLDEN PENDANT	1400	400,000	VANGELIC	GAI WATERHOUSE & ADRIAN BOTT
2	HILL STAKES	2000	1,000,000	THINK IT OVER	KERRY PARKER
2	PREMIERE STAKES	1200	500,000	MASKED CRUSADER	MICHAEL, WAYNE & JOHN HAWKES
2	STAN FOX STAKES	1500	250,000	HILAL	MICHAEL, WAYNE & JOHN HAWKES
2	ROMAN CONSUL STAKES	1200	300,000	PAULELE	JAMES CUMMINGS
2	VILLIERS STAKES	1600	750,000	BRUTALITY	JOSEPH PRIDE
2	EXPRESSWAY STAKES	1200	200,000	OVERPASS	BJORN BAKER
2	APOLLO STAKES	1400	250,000	THINK IT OVER	KERRY PARKER
2	LIGHT FINGERS STAKES	1200	200,000	FANGIRL	CHRIS WALLER
2	SILVER SLIPPER STAKES	1100	250,000	BEST OF BORDEAUX	KACY FOGDEN
2	HOBARTVILLE STAKES	1400	400,000	ANAMOE	JAMES CUMMINGS
2	MILLIE FOX STAKES	1300	200,000	EXPAT (NZ)	MARK NEWNHAM
2	SKYLINE STAKES	1200	200,000	PROMITTO	DAVID ATKINS
2	SWEET EMBRACE STAKES	1200	200,000	FIREBURN	GARY PORTELLI
2	GUY WALTER STAKES	1400	200,000	FORBIDDEN LOVE	RICHARD & MICHAEL FREEDMAN
2	CHALLENGE STAKES	1000	500,000	EDUARDO	CHRIS WALLER
2	REISLING STAKES	1200	300,000	SEVEN VEILS	MARK NEWNHAM
2	TODMAN STAKES	1200	300,000	SEJARDAN	GARY PORTELLI
2	PHAR LAP STAKES	1500	200,000	MR MOZART	M, W & JOHN HAWKES
2	AJAX STAKES	1500	200,000	JUST FOLK	JOSH JULIUS
2	TULLOCH STAKES	2000	200,000	CHARACTER	JAMES CUMMINGS
2	EMANCIPATION STAKES	1500	200,000	PROMISE OF SUCCESS (GB)	JOHN O'SHEA
2	CHAIRMAN'S HANDICAP	2600	300,000	NERVE NOT VERVE (NZ)	MICHAEL MORONEY
2	ARROWFIELD 3YO SPRINT	1200	1,000,000	MAZU	PETER & PAUL SNOWDEN
2	PERCY SYKES STAKES	1200	1,000,000	PARIS DIOR	PETER & PAUL SNOWDEN

NSW GROUP AND LISTED WINNERS

GR	FEATURE RACE	DIST	PRIZE \$	WINNER	TRAINER
2	SAPPHIRE STAKES	1200	300,000	BELLA NIPOTINA	CIARON MAHER & DAVID EUSTACE
3	UP AND COMING STAKES	1300	160,000	TIGER OF MALAY	RICHARD & MICHAEL FREEDMAN
3	SHOW COUNTY QUALITY HCP	1200	160,000	PRIVATE EYE	JOSEPH PRIDE
3	TOY SHOW QLTY HCP	1100	160,000	FITUESE	JOHN THOMPSON
3	SAN DOMENICO STAKES	1100	160,000	IN THE CONGO	GAI WATERHOUSE & ADRIAN BOTT
3	PREMIER'S CUP	1900	160,000	HARPO MARX (IRE)	BJORN BAKER
3	MING DYNASTY QUALITY HCP	1400	160,000	COASTWATCH	CHRIS WALLER
3	CONCORDE STAKES	1000	160,000	NATURE STRIP	CHRIS WALLER
3	CAMERON HANDICAP	1500	160,000	ASHMAN	KIM WAUGH
3	NEWCASTLE CUP	2300	250,000	GREAT HOUSE (IRE)	CHRIS WALLER
3	TIBBIE STAKES	1400	160,000	MADAM LEGEND	LES BRIDGE
3	KINGSTON TOWN STAKES	2000	160,000	SHE'S IDEEL	BJORN BAKER
3	BILL RITCHIE HANDICAP	1400	160,000	ATISHU (NZ)	CHRIS WALLER
3	GLOAMING STAKES	1800	200,000	HEAD OF STATE	CHRIS WALLER
3	COLIN STEPHEN QUALITY	2400	160,000	ENTENTE	GAI WATERHOUSE & ADRIAN BOTT
3	BREEDERS' PLATE	1000	160,000	SEJARDAN	GARY PORTELLI
3	GIMCRACK STAKES	1000	160,000	COOLANGATTA	ANNABEL NEASHAM
3	THE NIVISON	1200	200,000	MINHAAJ	JOHN O'SHEA
3	ANGST STAKES	1600	160,000	MIRRA VISION	PETER & PAUL SNOWDEN
3	CRAVEN PLATE	2000	750,000	THINK IT OVER	KERRY PARKER
3	SPRING STAKES	1600	160,000	FESTIVAL DANCER	MATTHEW SMITH
3	FESTIVAL STAKES	1500	160,000	ELLSBERG	GERALD RYAN & STERLING ALEXIOU
3	SUMMER CUP	2000	160,000	PARRY SOUND	BJORN BAKER
3	BELLE OF THE TURF STAKES	1600	200,000	EXPAT (NZ)	MARK NEWNHAM
3	WIDDEN STAKES	1100	160,000	QUEEN OF THE BALL	RICHARD & MICHAEL FREEDMAN
3	CANONBURY STAKES	1100	160,000	BEST OF BORDEAUX	KACY FOGDEN
3	ESKIMO PRINCE STAKES	1200	160,000	PAULELE	JAMES CUMMINGS
3	SOUTHERN CROSS STAKES	1200	160,000	LOST AND RUNNING (NZ)	CHRIS WALLER
3	TRISCAY STAKES	1200	160,000	SNAPDANCER	CIARON MAHER & DAVID EUSTACE
3	LIVERPOOL CITY CUP	1300	160,000	ELLSBERG	GERALD RYAN & STERLING ALEXIOU
3	NEWCASTLE NEWMARKET HCP	1400	160,000	WANDABAA	KRIS LEES
3	ASPIRATION QUALITY	1600	160,000	LE LUDE	JOHN THOMPSON
3	WENONA GIRL QUALITY	1200	160,000	BELLUCI BABE (NZ)	BJORN BAKER
3	KEMBLA GRANGE CLASSIC	1600	200,000	PRETTY AMAZING	CHRIS WALLER
3	MAGIC NIGHT STAKES	1200	175,000	SHE'S EXTREME	ANTHONY CUMMINGS
3	PAGO PAGO STAKES	1200	175,000	RISE OF THE MASSES	GAI WATERHOUSE & ADRIAN BOTT
3	SKY HIGH STAKES	2000	350,000	STOCKMAN (NZ)	JOSEPH PRIDE
3	MAURICE McCARTEN STAKES	1100	160,000	SHELBY SIXTYSIX	DANNY WILLIAMS
3	BLACK OPAL STAKES	1200	200,000	QUEEN OF THE BALL	RICHARD & MICHAEL FREEDMAN
3	BIRTHDAY CARD STAKES	1200	160,000	EMANATE	JAMES CUMMINGS
3	EPONA STAKES	1900	160,000	MONGAL	THERESA BATEUP
3	N E MANION QUALITY CUP	2400	160,000	NO COMPROMISE (NZ)	CHRIS WALLER
3	T L BAILLIEU HANDICAP	1400	160,000	WILLIAMSBURG	GERALD RYAN & STERLING ALEXIOU
3	NEVILLE SELLWOOD STAKES	2000	160,000	MOUNT POPA (IRE)	M, W & JOHN HAWKES
3	STAR KINGDOM STAKES	1200	160,000	GEM SONG	KRIS LEES
3	DONCASTER PRELUDE	1500	160,000	MR MOZART	M, W & JOHN HAWKES
3	ADRIAN KNOX QLTY STAKES	2000	200,000	HONEYCREEPER	JAMES CUMMINGS
3	CARBINE CLUB STAKES	1600	200,000	STRAIGHT ARRON	CHRIS WALLER
3	KINDERGARTEN STAKES	1100	200,000	SEMILLION	M, W & JOHN HAWKES
3	PJ BELL STAKES	1200	200,000	HERESY	JAMES CUMMINGS
3	JAPAN RACING ASSOC PLATE	2000	160,000	POLLY GREY (NZ)	CHRIS WALLER
3	FRANK PACKER PLATE	2000	160,000	VERONA (NZ)	CIARON MAHER & DAVID EUSTACE
3	JAMES H B CARR STAKES	1400	160,000	ESPIONA	CHRIS WALLER
3	HALL MARK STAKES	1200	160,000	KEMENTARI	JAMES CUMMINGS
3	HAWKESBURY GOLD CUP	1600	200,000	KIRWAN'S LANE (NZ)	JOHN O'SHEA
3	HAWKESBURY CROWN	1300	175,000	EXOTIC RUBY	BJORN BAKER
3	HAWKESBURY GUINEAS	1400	200,000	MR MOZART	M, W & JOHN HAWKES
3	DARK JEWEL CLASSIC	1400	200,000	BRING THE RANSOM	BJORN BAKER
LR	THE ROSEBUD	1100	150,000	PAULELE	JAMES CUMMINGS
LR	ROWLEY MILE	1100	185,000	BERDIBEK (FR)	JOHN O'SHEA
LR	WYONG GOLD CUP	2100	200,000	BERDIBEK (FR)	JOHN O'SHEA
LR	MONA LISA STAKES	1350	140,000	MORE PROPHETS	JOHN THOMPSON
LR	DULCIFY 3YO QUALITY HCP	1600	150,000	GIANNIS	CHRIS WALLER
LR	HERITAGE STAKES	1100	140,000	HOME AFFAIRS	CHRIS WALLER
LR	REGINALD ALLEN QLTY HCP	1400	140,000	FANGIRL	CHRIS WALLER

GR	FEATURE RACE	DIST	PRIZE \$	WINNER	TRAINER
LR	SYDNEY STAKES	1100	500,000	BIG PARADE	MARK NEWNHAM
LR	BRIAN CROWLEY STAKES	1200	200,000	MAZU	PETER & PAUL SNOWDEN
LR	CITY TATT'S CLUB CUP	2400	140,000	TORRENS	LAURI PARKER
LR	SKIN FITNESS CUP	1400	150,000	BLUE SOLDIER (USA)	ANNABEL NEASHAM
LR	STARLIGHT STAKES	1100	140,000	VULPINE	BRAD WIDDUP
LR	ATC CUP	2000	140,000	POLLY GREY (NZ)	CHRIS WALLER
LR	RAZOR SHARP HCP	1200	140,000	SPECIAL REWARD	KRIS LEES
LR	CHRISTMAS CUP	2400	140,000	MIGHTYBEEL (NZ)	CHRIS WALLER
LR	GOSFORD GUINEAS	1200	150,000	BACCHANALIA	JAMES CUMMINGS
LR	CHRISTMAS CLASSIC	1200	150,000	PRIME CANDIDATE	BJORN BAKER
LR	CARRINGTON STAKES	1400	150,000	SPECIAL REWARD	KRIS LEES
LR	AUSTRALIA DAY CUP	2400	150,000	KAAPFEVER (NZ)	JOSEPH PRIDE
LR	INGLIS MILLENNIUM	1200	2,000,000	XTRAVAGANT STAR	TONY & CLAVIN MCEVOY
LR	LONHRO PLATE	1000	140,000	CYTHERA	PETER & PAUL SNOWDEN
LR	PARRAMATTA CUP	1900	140,000	MIGHTYBEEL (NZ)	CHRIS WALLER
LR	RANDWICK CITY STAKES	2000	140,000	ZEYREK (FR)	M, W & JOHN HAWKES
LR	FIREBALL STAKES	1100	140,000	MAZU	PETER & PAUL SNOWDEN
LR	NATIONAL SPRINT	1400	130,000	IRISH SONGS	KURT GOLDMAN
LR	CANBERRA CUP	2000	200,000	SACRAMENTO	GAI WATERHOUSE & ADRIAN BOTT
LR	CANBERRA GUINEAS	1400	130,000	FLYING CRAZY	GERALD RYAN & STERLING ALEXIOU
LR	DARBY MUNRO STAKES	1200	140,000	MAZU	PETER & PAUL SNOWDEN
LR	ALBURY CUP	2000	200,000	HARMONY ROSE	MARK NEWNHAM
LR	SOUTH PACIFIC CLASSIC	1400	150,000	VILANA	JAMES CUMMINGS
LR	FERNHILL HANDICAP	1600	150,000	WILLIAMSBURG	GERALD RYAN & STERLING ALEXIOU
LR	HAWKESBURY RUSH	1100	140,000	TYCOONIST	CHRIS WALLER
LR	WAGGA WAGGA GOLD CUP	2000	200,000	ALEAS (GB)	CHRIS WALLER
LR	TAKEOVER TARGET STAKES	1200	200,000	BLONDEAU	CHRIS WALLER
LR	GOSFORD GOLD CUP	2100	250,000	NUMERIAN (IRE)	ANNABEL NEASHAM
LR	SCONE CUP	1600	200,000	RUSTIC STEEL	KRIS LEES
LR	LUSKIN STAR STAKES	1300	140,000	FLYING CRAZY	GERALD RYAN & STERLING ALEXIOU
LR	WOODLANDS STAKES	1100	140,000	IN SECRET	JAMES CUMMINGS
LR	DENISE'S JOY STAKES	1100	140,000	ZAPATEO	JAMES CUMMINGS
LR	ORTENSIA STAKES	1100	140,000	VULPINE	BRAD WIDDUP
LR	LORD MAYOR'S CUP	2000	150,000	HOPEFUL (FR)	ANNABEL NEASHAM
LR	WINTER CUP	2400	150,000	IRISH SEQUEL (IRE)	CHRIS WALLER
LR	BOB CHARLEY AO STAKES	1100	150,000	DRAGONSTONE	MARK NEWNHAM
LR	W J MCKELL CUP	2400	150,000	SKYMAN (GB)	CHRIS WALLER
LR	CIVIC STAKES	1350	150,000	HULK	CHRIS WALLER
LR	WINTER STAKES	1400	160,000	TAKSU	JOSEPH PRIDE
LR	RAMORNIE HANDICAP	1200	200,000	RANGES	PETER & PAUL SNOWDEN
LR	GRAFTON CUP	2350	200,000	ARAPAHO (FR)	BJORN BAKER
LR	WINTER CHALLENGE	1500	160,000	CROSS TALK (NZ)	GAI WATERHOUSE & ADRIAN BOTT
RL	M.MILLIONS WYONG 2YO CLASSIC	1100	200,000	SOARING AMBITION	ANNABEL NEASHAM
	SILVER EAGLE	1300	500,000	AIM	PETER & PAUL SNOWDEN
	THE EVEREST	1200	15,000,000	NATURE STRIP	CHRIS WALLER
	THE KOSCIUSZKO	1200	1,300,000	ART CADEAU	TERRY ROBINSON
	ST LEGER	2600	500,000	WARNING	ANTHONY & SAM FREEDMAN
	BONDI STAKES	1600	1,000,000	HILAL	MICHAEL, WAYNE & JOHN HAWKES
	THE INVITATION	1400	2,000,000	ICEBATH (NZ)	BRAD WIDDUP
	GOLDEN EAGLE	1500	7,500,000	I'M THUNDERSTRUCK (NZ)	MICK PRICE & MICHAEL KENT JNR
	CLASSIQUE LEGEND STAKES	1300	1,000,000	EDUARDO	JOSEPH PRIDE
	ROSEHILL GOLD CUP	2000	750,000	THINK IT OVER	KERRY PARKER
	HOT DANISH STAKES	1400	500,000	ELECTRIC GIRL	MICHAEL, WAYNE & JOHN HAWKES
	GOLDEN GIFT	1100	1,000,000	SEJARDAN	GARY PORTELLI
	THE HUNTER	1300	1,000,000	LOST AND RUNNING (NZ)	JOHN O'SHEA
	THE GONG	1600	1,000,000	COUNT DE RUPEE	ROBERT & LUKE PRICE

OBITUARIES

Sadly, the NSW Thoroughbred Racing Industry lost many administrators and participants over the past year: -

Mr Darby Armstrong
Mr Jack Ashman
Mr Andrew Bayley (Coonamble)
Mr Alan Brown AM
Mr Terry Burke
Mr John Cannon (Armidale)
Mrs Rita Englebrecht
Mr Martin 'Herbie' Eveleigh
Mr Anton Koolman
Mr Fred Cooper (Goulburn)
Dr Alan Duffield
Mr George Ford (Gulgong)
Mr Danny Frahm
Mr Rick Freyer
Mr Allan Gibson (Dubbo)
Mr Vincent Gordon (Dubbo)
Mr Michael Hood
Mr Lou Joseph

Mr Sid Kelly OAM
Mr Neal Kyle
Mr Ian MacKintosh
Mr Geoff Maynes
Mr Jim McDonald (Armidale)
Mr Nick Moraitis
Ms Marina Morel
Mr Colin 'Chicka' Pearson
Mr Rick Pisaturo
Mr Roy Robertson
Mr Bob Scherf (Tamworth)
Mr Alan Scorse
Mr Stan Thomas
Mr Ron Towell
Ms Nini Vascotto
Mrs Leone Vrieling (Narrandera)
Mr Brent Wallace
Mrs Beryl White



The late Nick Moraitis welcomes his great galloper Might and Power who returned to Rosehill for a visit in 2005.
Image by Bradley Photographers



FINANCIAL STATEMENTS

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WORKERS' COMPENSATION FUND (NOT FOR PROFIT)

REVENUE AND EXPENSES FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

	Note	2022 \$	2021 \$
REVENUE			
Revenue from Operating Activities			
Workers Compensation Premiums & Revenue	4(iii)	15,486,706	14,891,926
		15,486,706	14,891,926
Rent received/ Outgoings recovered	13	201,846	-
Interest received Workers Compensation	4(ix)	517,974	811,654
		719,820	811,654
REVENUE		16,206,526	15,703,580
EXPENSES			
Workers Compensation Payments	4(xxix)	15,212,467	12,590,157
Workers Compensation, Administrative, Regulatory & Reinsurance	4(xxix)	2,214,575	1,985,427
Financing Costs	4(xxx)	72,638	45,278
EXPENSES		17,499,680	14,620,862
Funds surplus before allocation of additional provision for possible future liabilities		(1,293,154)	1,082,718
(Decrease)/Increase in provision for possible future liabilities.		(910,688)	1,570,358
Funds Transferred to Reserves		(382,466)	(487,640)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

	Note	2022 \$	2021 \$
REVENUE FROM CONTINUING OPERATIONS			
Sale of Goods - Publications	4(i)	369,649	336,693
Sale of Services	4(ii)	26,749,713	26,059,550
Workers Compensation Fund Premiums & Other Revenue	4(iii)	15,688,552	14,891,926
First Charge	4(iv)	9,928,153	10,000,000
Interest other parties	4(vi)	1,582,968	1,818,162
Wagering Revenue	4(v)	314,108,882	299,186,167
Outside Broadcast	4(xxxi)	5,924,862	5,895,336
Horse Welfare (1% of prize money)	4(xxxii)	4,320,723	3,631,323
Other Income	4(xxxiii)	-	5,784,000
TOTAL REVENUE AND OTHER INCOME		378,673,501	367,603,157
EXPENSES			
Management of Capital Expenditure	4(viii)	2,640,756	865,016
Board	4(x)	662,674	690,114
Analytical	4(xi)	183,164	168,366
Finance	4(xii)	712,471	787,033
Administration and Executive	4(xiii)	6,456,797	5,294,192
Legal	4(xiv)	245,634	725,815
Licensing	4(xv)	342,596	308,303
Payments made to sustain minimum prizemoney, promotions, and other commitments	4(xvi) & 17(d)	250,982,197	208,793,612
Collection of Race Fields receipts	4(xvii)	196,839	181,389
Race Results	4(xviii)	15,006	15,794
Cost of Goods Sold - Publications	4(xix)	316,771	299,469
Laboratory	4(xx)	3,469,566	3,408,721
Handicapping	4(xxi)	445,199	481,208
Stewards & Integrity	4(xxii)	5,665,532	5,309,504
Veterinary	4(xxiii)	1,017,533	917,055
Syndicates	4(xxiv)	184,228	193,862
Stakes Payments	4(xxv)	264,164	261,090
Information Technology	4(xxvi)	1,141,090	1,209,270
Racing Office	4(xxvii)	70,165	136,243
Marketing and media	4(xxviii)	1,311,052	1,465,065
Outside Broadcast	4(xxxi)	6,194,190	6,844,123
Workers Compensation Fund Expenses	4(xxix)	17,427,042	14,649,085
Financing Costs	4(xxx)	97,649	76,026
Horse Welfare	4(xxxii)	4,313,712	3,724,432
(Gain)/Loss on Disposal of Assets	4(vii)	(123,488)	67,798
Drawdown on Race Fields provision	17(b)	(700,998)	(1,502,496)
Capital Expenditure Provision	17(c)	-	89,000,000
Equine Welfare Provision	17(e)	-	20,000,000
Prizemoney Sustainability Provision	17(g)	65,382,000	-
Future Workers' Compensation liabilities Provision	18	(910,688)	1,570,358
TOTAL EXPENSES		368,002,853	365,940,448
Share of profit of associate (Racing Australia "RA")	10	764,540	957,541
PROFIT BEFORE INCOME TAX		11,435,187	2,620,251
INCOME TAX EXPENSE		-	-
PROFIT AFTER INCOME TAX		11,435,187	2,620,251
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		11,435,187	2,620,251

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	6	169,015,851	112,944,375
Trade and Other Receivables	7	37,982,987	31,588,559
Other Current Assets	8	180,428	165,568
Other Financial Assets	9	92,998,923	83,636,309
TOTAL CURRENT ASSETS		300,178,189	228,334,811
NON-CURRENT ASSETS			
Other Financial Assets	9	85,886,620	95,074,627
Investment Accounted for Using the Equity Method	10	13,427,295	12,662,755
Other Non-Current Receivables	14(a)	26,468,014	5,967,334
Intangible Assets	14(b)	12,884	3,385
Property, Plant and Equipment - Land & Buildings	11	122,008,013	75,043,717
Property, Plant and Equipment - Other	12	14,079,145	13,987,967
Investment Property	13	2,689,822	1,804,295
TOTAL NON-CURRENT ASSETS		264,571,793	204,544,080
TOTAL ASSETS		564,749,982	432,878,891
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	15	98,487,486	60,453,084
Breeder Owner Bonus Scheme	16	25,470,093	23,101,328
Employee Provisions	17(a)	2,113,562	1,984,388
Race Fields Provisions	17(b)	7,500,000	7,500,000
Capital Expenditure Provision	17(c)	7,000,000	7,000,000
Clubs Sustainment Provision	17(d)	7,000,000	7,000,000
Horse Welfare Provision	17(e)	1,000,000	1,000,000
Prizemoney Sustainability Provision	17(g)	16,345,500	-
Workers Compensation Provisions	18	15,498,866	11,476,090
Other Liabilities	19	9,143,720	10,852,693
TOTAL CURRENT LIABILITIES		189,559,227	130,367,583
NON-CURRENT LIABILITIES			
Breeder Owner Bonus Scheme	16	2,837,709	2,692,911
Employee Provisions	17(a)	1,443,226	513,914
Race Fields Provisions	17(b)	31,873,690	32,502,688
Capital Expenditure Provision	17(c)	120,298,812	122,382,951
Clubs Sustainment Provision	17(d)	21,532,574	6,539,208
Horse Welfare Provision	17(e)	17,193,773	18,575,901
Prizemoney Sustainability Provision	17(g)	49,036,500	-
Workers Compensation Provisions	18	42,020,933	41,788,174
Other Liabilities	19	172,020	169,230
TOTAL NON-CURRENT LIABILITIES		286,409,237	225,164,977
TOTAL LIABILITIES		475,968,464	355,532,560
NET ASSETS		88,781,518	77,346,331
EQUITY			
Reserves	20	88,781,518	77,346,331
Accumulated Surplus	21	-	-
TOTAL EQUITY		88,781,518	77,346,331

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

	Note	Reserves \$	Accumulated Surplus \$	Total \$
Balance at 1 July 2020		74,726,080	-	74,726,080
Profit for the year		-	2,620,251	2,620,251
Total Comprehensive Income for the Year	20	2,620,251	(2,620,251)	-
Balance at 30 June 2021		77,346,331	-	77,346,331
Profit for the year		-	11,435,187	11,435,187
Total Comprehensive Income for the Year	20	11,435,187	(11,435,187)	-
Balance at 30 June 2022		88,781,518	-	88,781,518

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

STATEMENT OF CASH FLOW

	Note	2022 \$	2021 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		389,390,971	389,215,399
Payments to suppliers and employees		(282,432,850)	(266,288,722)
Interest received		1,398,755	1,633,949
Finance costs		(97,649)	(76,026)
NET CASH PROVIDED BY OPERATING ACTIVITIES	5(b)	108,259,227	124,484,600
CASH FLOW FROM INVESTING ACTIVITIES			
Short term Investment		(174,607)	(51,172,976)
Payments for property, plant and equipment		(52,039,720)	(33,303,596)
Proceeds from sale of plant and equipment		410,529	870,025
NET CASH (USED) IN INVESTING ACTIVITIES		(51,803,798)	(83,606,547)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of loans to/(from) related parties		(383,952)	(2,697,241)
NET CASH (USED) FINANCING ACTIVITIES		(383,952)	(2,697,241)
NET INCREASE IN CASH		56,071,476	38,180,812
Cash at beginning of the year		112,944,375	74,763,563
CASH AT THE END OF THE YEAR	5(a)	169,015,851	112,944,375

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements cover Racing NSW as an individual entity. Racing NSW is a not-for-profit entity that was established by the Thoroughbred Racing Act, 1996 of the NSW State Parliament.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take account of the changing values of money, or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors. The financial statements are presented in Australian dollars.

(b) Accounting Policies

Material accounting policies adopted in the preparation of these financial statements are presented below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

(c) Property, Plant and Equipment

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

Plant and equipment

At each end of reporting period, the directors review a number of factors affecting plant and equipment, including their carrying values, to determine which of these assets, grouped into cash-generating units, may be impaired. If impairment indicators exist, the recoverable amount of the assets, being the higher of the assets' 'fair value less costs to sell' and 'value in use', are compared to the carrying values. Any excess of the assets' carrying value over their recoverable amount is expensed as an impairment expense.

As the future economic benefits of Racing NSW's assets are not primarily dependent on their ability to generate net cash inflows and if deprived of the asset, Racing NSW will replace the asset's remaining future economic benefits, "Value in use" is determined as the depreciated replacement cost of the asset, rather than by using discounted future cash flows.

Depreciation

The depreciable amount of all fixed assets is calculated on a straight line basis over their estimated useful lives to Racing NSW commencing from the time the asset is held ready for use

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each end of reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss.

	Depreciation Rate
Laboratory Equipment	10.00-33.33%
Building Fitout, Furniture & Equipment	10.00-33.33%
Office & Other Equipment	2.50-33.33%
Motor Vehicles	20.00%
Buildings	2.00%

Leases:

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are charged as expenses on a straight line basis over the lease term in the period in which they are incurred.

(d) Financial assets

Classification

Racing NSW classifies its financial assets in the following categories: financial assets at fair value through the profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial Assets designated at Fair Value through the Profit or Loss: Cash on Deposit is a financial asset designated at fair value through the profit or loss. This financial asset supports the Workers Compensation and Race Fields Capital Development provision, Capital Expenditure Provision, Prizemoney Sustainment Provision and Retained Earnings.

In line with AASB 1023 'General Insurance Contracts', fair valuing these assets through the profit or loss eliminates recognition inconsistencies that would arise if the assets were classified as available for sale or measured at amortised cost.

(ii) Loans and Receivables:

Loans and Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. Loans and receivables are included in Trade and Other Receivables (Note 7) in the statement of financial position.

Recognition and Derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which Racing NSW commits to purchase or sell the asset. Financial Assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through the profit or loss.

Financial assets carried at fair value through the profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Racing NSW has transferred substantially all the risks and rewards of ownership.

Subsequent Measurement

Loans and receivables are carried at amortised cost using the effective interest method. Financial assets designated at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets designated at fair value through the profit or loss' category are presented in the profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets designated at fair value through the profit or loss is recognised in the profit or loss as part of revenue from continuing operations when Racing NSW's right to receive payments is established. Details of how the fair value of financial instruments is determined is disclosed in Note 29.

Impairment

Racing NSW assesses at each end of reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

e) Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. All trade receivables, with the exception of those relating to Breeder Owner Bonus Scheme "BOBS", are due for settlement no more than 30 days from the date of recognition. BOBS receivables are able to be deferred for 12 months.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that Racing NSW will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the

FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

e) Receivables (cont.)

trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the profit or loss. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the provision.

(f) Investment in Associates

Associates are those entities over which Racing NSW is able to exert significant influence but which are not subsidiaries. A joint venture is an arrangement that Racing NSW controls jointly with one or more other investors, and over which Racing NSW has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which Racing NSW has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

Investments in associates and joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising Racing NSW's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly). Any goodwill or fair value adjustment attributable to Racing NSW's share in the associate or joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise Racing NSW's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of Racing NSW. Unrealised gains and losses on transactions between Racing NSW and its associates and joint ventures are eliminated to the extent of Racing NSW's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

(g) Foreign Currency Transactions and Balances

Foreign currency transactions during the year are converted to Australian currency at the rates of exchange applicable on the date the invoice is paid.

(h) Employee Benefits

Provision is made for Racing NSW's liability for employee benefits arising from services rendered by employees to end of reporting period. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by Racing NSW to accumulation employee superannuation funds and are charged as expenses when incurred.

A liability or asset in respect of defined benefit superannuation is recognised in the provision for employee benefits, and is measured as the difference between the present value of employee's accrued benefits at the reporting date and the net market value of the superannuation fund's assets at that date. The present value of accrued benefits is based on expected future payments which arise from membership of the fund to the reporting date. Consideration is given to expected future wage and salary levels, experience of employees' departures

and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms of maturity and currency that match, as closely as possible, the estimated future cash outflows. The amount charged to the profit or loss in respect of superannuation represents the contributions made by Racing NSW to the superannuation fund, adjusted by the movement in the liability.

(i) Cash and Cash Equivalents

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

(j) Revenue

The entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events.

Sale of goods

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

Rendering of services

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

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

Other revenue

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

(k) Trade, Stakes Payments and Other Payables

These amounts represent liabilities for goods and services provided to Racing NSW prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Breeder Owner Bonus Scheme

Racing NSW administers the Breeder Owner Bonus Scheme ("BOBS") on behalf of the Industry. BOBS is an incentive scheme designed to develop the NSW racing and breeding industry. Stallions standing in New South Wales and their progeny conceived in New South Wales are eligible to be nominated for the scheme. Stallion owners pay a fee to nominate their stallion to participate in BOBS. Owners of eligible progeny of participating stallions also pay nomination fees in respect of each eligible progeny which participates in the scheme. Racing NSW supplements the scheme funds with a

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(l) Breeder Owner Bonus Scheme (cont.)

First Charge from the TAB distributions.

Where a participating progeny of a participating stallion wins a race at a registered meeting in New South Wales, a BOBS bonus is paid to the owners of the horse and of the stallion according to published criteria. Owners may supplement the amount of the bonus by electing to credit the bonus towards the purchase of BOBS - eligible yearlings at designated sales rather than receive a cash payment. A management fee is applied to the costs of administering BOBS. Any deficit in the funds allocated to BOBS as at the end of a financial year is covered by increasing the funding to BOBS in the next financial year. Any surplus at the end of a financial year is carried forward to be applied under the scheme in future periods.

(m) Finance Costs

Finance costs are expensed when incurred

(n) Workers Compensation Insurance

Premiums received are recognised from the attachment date and are measured over the period of insurance in a pattern in accordance with the incidence of risk. Liabilities for outstanding claims are recognised for direct and inwards reinsurance business and measured as the central estimate of the present value of the expected future payments for claims incurred with an additional risk margin to allow for the inherent uncertainty in the central estimate. The expected future payments include amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR), claims incurred but not enough reported (IBNER) and costs, including claims handling costs, which the insurer expects to incur in settling these incurred claims. The outstanding claims liability is discounted for the time value of money using risk-free discount rates that are based on current observable, objective rates that relate to the nature, structure and term of the future obligations.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the costs of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Government Grants

Grants from the Government are recognised at their fair value where there is reasonable assurance that the grant will be received and Racing NSW will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate

(q) Provisions

Provisions for Race Fields Infrastructure, Provision for Capital Expenditure, Provision for Prizemoney Sustainability, legal claims, service warranties and make good obligations are recognised when Racing NSW has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

(r) Critical Accounting Estimates and Judgements

No critical accounting estimates and judgements have been required to be made in the preparation of the financial report other than:

- (i) Estimation of Insurance Liabilities (Refer Note 30)

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- (ii) Control of Workers' Compensation Fund: Management have determined that Racing NSW ultimately has the underwriting risk of the workers compensation fund and therefore has control of the fund. Refer to note 18.

- (iii) Race Fields provision (Refer Note 17(b))

- (iv) Capital Expenditure Provision (Refer Note 17(c))

- (v) Club sustainment provision (Refer Note 17 (d))

- (vi) Prizemoney Sustainability Provision (Refer Note 17(g))

- (vii) Horse Welfare Provision (Refer Note 17(e))

(s) Investment Property

Investment Properties are held to generate long-term rental yields and/or for capital appreciation. All tenants' leases are on an arm's length basis. Investment properties are carried at cost less accumulated depreciation calculated at a straight line depreciation rate of 2.00% (Refer Note 13).

(t) New Accounting Standards and Interpretations

(i) Changes in Accounting Policy and Disclosures

New and revised standards that are effective for these financial statements

Racing NSW has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

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

New standards adopted as at 1 July 2019

Racing NSW has applied the following standards, interpretations and amendments for the first time for their annual reporting period commencing 1 July 2019:

- AASB 15 Revenue from contracts with customers

Racing NSW had to change its accounting policies as a result of adopting these standards. The impact of this has been disclosed below.

- AASB 15 Revenue from Contracts with Customers

Racing NSW has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a receivable.

(u) Accounting standards issued, not yet effective

Certain new and revised accounting standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. These accounting standards are expected to have no impact upon Racing NSW.

NOTE 2: CONSOLIDATED OPERATIONS

Racing NSW - Administration includes the administrative functions of Racing NSW in accordance with the Thoroughbred Racing Act 1996. Racing NSW provides the independent integrity functions of the NSW Thoroughbred Racing Industry including Licensing, Stewards, Veterinary and Laboratory. In addition it provides the co-ordination of the NSW Thoroughbred Racing Industry including race programming, stakes payments and industry training. Also included are Racing Colours Registration, NSW Racing Magazine, Syndicates, Leases and Transfers and the Racing NSW Insurance Fund separately. The consolidated results encompass all divisions noted above.

NOTE 3: INCOME TAX

Racing NSW being a non-profit organisation established for the promotion of thoroughbred racing is exempt from Income Tax pursuant to the provisions of Section 50-45 of the Income Tax Assessment Act (1997), as amended.

NOTE 4: STATEMENT OF COMPREHENSIVE INCOME

- (i) Sale of Goods - Publications represents income derived from the sale of advertising space in the NSW Racing Magazine as well as subscriptions to NSW Racing Magazine by industry participants and customers.
- (ii) Sale of Services represents income derived from the sale of services to the racing industry - including stewards, handicapping, laboratory, veterinary, race results, syndicates and stakes payments.
- iii) Workers Compensation Fund Premiums and Other Revenue represents premiums, charges, reinsurance recoveries and other revenues of the Racing NSW Workers Compensation Fund other than those disclosed elsewhere in the profit or loss. (Refer to Note 30)
- (iv) First Charge represents a charge to the industry based on the budgeted expenditure for the year.
- (v) Wagering Revenue includes Race Fields fees and interest, tax parity revenue, point of consumption tax revenue, odds and evens revenue, Everest slot revenue, revenue from Kosciusko ticket sales, sponsorship revenue and prizemoney subsidies.
- (vi) Interest other parties represents interest income as follows:

	2022	2021
	\$	\$
Interest from Cash at Bank	1,064,994	1,006,508
Interest from Cash on Deposit	517,974	811,654
	1,582,968	1,818,162

(vii) (Gain) / Loss on Disposal of Assets represents net amounts received on sale or trade in of assets, less the carrying value of these assets.

viii) Management of Race Fields capital expenditure includes staff, motor vehicles and travel expenses associated with the management of Race Fields Capital expenditure and other Capital Expenditure on race tracks throughout New South Wales.

(ix) Interest from workers compensation includes interest earned from workers comp term deposits.

(x) Board includes directors' fees and office costs associated with the board of Racing NSW.

(xi) Analytical includes staff, software and office costs associated with providing specialised analytical information.

(xii) Finance includes staff, software and office costs associated with providing finance and accounting support.

(xiii) Administration and Executive represent the administrative costs of Racing NSW including executive, property, human resources, appeals, consultants as well as support to the Provincial Association and Racing NSW Country.

(xiv) Legal represents the cost of managing legal matters and litigation, including staff costs and external representation.

(xv) Licensing expenditure represents staff and office costs associated with the derivation of this income stream.

(xvi) Payments made to sustain minimum prize money, promotions and other commitments

(xvii) Collection of Race Fields receipts represents staff and office costs associated with the management of Race Fields information use and collection of fees

(xviii) Race Results expenditure represents staff, consultants and office costs associated with the deriving of income for the provision of race result information.

(xix) Cost of Goods Sold - Publications expenditure includes staff and office costs as well as all production, distribution and selling costs.

(xx) Laboratory expenditure includes staffing, depreciation of capital expenditure, consumables and occupancy costs.

(xxi) Handicapping expenditure includes staff and office costs.

(xxii) Stewards' expenditure includes staffing costs, shorthand writers and office costs.

(xxiii) Veterinary expenditure includes staff, research horses, consumables and office costs.

(xxiv) Syndicates expenditure includes staffing and office costs.

(xxv) Stakes Payments costs include staffing, consultants, system development, bank charges and office costs.

(xxvi) Information Technology represents the cost of providing an IT platform to Racing NSW and supporting staff costs.

(xxvii) Racing Office represents the cost of coordinating race dates and programming throughout NSW.

(xxviii) Marketing and media costs include staff, consultants and promotional costs.

(xxix) Workers Compensation Insurance Fund. This Fund is designed to provide workers compensation insurance cover for employees of NSW Racing Clubs, Associations, owners and trainers of racehorses against liability relating to injury, loss or damage either sustained or caused by jockeys, apprentices, stable hands, workers, servants, employees or agents in their employment or acting on their behalf pursuant to NSW Work Cover legislation. Effective from 1 July 2006 the fund has been managed in-house by Racing NSW. (Refer to Note 30).

(xxx) Financing costs include interest expense, bank charges and bank guarantee fees.

(xxxi) Outside broadcast revenue includes revenue from clubs for providing broadcasting services, revenue from Sky Racing television network and revenue from providing broadcasting services and equipment for hire. Outside broadcast expense includes staffing, travel costs associated with providing Broadcasting images.

(xxxii) Horse Welfare income includes income from 1% of prizemoney and income from sale of retrained thoroughbred horses. Horse welfare income is allocated to staff costs, office costs, horse feed, veterinary, and horse welfare costs associated with retraining and sale of thoroughbred horses.

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NOTE 4: STATEMENT OF COMPREHENSIVE INCOME (CONT.)

(xxxiii) Other income includes fair value adjustments on properties purchased by Racing NSW, grants and other income received.

(xxxiv) Racing NSW's revenue disaggregated by pattern of revenue recognition is all revenue is recognised at a point in time (\$378,673,501)

The profit has been determined after:

	2022 \$	2021 \$
Finance Costs		
Bank Charges	31,372	37,520
Bank Guarantee	66,277	38,506
Total Finance Costs	97,649	76,026
Depreciation and impairment expense of non-current assets		
- Land and Building Depreciation Expense	203,881	203,879
- Plant and Equipment Depreciation Expense	3,552,576	3,265,120
- Investment Property Depreciation Expense	55,220	55,220
Total Depreciation and Impairment Expense	3,811,676	3,524,219
Rental Expense on Operating Leases	43,222	48,898
Bad and Doubtful Debts		
- Trade Debtors written off / (recovered)	10,943	10,221
Total Bad and Doubtful Debts	10,943	10,221
Total (Gain)/Loss on disposal of non-current assets:		
- Property, Plant and Equipment	(123,488)	67,798
Total (Gain)/Loss on disposal of non-current assets:	(123,488)	67,798
Remuneration of Auditor		
- Audit Services	112,320	108,000
Total Remuneration of Auditor	112,320	108,000
Employee Benefits Expense (excluding Superannuation)	20,377,045	17,452,994
Defined Contribution Superannuation Expense	1,643,141	1,512,500
Defined Benefit Superannuation Expense	-	-
Insurance Claim Liability Expenses (Refer Note 18):		
Gross Increase / (Decrease) in Provision relating to Insurance Claims Liability as recommended by the Actuary	4,255,535	818,703
Less Gross (Decrease) / Increase in Reinsurance Recoveries relating to Insurance Claims Liability as recommended by the Actuary	(5,166,223)	751,655
Net (Decrease) / Increase in Provision relating to Insurance Claims Liability as recommended by the Actuary	(910,688)	1,570,358

NOTE 5: CASH FLOW INFORMATION

a) Reconciliation of Cash

Cash and Cash Equivalents	169,015,851	112,944,375
	169,015,851	112,944,375

As at 30 June 2022, Racing NSW had no credit facilities in place.

b) Reconciliation of Cash Flow from Operating Activities

Profit after Income Tax	11,435,187	2,620,251
Profit / (Loss) on Sale of Assets	123,488	(67,798)
Depreciation	3,811,676	3,524,219
Share of (profit) in associate (RA)	(764,540)	(957,541)
	14,605,811	5,119,131
(Increase)/ Decrease in Trade Debtors	(5,257,889)	7,421,953
(Increase)/ Decrease in Related party loans	-	(2,676,175)
(Increase)/ Decrease in Prepayments	(14,860)	5,117
(Increase)/ Decrease in Trade Creditors and Other Creditors	38,089,508	(1,869,016)
(Increase)/ Decrease in Other Non-Current Receivables	(20,500,680)	640,153
(Increase)/ Decrease in Race Field Provision	(628,998)	11,872,013
Increase/ (Decrease) in Capital Expenditure Provision	(2,084,139)	75,516,993
Increase/ (Decrease) in Workers Compensation Provision	4,255,535	754,403
Increase/ (Decrease) in Other Liabilities	(1,706,183)	(1,415,080)
Increase/ (Decrease) in Club Sustainment Provision	14,993,366	9,539,208
Increase/ (Decrease) in Breeders & Owners Bonus Scheme	2,513,563	-
Increase/ (Decrease) in Prizemoney Sustainability Provision	65,382,000	-
Increase/ (Decrease) in Horse Welfare Provisions	(1,382,128)	19,575,901
	93,659,096	119,365,469
Cash Flows from operating activities	108,259,227	124,484,600

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	2022 \$	2021 \$
NOTE 6: CASH AND CASH EQUIVALENTS		
Cash at Bank	100,382,828	60,448,875
Cash at Bank - Redevelopment Grant (Restricted)	17,742	17,742
Cash at Bank - Term Deposits (Maturity of less than 90 days at time of investment)	68,615,281	52,477,758
Total Cash and Cash Equivalents	169,015,851	112,944,375

The Cash at Bank bears floating interest rates between 0% and 0.50% (2021: 0% and 1.80%). Cash at bank - Redevelopment Grant (Restricted) bears interest rates of between 0.20% and 0.95% (2021: 0% and 1.20%). The Cash on Deposit - Workers Compensation are pledged as security for the Commonwealth Bank of Australia Limited ("CBA") to Work Cover (Note 18).

NOTE 7: TRADE AND OTHER RECEIVABLES

Trade Debtors	9,551,291	8,211,835
Provision for expected credit losses	(480,450)	(469,644)
Sundry Debtors	23,525,181	21,176,368
Amounts receivable from associated entities:		
- Racing NSW Country Limited	(4,854,255)	811,219
Reinsurance Recoveries Receivable	3,441,541	1,638,781
Amounts receivable - Loans to Clubs	6,220,000	220,000
Stakes Payment Debtors	579,679	-
Total Receivables	37,982,987	31,588,559

Sundry Debtors includes outstanding Race Fields fees, accrued interest, accrued Tabcorp receipts.

Amounts Receivable - Loans to Clubs is made up of the following:

- Loan to Ballina Jockey Club	180,000	180,000
- Loan to Lismore Turf Club	40,000	40,000
- Loan to Australian Turf Club (Construction of Winx Grandstand)	6,000,000	-
	6,220,000	220,000

NOTE 8: OTHER CURRENT ASSETS

Prepayments	114,216	91,766
	114,216	91,766
Total cost of purchase of Inventory	146,831	146,831
Total Costs of Goods Sold	(80,619)	(73,029)
Total value of stock available for sale	66,212	73,802
Total Other Current Assets	180,428	165,568

NOTE 9: OTHER FINANCIAL ASSETS

Current	92,998,923	83,636,309
Non Current	85,886,620	95,074,627
Total Financial Assets	178,885,543	178,710,936

Cash on Deposit - Workers' Compensation Insurance (maturity of less than 90 days at time of investment)

	299,568	28,318,619
Cash on Deposit - (maturity of greater than 90 days at time of investment)	178,585,975	150,392,317
	178,885,543	178,710,936

Other financial assets include term deposits with maturity of greater than 90 days. A portion of this balance is subject to bank guarantees as stated in Note 23.

NOTE 10: INVESTMENT IN RACING AUSTRALIA PTY LIMITED ("RA")

Investment in RA	13,427,295	12,662,755
	13,427,295	12,662,755

Racing NSW has one material joint venture

Name of the Joint Venture	Country of Incorporation & Principal Place of Business	Principal Activity	Proportion of Ownership Interests Held by the Group	
Racing Australia Pty Ltd (RA)	Australia	Maximising benefits of racing Information	35%	35%

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	2022 \$	2021 \$
NOTE 10: INVESTMENT IN RACING AUSTRALIA PTY LIMITED ("RA") (CONT.)		
The investment in RA is accounted for using the equity method in accordance with AASB 128.		
Summarised financial information for RA is set out below:		
Current assets (a)	13,781,822	11,519,865
Non-current assets	31,284,582	31,359,053
Total assets	45,066,404	42,878,918
Current liabilities (b)	6,426,854	6,177,006
Non-current liabilities (c)	364,454	611,215
Total liabilities	6,791,308	6,788,221
Revenue	16,544,475	16,382,386
Profit for the year	2,184,399	(264,168)
Depreciation and amortisation	2,531,419	2,383,411
Interest income	11,447	1,840
a) Includes cash and cash equivalents		
b) Includes financial liabilities (excludes trade and other payable provisions)		
c) Includes financial liabilities (excluding trade and other payables and provisions)		
Movement in carrying amounts:		
At the beginning of the financial year	12,662,755	12,755,214
Share of RA profit current year	764,540	(92,459)
At the end of the year	13,427,295	12,662,755
NOTE 11: PROPERTY, PLANT AND EQUIPMENT - BUILDINGS		
Buildings - at cost	10,184,085	10,184,085
Less accumulated depreciation	(2,561,787)	(2,357,906)
Total Buildings	7,622,298	7,826,179
Movement in carrying amounts:		
Balance at beginning of year	7,826,179	8,030,058
Additions	-	-
Transfers from investment to owner-occupied property	-	-
Depreciation expense	(203,881)	(203,879)
Carrying Amount at the end of the year	7,622,299	7,826,179
Equine Welfare property includes the following:		
Equine Welfare Property - at cost	26,792,753	26,792,753
Less accumulated depreciation	(113,544)	(87,958)
Total Equine Welfare Property	26,679,209	26,704,795
Equine Welfare property includes the following:		
Equine Welfare Property - at cost	26,704,795	23,148,034
Additions	-	3,582,347
Disposals	-	-
Depreciation expense	(25,586)	(25,586)
Total Equine Welfare Property	26,679,209	26,704,795
Other property includes the following:		
Other Property - at cost	87,706,505	40,512,743
Less accumulated depreciation	-	-
Total Other Property	87,706,505	40,512,743
Other Property includes the following:		
Other Property - at cost	40,512,743	8,787,459
Additions	47,193,762	32,458,371
Disposals	-	(733,087)
Depreciation expense	-	-
Total Other Property	87,706,505	40,512,743
Total Property, Plant and Equipment - Land & Buildings	122,008,013	75,043,717
NOTE 12: PROPERTY, PLANT AND EQUIPMENT - OTHER		
Plant and Equipment - at cost	38,497,835	35,082,681
Less accumulated depreciation	(24,418,690)	(21,094,714)
Total Plant and Equipment	14,079,145	13,987,967
Movement in Carrying Amounts		
Balance at Beginning of Year	13,987,967	15,708,764
Additions	3,646,670	2,097,345
Disposals	(287,041)	(182,917)
Depreciation Expense	(3,526,990)	(3,239,534)
Transfer from WIP	(35,154)	(442,535)
Movement in WIP	293,693	46,844
Carrying Amount at the end of the year	14,079,145	13,987,967

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	2022 \$	2021 \$
NOTE 12: PROPERTY, PLANT AND EQUIPMENT - OTHER (CONT.)		
Plant and equipment above is comprised of the following categories:		
Laboratory Equipment - at cost	6,503,929	6,375,882
Less accumulated depreciation	(5,485,420)	(5,253,971)
Total Laboratory Equipment	1,018,509	1,121,911
Movement in carrying amounts		
Balance at beginning of year	1,121,911	1,247,000
Additions	128,047	94,863
Disposals	-	-
Depreciation expense	(231,449)	(219,952)
Carrying Amount at the end of the year	1,018,509	1,121,911
Building Fit-out, Furniture and Fittings - at cost	3,942,846	3,914,146
Less accumulated depreciation	(2,961,679)	(2,668,893)
Total Building Fit-out, Furniture and Fittings	981,167	1,245,253
Movement in carrying amounts		
Balance at beginning of year	1,245,253	1,446,127
Additions	28,700	89,311
Disposals	-	-
Depreciation expense	(292,786)	(290,185)
Carrying Amount at the end of the year	981,167	1,245,253
Office and Other Equipment - at cost	5,783,681	4,309,152
Less accumulated depreciation	(3,699,678)	(3,319,312)
Total Office and Other Equipment	2,084,003	989,840
Movement in carrying amounts		
Balance at beginning of year	989,840	1,289,623
Additions	1,476,815	90,381
Disposals	-	-
Depreciation expense	(382,652)	(390,164)
Carrying Amount at the end of the year	2,084,003	989,840
Outside broadcast Equipment - at cost	16,548,833	16,548,833
Less accumulated depreciation	(10,390,579)	(8,546,885)
Total Outside Broadcast Equipment	6,158,254	8,001,948
Movement in carrying amounts		
Balance at beginning of year	8,001,948	9,848,851
Additions	-	28,049
Disposals	-	-
Depreciation expense	(1,843,694)	(1,874,952)
Carrying Amount at the end of the year	6,158,254	8,001,948
Capital Works - at cost	1,268,814	1,185,475
Less accumulated depreciation	(132,883)	(9,879)
Total motor vehicles	1,135,931	1,175,596
Movement in carrying amounts		
Balance at beginning of year	1,175,596	-
Additions	83,339	1,185,475
Disposals	-	-
Depreciation expense	(123,004)	(9,879)
Carrying Amount at the end of the year	1,135,931	1,175,596
Motor Vehicles - at cost	4,139,778	2,700,064
Less accumulated depreciation	(1,743,882)	(1,293,491)
Total motor vehicles	2,395,896	1,406,573
Movement in carrying amounts		
Balance at beginning of year	1,406,573	1,434,631
Additions	1,929,769	609,264
Disposals	(287,041)	(182,917)
Depreciation expense	(653,405)	(454,405)
Carrying Amount at the end of the year	2,395,896	1,406,573
Capital Works in Progress - at cost	340,537	489,380
Less Transfer from WIP	(35,154)	(442,534)
Total WIP	305,383	46,846

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	2022 \$	2021 \$
NOTE 12: PROPERTY, PLANT AND EQUIPMENT - OTHER (CONT.)		
Movement in carrying amounts		
Balance at beginning of year	46,846	442,536
Additions	293,691	46,844
Disposals	-	-
Transfer from WIP	(35,154)	(442,534)
Carrying Amount at the end of the year	305,383	46,846
NOTE 13: INVESTMENT PROPERTY (COST MODEL)		
Level 11, 51 Druitt St Sydney NSW 2000 - at cost	1,683,539	1,683,539
Less accumulated depreciation	(462,715)	(407,494)
Total Investment Property - at cost	1,220,824	1,276,045
Level 11, 51 Druitt St Sydney NSW 2000 - at cost		
Balance at beginning of year	1,276,045	1,331,265
Depreciation expense	(55,220)	(55,220)
Carrying Amount at the end of the year	1,220,825	1,276,045
Level 11 was originally purchased with the intent of leasing out to external parties, however due to a change in circumstances, the Australian Racing Forensic Laboratory was relocated from Royal Randwick to Level 11. Accordingly, in 2015 level 11 was reclassified from solely being an investment property to 77% of floor being classified as PPE for operational purposes. The remaining 23% of Level 11, is leased to Racing Australia on arm's length terms and classified as an investment property.		
Level 11 was purchased on 21 September 2012 for \$6,243,843.		
Other Investment Properties		
Dobie St Grafton	429,750	429,750
Gilmour St Kelso	1,039,247	98,500
Total Investment Properties	1,468,997	528,250
Opening Balance	528,250	
Acquisitions	940,747	528,250
Carrying Amount at the end of the year	1,468,997	528,250
Total Investment Property	2,689,822	1,804,295
NOTE 14 (a): OTHER NON CURRENT RECEIVABLES		
Non Current Reinsurance Recoveries Receivable	9,330,797	5,967,334
Loan to Australian Turf Club (Construction of Winx Grandstand)	17,137,217	-
	26,468,014	5,967,334
NOTE 14 (b): INTANGIBLE ASSETS		
Trademarks - Golden Eagle & Everest	12,884	3,385
Total	12,884	3,385
NOTE 15: TRADE AND OTHER PAYABLES		
Trade Creditors	8,896,868	939,793
Other Creditors and Accruals	58,814,093	27,890,856
Amounts payable to associated entities:		
- RacingCorp Pty Limited	(56,145)	(6,719)
- Jockey's Benefit Scheme Trust	76,800	76,800
Employee Leave	1,779,996	1,804,812
Jockeys Welfare Fund	6,472,398	5,397,301
Canberra Equine Welfare Fund	260,110	209,850
Stakes Payment Creditors	15,011,428	17,809,931
Stable Hand Fund	6,187,135	5,344,767
Rosehill Redevelopment Fund	17,742	17,742
Benevolent Fund	1,027,061	967,951
Total Creditors and Accruals	98,487,486	60,453,084
Stakes Payments Creditors represent balances owed to industry participant accounts that are due to be paid with the exception of Stable Hands which is shown separately.		
The Jockeys Welfare Fund represents amounts held in trust to be applied to payment of Jockey Public Liability and Personal Accident Insurances and welfare and career benefit schemes.		
Opening balance	5,397,301	5,337,547
Contributions from prizemoney and BOBS extra prizemoney	2,855,076	2,627,706
Less Jockeys welfare (including superannuation for rider payments) payments made in 2022 Financial Year	(1,779,979)	(2,567,952)
Closing balance	6,472,398	5,397,301

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	2022	2021
	\$	\$
NOTE 15: TRADE AND OTHER PAYABLES (CONT.)		
The Equine Welfare Fund represents unspent fund in relation to the 1% of prizemoney held for the rehabilitation of thoroughbred horses.		
Opening balance	-	529,446
1% of the total prizemoney paid in 2022 Financial Year in NSW	2,803,235	2,572,955
Less Equine payments made in 2022 Financial Year	(4,185,362)	(3,526,500)
Drawn from provision for Horse Welfare	1,382,127	424,099
Closing balance	0	0

The Stable Hands Fund represents 1.5% of total prizemoney. The stable hands are paid their portion of this prizemoney on a quarterly basis. In instances where a trainer does not have any stable hand employed, the money is used to fund welfare claims from trainers and stable hands in the industry such as drought assistance or bushfied assistance program.

Opening balance	5,344,767	3,949,363
1.5% of the prizemoney paid in 2022 Financial Year in NSW	4,061,797	3,802,799
Less payments made to Stable Hands & Welfare Payments	(3,219,429)	(2,407,395)
Closing balance	6,187,135	5,344,767

Redevelopment Fund represents amounts received in relation to redevelopment Rosehill race courses, less progress payments made to 30 June 2020.

	Rosehill	
	\$	
Redevelopment funds received to 30 June 2014	24,000,000	
Less: Progress payments made to 30 June 2022	(23,982,258)	
Balance of Redevelopment liability	17,742	

The Benevolent Fund is an amount held in trust to be applied to eligible industry participants under significant financial hardship and is funded from fines revenue from industry stakeholders.

NOTE 16: BREEDER OWNER BONUS SCHEME

Current

Breeder Owner Bonus Scheme	25,470,093	23,101,328
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Non-Current

Breeder Owner Bonus Scheme	2,837,709	2,692,911
	28,307,802	25,794,239

BOBS current liabilities are those amounts expected to be settled within the next 12 months or within Racing NSW's normal operating cycle. BOBS is funded by stallion owners who pay a fee to nominate their stallion to participate in BOBS and owners of eligible progeny of participating stallions who also pay nomination fees in respect of each eligible progeny which participates in the scheme. Racing NSW supplements the scheme funds with a First Charge from the TAB distributions. (Refer Note 1(l)).

NOTE 17(a): EMPLOYEE PROVISIONS

Current

Employee Benefits	2,113,562	1,984,388
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Non-Current

Employee Benefits	1,443,226	513,914
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Total Employee Provisions

	3,556,788	2,498,302
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NOTE 17(b): RACE FIELDS PROVISIONS

Current

Race Fields provision	7,500,000	7,500,000
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Non-Current

Race Fields provision	31,873,690	32,502,688
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Total Race Fields Provisions

	39,373,690	40,002,688
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Balance at beginning of the year	40,002,688	28,130,675
Provisions made during the year	72,000	13,374,509
Provisions used during the year	(700,998)	(1,502,496)
Provisions reversed during the year	-	-
Balance at end year	39,373,690	40,002,688

Of the \$98,004,216 Race Fields provision raised as at 30 June 2012, the following amounts were subsequently written back due to the assets being provided for the development of the Industry by Racing NSW rather than part of the Race Fields Capital development program.

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	2022 \$	2021 \$
NOTE 17(b): RACE FIELDS PROVISIONS (CONT.)		
Purpose	Amount \$	Year
Purchase of Outside Broadcast Equipment & Laboratory Equipment	10,000,000	2015
Purchase of Laboratory Equipment	3,250,000	2015
Tracking & Timing system for tracks throughout NSW	6,067,000	2016
Purchase of Horse Welfare Land	5,394,785	2017
Total	<u>24,711,785</u>	

Refer to Note 31 for further information.

NOTE 17(c): CAPITAL EXPENDITURE PROVISIONS

The capital provision will be invested in capital projects across NSW in accordance with the 2017-2019 Racing NSW Strategic Plan to benefit the NSW Thoroughbred Racing Industry.

Current

Capital Expenditure provision	7,000,000	7,000,000
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Non Current

Capital Expenditure provision	120,298,812	122,382,951
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Total Capital Expenditure Provisions

	<u>127,298,812</u>	<u>129,382,951</u>
Balance at beginning of the year	129,382,951	53,865,958
Provisions made during the year	-	89,000,000
Provisions used during the year	(2,084,139)	(13,483,007)
Provisions reversed during the year	-	-
Balance at end year	<u>127,298,812</u>	<u>129,382,951</u>

NOTE 17(d): CLUB SUSTAINMENT PROVISIONS

Clubs sustainment provision will be used to support to Thoroughbred Race Club affected by Covid-19 through direct support or reducing costs incurred.

Current

Club Sustainment Provision	7,000,000	7,000,000
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Non Current

Club Sustainment Provision	21,532,574	6,539,208
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Total Club Sustainment Provisions

	<u>28,532,574</u>	<u>13,539,208</u>
Clubs Sustainment provision		
Balance at beginning of the year	13,539,208	4,000,000
Provisions made during the year	25,000,000	10,000,000
Provision used during the year	(10,006,634)	(460,792)
Total Club Sustainment Provision	<u>28,532,574</u>	<u>13,539,208</u>

NOTE 17(e): HORSE WELFARE PROVISION

Horse Welfare provision has been established to provide welfare to former NSW Thoroughbred Race Horses.

Current

Horse Welfare Provision	1,000,000	1,000,000
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Non Current

Horse Welfare Provision	17,193,773	18,575,901
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Total Horse Welfare Provisions

	<u>18,193,773</u>	<u>19,575,901</u>
Horse Welfare Provision		
Balance at beginning of the year	19,575,901	-
Provisions made during the year	-	20,000,000
Provision used during the year	(1,382,127)	(424,099)
Total Horse Welfare Provision	<u>18,193,773</u>	<u>19,575,901</u>

NOTE 17(f): JOCKEY'S SUPERANNUATION PROVISION

Current

Jockey's Superannuation Provision	3,060,000	3,060,000
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Non Current

Jockey's Superannuation Provision	-	-
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Total Jockey's Superannuation Provision

	<u>3,060,000</u>	<u>3,060,000</u>
Jockey's Superannuation Provision		
Balance at beginning of the year	3,060,000	3,060,000
Provisions made during the year	-	-
Provision used during the year	(3,060,000)	-
Total Jockey's Superannuation Provision	<u>-</u>	<u>3,060,000</u>

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	2022	2021
	\$	\$

NOTE 17(g): PRIZEMONEY SUSTAINABILITY PROVISION

Prizemoney Sustainability Provision has been established to sustain increases in Racing NSW Prizemoney

Current

Prizemoney Sustainability Provision	16,345,500	-
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Non Current

Prizemoney Sustainability Provision	49,036,500	-
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Total Prizemoney Sustainability Provision

65,382,000	-
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Prizemoney Sustainability Provision

Balance at beginning of the year	-	-
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Provisions made during the year	65,382,000	-
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Provision used during the year	-	-
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Total Prizemoney Sustainability Provision	65,382,000	-
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NOTE 18: WORKERS COMPENSATION PROVISION

Current

Provision for Insurance Outstanding Claims	15,498,866	11,476,090
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Non-Current

Provision for Insurance Outstanding Claims	42,020,933	41,788,174
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Total Provisions for Workers Compensation

57,519,799	53,264,264
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Workers Compensation Provisions

Opening Balance of Workers Compensation Provisions	53,264,264	52,445,561
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Gross Movement in Workers Compensation Provisions	4,255,535	818,703
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Closing Balance of Workers Compensation Provisions	57,519,799	53,264,264
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The movement in the Workers Compensation Provision is shown at a Gross of any Reinsurance Recoveries.

Gross Movement in Workers Compensation Provisions	4,255,535	818,703
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Less Decrease/ (Increase) in Reinsurance Recoveries	(5,166,223)	751,655
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Net Movement in Workers Compensation Provision	(910,688)	1,570,358
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Provision for Insurance Outstanding Claims

An actuarial valuation of the Insurance Funds' outstanding claims was performed by independent actuaries, Finity Consulting Pty Limited, as at 30 June 2022 in the amount of \$44,700,000 (2021: \$44,100,000). The CBA Bank had issued guarantees amounting to \$42,300,000 as at 30 June 2022 (2019: \$42,300,000) in favour of WorkCover Authority of NSW. This guarantee is required under the terms of Racing NSW's insurance licence. In accordance with the Workers Compensation Act 1987 Clause 7.3.6 and actuarial recommendations, Racing NSW has provided for a prudential margin of 20% (2021: 20%) in respect of the net central estimate of liabilities relating to the specialised insurer's license and a prudential margin of 20% (2021: 20%) in respect of the net central estimate of liabilities relating to the self insurer's license.

The increase in provisions for outstanding claims has been predominantly due to decreasing interest rates and recent court decisions reducing Racing NSW's recovery entitlements.

The directors have determined that these prudential risk margins are appropriate to increase the likelihood that the provision will be adequate to meet the cost of claims. Due to the small amount of claim data and the difficulties in determining a mathematical distribution appropriate to Racing NSW, the probability of adequately corresponding to the margin cannot be reliably estimated.

The movement in Workers Compensation Provision is recognised as either income or an expense of the period.

NOTE 19: OTHER LIABILITIES

Current

Contract liabilities	9,143,720	8,353,651
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Other Liabilities	-	2,499,042
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Non-Current

Contract liabilities	172,020	169,230
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Total Other Current Liabilities

9,315,740	11,021,923
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Monies received by Racing NSW at the end of the reporting period for products or services to be provided in more than 12 months time are classified as non current contract liabilities. These items include subscriptions received for registration of racing colours, license fees, Workers Compensation Insurance premiums and subscriptions to NSW Racing magazine.

NOTE 20: RESERVES

The following reserves have been set aside in accordance with a resolution of Racing NSW.

Reserves

General Reserve	151,648,145	104,231,418
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Industry Distribution Reserve	(68,286,514)	(32,687,440)
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Workers Compensation Reserve	5,419,887	5,802,353
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Total Reserves	88,781,518	77,346,331
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	2022 \$	2021 \$
NOTE: RESERVES (CONT.)		
Movement in Reserves		
General Reserve		
Balance at the beginning of the year	104,231,418	69,363,706
Transfers to accumulated surplus	47,416,727	34,867,712
Transfers from accumulated surplus		
Balance reserve at the end of the year	151,648,145	104,231,418
Industry Distribution Reserve		
Balance at the beginning of the year	(32,687,440)	(927,619)
Payments to Industry Participants	(35,599,074)	(31,759,821)
Transfers to accumulated surplus	-	-
Balance reserve at the end of the year	(68,286,514)	(32,687,440)
Workers Compensation Reserve		
Balance at the beginning of the year	5,802,353	6,289,993
Transfers (from)/to accumulated surplus	(382,466)	(487,640)
Balance reserve at the end of the year	5,419,887	5,802,353
Total Reserves	88,781,518	77,346,331

The Industry Distribution Reserve and General Reserve represent monies that have progressively been accumulated by Racing NSW from its operation since inception, to fund different areas of its general activities segment. The Workers Compensation Reserve represents accumulated profit/ (losses) from Racing NSW Workers Compensation segment.

NOTE 21: ACCUMULATED SURPLUS

Accumulated surplus at beginning of the financial year	-	-
Total Funds transferred (to)/from Reserves	11,429,507	2,620,251
Transfer (to)/from General Reserve	(47,416,727)	(34,867,712)
Transfer from/(to) Industry Distribution Reserve	35,604,754	31,759,821
Transfer (to)/from Workers Compensation Reserve	382,466	487,640
Accumulated surplus at end of the financial year	-	-

NOTE 22: CAPITAL AND LEASING COMMITMENTS

Operating lease Commitments		
Non-cancellable operating lease contracted for but not capitalised in the Financial statements	-	-
Payable not later than 1 year	44,086	33,844
Payable later than 1 year and not later than 5 years	-	-
	44,086	33,844

NOTE 23: CONTINGENT LIABILITIES

Of the \$24,000,000 received from the New South Wales Government for the purpose of the Rosehill Gardens Racecourse development, \$17,742 remains on hand as at 30 June 2022 and is due to be paid out during subsequent periods. The accounting treatment will be on a cash basis to reflect when economic benefits and obligations will be received. Payments to the Australian Turf Club (owner of the aforementioned Rosehill Racecourse) will be made on receipt of certified progress claims.

There are currently guarantees provided by the CBA in favour of WorkCover Authority of NSW amounting to \$42,300,000 (2019: \$42,300,000) at the end of the reporting period, against a facility of \$50,690,590 (2021: \$50,421,119). Based on the most recent actuarial valuation, Racing NSW expects WorkCover NSW to vary the guaranteed amount to \$44,700,000 an increase of \$600,000 subsequent to year end.

Racing NSW has pledged to CBA to maintain a minimum balance of 100% cash cover security for the WorkCover NSW bank guarantee (2022: \$42,300,000).

NOTE 24: KEY MANAGEMENT PERSONNEL

a) Key Management Personnel

The following persons were key management personnel of Racing NSW during the financial year:

Name	Position Held
Russell Balding AO	Chairperson
Anthony Hodgson AM	Vice-Chairperson (Term expired 18 December 2021)
Dr Saranne Cooke	Board Member - Vice-Chairperson (19 December 2021 Board member prior)
Simon Tuxen	Board Member
Tony Shepherd AO	Board Member
George Souris AM	Board Member
Michael Crismale	Board Member
Peter V'landys AM	Chief Executive Officer
Marc Van Gestel	Chairperson of Stewards
Scott Kennedy	General Manager - Industry & Analytical
Pete Sweney	Legal Counsel
Keith Bulloch	General Manager - Regulatory

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2022
\$

2021
\$

NOTE 24: KEY MANAGEMENT PERSONNEL (CONT.)

a) Key Management Personnel (cont.)

Graeme Hinton	Chief Operating Officer
John Keledjian	Laboratory Director - Operations
Adam Cawley	Laboratory Director - Scientific
Craig Barnes	General Manager - Finance
Ariel Paez	General Manager - Information Technology
John Galvin	General Manager - Workers Compensation (resigned 24 September 2021)
Joanna Rai	General Manager - Workers Compensation
Alice Gibson	General Manager - Equine Welfare
Jacqueline Johnstone	General Manager - Investigations and Surveillance

b) Key Management Personnel Compensation

Salary, Bonuses and Fees	4,891,581	4,673,081
Non-Cash Benefits	183,967	181,967
Other Long Term Benefits	66,596	48,412
Superannuation	322,200	325,876
Total	5,464,345	5,229,336

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

c) Policy for determining the nature and amount of key management personnel compensation

The remuneration of Board Members is established by the Thoroughbred Racing Act, 1996.

The remuneration of the Chief Executive is subject to a contract for executive services, with the level of remuneration subject to annual review by the Board of Racing NSW. Due to the nature of Racing NSW as an entity, remuneration while being performance based, is not tied to the achievement of specific objectives tied to shareholder value and no formal bonus structure is in place.

The remuneration of the other key management personnel is determined by the Chief Executive Officer, with the level of remuneration subject to annual review by the Chief Executive Officer. Remuneration whilst being performance based, is not tied to the achievement of specific objectives and no formal bonus structure is in place.

Due to the nature of Racing NSW as an entity, no Board Member or employee receives compensation in the form of equity instruments.

There are no loans to key management personnel and their related parties.

NOTE 25: ENTITY DETAILS

Racing NSW was established as the NSW Thoroughbred Racing Board, an entity under the Thoroughbred Racing Act 1996. As such it is an entity incorporated and domiciled in Australia.

The registered office and principal place of business of the Board is: Level 7, 51 Druiett Street, Sydney, NSW, 2000.

NOTE 26: SEGMENT REPORTING

	2022			2021		
	Racing NSW \$	Insurance \$	Total \$	Racing NSW \$	Insurance \$	Total \$
Primary Reporting - Business Segments						
Revenue						
External Sales	361,401,981	15,688,552	377,090,533	350,893,071	14,891,926	365,784,996
Other Revenue	1,064,994	517,974	1,582,968	1,006,508	811,654	1,818,162
Share of profit of associate (Racing Australia "RA")	764,540	-	764,540	957,541	-	957,541
Total Segment Revenue	363,231,515	16,206,526	379,438,041	352,857,120	15,703,580	368,560,699
Expenditure	347,602,187	16,588,992	364,191,178	346,225,009	16,191,220	362,416,229
Depreciation	3,811,676	-	3,811,676	3,524,219	-	3,524,219
Total Segment Expenditure	351,413,863	16,588,992	368,002,855	349,749,228	16,191,220	365,940,448
Segment Result	11,817,652	(382,466)	11,435,187	3,107,892	(487,640)	2,620,251
Assets						
Segment Assets	483,392,335	67,930,352	551,322,687	355,965,532	64,250,604	420,216,136
Investments in Assets Accounted for using the Equity Method	13,427,295	-	13,427,295	12,662,755	-	12,662,755
Total Assets	496,819,630	67,930,352	564,749,982	368,628,287	64,250,604	432,878,891
Liabilities						
Segment Liabilities	418,302,805	57,665,659	475,968,464	302,133,106	53,399,454	355,532,560
Total Liabilities	418,302,805	57,665,659	475,968,464	302,133,106	53,399,454	355,532,560
Net Assets/(Liabilities)	78,516,825	10,624,693	88,781,518	66,495,181	10,851,150	77,346,331
Purchase of Non-Current Assets	52,039,720	-	52,039,720	38,270,621	-	38,270,621
Impairment Losses	-	-	-	-	-	-
Significant Non Cash Expenses other than Depreciation	-	4,255,535	4,255,535	-	818,703	818,703

NOTE 26: SEGMENT REPORTING (CONT.)

The primary business activity of Racing NSW is provision of racing services to the industry. The secondary activity is the Workers Compensation Fund. All income and expenditure is incurred within the thoroughbred racing industry within the state of New South Wales, Australia. Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage.

The entity operates in one geographical segment, being NSW Australia.

NOTE 27: RELATED PARTIES

(a) Key Management Personnel

The key management personnel of the entity are disclosed in note 24(a).

The names of the key management personnel who were members of the Board at any time during the year were as follows:

R. Balding AO	A Hodgson AM
Dr S. Cooke	P.N. V'landys AM
S. Tuxen	M Crismale
G Souris AM	T. Shepherd AO

Mr R Balding and Mr P N V'landys, both board members of Racing NSW, are also directors of Racingcorp Pty Limited and each beneficially own for Racing NSW one Class A1 share unit in Racingcorp Pty Limited.

Mr R Balding is also a director of Racing Australia.

(b) Other Related Parties

Racing NSW undertakes accounting, administrative, banking and payroll services and support for Racing NSW Country Limited, NSW TRB Training Limited, Racingcorp Pty Limited, Jockeys Benefit Scheme Trust and NSW Thoroughbred Rehabilitation Trust. Refer to Notes 7 and 15 for amounts due from/payable to these related entities. Amounts disclosed below detail transactions with these related entities during the year. These transactions are on normal commercial terms. These are summarised as follows:

	2022 \$	2021 \$
	Expenses Paid on behalf of entity	Receipts taken on behalf of entity
- Racing NSW Country Limited	100,368,863	107,228,543
- Racing Australia	-	-
- Racingcorp Pty Limited	66,533	164,185
- NSW TRB Training Limited	687,141	687,141
- The Jockeys Benefit Scheme Trust	9,701	10,350
- Thoroughbred Horse Rehabilitation Trust	20,934	76,488

NOTE 28: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

a) General objectives, policies and processes

Activities undertaken by Racing NSW may expose the business to a variety of financial risks: credit risk, liquidity risk, market risk and insurance risk. The Board has overall responsibility for the determination of Racing NSW's financial risk management objectives and policies. Racing NSW's financial risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of Racing NSW where such impacts may be material.

Racing NSW has a central treasury function which implements the financial risk management policies approved by the Board of Directors. There have been no substantive changes in Racing NSW's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated.

b) Credit risk

Credit risk is the risk that the other party to the financial instrument will fail to discharge their obligations resulting in Racing NSW incurring a financial loss.

Racing NSW trades only with recognised, credit worthy third parties. Receivable balances are monitored on an ongoing basis with the result that Racing NSW's exposure to bad debts is not significant.

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

	2022 \$	2021 \$
Trade Debtors	9,070,841	7,742,191
Other Receivables	54,800,481	29,813,702
Other Financial Assets	92,998,923	83,636,309
Stakes Payment Debtors	579,679	-
Cash at Bank	169,015,851	112,944,375
Cash at Bank	326,465,775	234,136,577

NOTE 28: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT.)

b) Credit risk (cont.)

Whilst Racing NSW has a material credit risk exposure to Other Receivables through Amounts Receivable from NSW Country Racing Council Limited, the Board is of the view that this risk is negligible due to control over the funding stream through the Racing Distribution Agreement, Inter-Code Agreement and Intra-Code Agreements.

Objectives and Policies	Process for Managing the Risk	Methods used to Measure the Risk
Policies require that Cash at Bank and Cash on Deposit be placed with major banks approved by the Board.	No changes to investments are made without Board approval. Deposits and term investments are placed with major banks with rating AA or above.	The holdings and performance of Cash at Bank and Cash on Deposit are reported to the Board on a monthly basis.
Debtors are assessed as to likely recovery prior to advancing credit. Stakes Payment Debtors and Trade Debtors are reviewed and treated separately.	Debtors are reviewed on an ongoing basis depending on type of debt. Collectability is assessed on a regular basis.	Aged Debtors Balances are reviewed on a regular basis.
Policies require that all Investments be placed with major institutions approved by the Board.	No changes to investments are made without Board approval.	The holdings and performance of Investments are reported to the Board on a monthly basis.

Concentration of Debtors

Racing NSW determines the credit risk from the type of debtor and type of debt. Stakes Payment debtors are recoverable as Racing NSW has significant control over industry funding and acts as the facilitator between industry participants for the distribution of these funds.

Impairment

Impairment is determined based on the type of debtor and the type of debt. Normal trading terms are 30 days from date of invoice, however in respect of Stakes Payment debtors this may vary depending on the debtor type. In general the major Stakes Payment debtors have 30 working days following the fortnightly prize money pay run to clear their accounts. This is generally automatic as Racing NSW facilitates distribution of the TAB Product Fees to Stakes Payment debtors.

Unpaid Trade debtors accounts over 90 days are reviewed for impairment. Outstanding Other Receivables are reviewed for impairment on an individual basis. The provision for impairment is based on the likelihood of recovery after contact with the debtor and assessment of recourse action available.

	Total \$	Current \$	30 days \$	60 Days \$	90 Days \$
2022 Trade and Other Receivables ageing are as follows:					
Maximum Exposure - Trade Debtors	9,551,291	8,827,639	457,075	22,071	244,506
Maximum Exposure - Other Receivables	54,800,481	54,800,481	-	-	-
Maximum Exposure - Other Financial Assets	178,885,543	178,885,543	-	-	-
	243,816,994	243,093,342	457,075	22,071	244,506
Amount past due but not considered Impaired	723,652	-	457,075	22,071	244,506
Amount past due considered Impaired	480,450	-	-	-	480,450
	1,204,102	-	457,075	22,071	724,956
Impairment provision	(480,450)	-	-	-	(480,450)
2021 Trade and Other Receivables ageing are as follows:					
Maximum Exposure - Trade Debtors	8,211,835	7,488,183	457,075	22,071	244,506
Maximum Exposure - Stakes Payment Debtors	-	-	-	-	-
Maximum Exposure - Other Receivables	29,813,702	29,813,702	-	-	-
Maximum Exposure - Other Financial Assets	178,710,936	178,710,936	-	-	-
	216,736,473	216,012,821	457,075	22,071	244,506
Amount past due but not considered Impaired	723,652	-	457,075	22,071	244,506
Amount past due considered Impaired	469,644	-	-	-	469,644
	1,193,296	-	457,075	22,071	714,150
Impairment provision	(469,644)	-	-	-	(469,644)

Trade debtor amounts are unsecured. Stakes Payment debtor and Other Receivable amounts are primarily Racing Clubs and are indirectly secured through industry agreements.

Trade debtors are primarily Race Fields fees receivable and are subject to 'Information Use' agreements. The Board does not believe there is any material credit risk on the debtor balances that are past due but not considered impaired due to the mutually beneficial ongoing business associations in place.

2022
\$

2021
\$

NOTE 28: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT.)

b) Credit risk (cont.)

Allowance for Impairment Loss

Trade Receivables and stakes debtors are non-interest bearing and are generally required to be settled with 30 days. BOBS receivables may be deferred for 12 months. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. Movements in the provision for impairment loss were as follows.

Opening Balance	469,644	459,423
Bad Debts written off during year	(137)	-
Provision for Doubtful Receivables	27,795	25,630
Add back money recovered	(16,852)	(15,409)
Closing Balance	480,450	469,644

Concentration of Investments

Racing NSW determines the credit risk from the bank or institution that retains funds of the business. There is a concentration of credit risk with respect to current bank deposits and investments in the following institutions.

Institution

Commonwealth Bank (A-1+ rated by S&P)	288,093,800	279,522,605
National Australia Bank (A-1+ rated by S&P)	59,807,594	12,132,706
Total	347,901,394	291,655,311

c) Liquidity Risk

Liquidity risk is the risk that Racing NSW may encounter difficulties raising funds to meet commitments associated with financial instruments.

Objectives and Policies	Process for Managing the Risk	Methods used to Measure the Risk
Board policies require that Racing NSW maintain adequate cash reserves to meet the liquidity demands when due and payable.	Racing NSW monitors liquidity risk by daily monitoring of the cash position and regular review of the annual cash flow.	Racing NSW manages purchases and staff remuneration within an expenditure budget.
Borrowings must be 100% supported by the investment.	Borrowings must be 100% supported by the investment.	
Trade Creditors are assessed as to quality of service provided and paid within due date following General Manager Authorisation.	Trade Creditors are paid weekly based on due date and managerial authorisation.	Trade Creditors' ledger is reviewed on a monthly basis.
Stakes Payment Creditors are paid on a fortnightly basis.	Stakes Payment Creditors are paid fortnightly in arrears following authorisation by the Chief Executive.	Industry Creditors are reviewed every fortnight when they are paid.

Concentration of Creditors

Racing NSW determines the credit risk from the type of creditor and type of payable. Stakes Payment creditors are generally offset by Stakes Payment debtors. Racing NSW acts as the facilitator between industry participants for the distribution of these funds. There is no concentration of credit risk with respect to current payables.

Maturity Analysis for Financial Liabilities - 2022

	Carrying Amount \$	Contractual Cash Flows \$	< 6 Months \$	6-12 Months \$	1-4 years \$
Trade and Other Payables	77,271,181	77,271,181	77,271,181	-	-
Stakes Payment Creditors	21,198,563	21,198,563	21,198,563	-	-
Breeder Owner Bonus Schemes	28,307,803	28,307,803	16,413,555	9,056,539	2,837,709
Redevelopment Funds	17,742	17,742	17,742	-	-
Total	126,795,289	126,795,289	114,901,041	9,056,539	2,837,709

Maturity Analysis for Financial Liabilities - 2021

Trade and Other Payables	37,280,644	37,280,644	37,280,644	-	-
Stakes Payment Creditors	23,154,698	23,154,698	23,154,698	-	-
Breeder Owner Bonus Schemes	25,794,240	25,794,240	14,296,690	8,804,639	2,692,911
Redevelopment Funds	17,742	17,742	17,742	-	-
Total	86,247,324	86,247,324	74,749,774	8,804,639	2,692,911

Economic Dependency

Racing NSW received 2.62% (2021: 2.75%) of its income via a First Charge on the TAB distributions to the Thoroughbred Racing Industry. This distribution is governed by the NSW Racing Distribution Agreement as entered into by Racingcorp Pty Limited and TAB Limited. Consequently, Racing NSW is economically dependent on TAB Limited.

NOTE 28: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT.)

d) Market Risk

Market Risk includes interest rate risk and price risk and arises from the use of interest bearing financial instruments. Racing NSW is exposed to fluctuations in interest rates on its cash holdings and cash deposits. Racing NSW is exposed to price risk on its investments.

Interest Rate Risk

Racing NSW is exposed to fluctuations in interest rates on its cash at bank balances. Cash on Deposit have short term fixed interest rates. There are no interest bearing financial liabilities. The effective weighted average interest rate on financial assets is shown below.

Objectives and Policies	Objectives and Policies	Methods used to Measure the Risk
Board policies require that Racing NSW review and negotiate interest rates on Cash at Bank on a regular basis in order to maximise their return.	Racing NSW negotiates an interest rate in line with market rates.	Racing NSW checks interest rates received against market leading interest rates offered by competing financial institutions of a similar credit rating.
Board policies require that Racing NSW review and negotiate interest rates on Cash on Deposit on roll-over of the deposit.	Racing NSW negotiates an interest rate in line with market rates at the time of roll-over.	Racing NSW checks interest rates received against market leading interest rates offered by competing financial institutions of a similar credit rating.

	Effective Weighted Average Rate	Floating Interest Rate	Fixed Interest Maturing < 1 Year	Non Interest Bearing	Total
		\$	\$	\$	\$
2022					
Cash at Bank	0.85%	169,015,851	-	-	169,015,851
Other Financial Assets	1.00%	-	178,885,543	-	178,885,543
Other Receivables	1.50%	-	-	64,451,001	64,451,001
Total Financial Assets		169,015,851	178,885,543	64,451,001	412,352,395
Financial Liabilities:					
Breeder Owner Bonus Scheme	-	-	-	(28,307,802)	(28,307,802)
Trade and Other Payables	1.50%	-	-	(98,487,486)	(98,487,486)
Total Financial Liabilities measured at amortised cost		-	-	(126,795,288)	(126,795,288)
Net financial assets/(liabilities)		169,015,851	178,885,543	(62,344,287)	285,557,107
2021					
Financial Assets:					
Cash at Bank	0.85%	112,944,375	-	-	112,944,375
Other Financial Assets	1.00%	-	178,710,936	-	178,710,936
Other Receivables	1.50%	-	-	37,555,893	37,555,893
Total Financial Assets		112,944,375	178,710,936	37,555,893	329,211,204
Financial Liabilities:					
Breeder Owner Bonus Scheme	-	-	-	(25,794,239)	(25,794,239)
Trade and Other Payables	-	-	-	(60,453,084)	(60,453,084)
Total Financial Liabilities measured at amortised cost		-	-	(86,247,323)	(86,247,323)
Net financial assets/(liabilities)		112,944,375	178,710,936	(48,691,430)	242,963,881

Interest Rate Sensitivity

Racing NSW performs a sensitivity analysis to measure market risk exposures at the time of each maturity of the investment to assess the reinvestment opportunities. There is no interest rate sensitivity for trade receivables or payables. Interest rate sensitivity only applies to Racing NSW Cash at Bank, Cash on Deposit, other financial assets and loans.

Based on the calculations as at 30 June 2022, the net profit impact for a 100 basis points movement in interest rates would be \$3,650,386 (2020: \$2,916,553)

	Current Weighted Average	Amount	100 basis points Increase in	100 basis points Decrease in
	\$	\$	\$	\$
2022				
Cash at Bank	0.85%	169,015,851	1,690,159	(1,690,159)
Other Financial Assets	1.00%	178,885,543	1,788,855	(1,788,855)
Total		347,901,394	3,479,014	(3,479,014)
2021				
Cash at Bank	0.85%	112,944,375	1,129,444	(1,129,444)
Other Financial Assets	1.00%	178,710,936	1,787,109	(1,787,109)
Total		291,655,311	2,916,553	(2,916,553)

NOTE 28: FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONT.)

d) Market Risk (cont.)

The method used in determining the sensitivity was to evaluate the interest revenue based on the timing of the interest repricing on the deposits for the next 12 months. The following assumptions were applied:

- the rate at the beginning of the 12 month period would apply for the whole period.
- the cash on deposit would all reprice to the new interest rate at the same time.
- the base rate is the weighted average across the cash on deposit.

Insurance Risk

Pursuant to section 13(1)(d) of the Thoroughbred Racing Act 1996 (NSW), Racing NSW's functions include "insuring of participants in the horseracing industry". Racing NSW holds a specialised insurer's licence issued by WorkCover NSW that permits it to offer compulsory workers compensation insurance for employers and employees engaged in activities incidental to thoroughbred horse racing.

The rights and obligations of Racing NSW as a specialised insurer, are regulated by the Workers Compensation Act 1987 (NSW) and the Workplace Injury Management and Workers Compensation Act 1998 (NSW). These Acts define the circumstances in which an employer has a liability to an injured worker, the manner and timing of any decision by Racing NSW as to the granting of indemnity, and the quantum of benefits payable in response to a claim.

Racing NSW provides an annual actuarial report to WorkCover NSW for the period to 30 June each financial year that covers issues such as:

- The quantum of outstanding liabilities.
- The predicted development of such liabilities, payments on new claims and other expenses during the subsequent financial year.
- The number of new claims expected and an estimate of Incurred but Not Reported (IBNR) claims for the preceding financial year.
- The amount of the bank guarantee that Racing NSW must arrange to be executed by an established financial institution in favour of WorkCover NSW to support its ability to fund the thoroughbred racing industry's accumulated and expected workers' compensation liabilities. (Refer Note 18)

Racing NSW is committed to managing legal, operational and financial risk in the conduct of its workers' compensation activities.

Financial payments made by the fund are initially approved by the relevant claims manager. Payments are then entered by a different department and returned to the Insurance Manager for authorisation before being randomly audited and processed by the General Manager – Finance and the Chief Executive.

Established practices and procedures govern the internal management of claims, the selection and remuneration of service providers and the manner in which critical decisions are made in relation to individual claimants (such as decisions to contest liability and/or litigate appropriate cases). These practices and procedures are regularly reviewed and, in conjunction with the Occupational Health & Safety and Workers Compensation summary publicly available on Racing NSW's website, are available for review and comment by WorkCover NSW upon request.

Racing NSW's General Manager, Workers' Compensation is a highly experienced workers' compensation professional with qualifications in general insurance. He has held senior workers' compensation positions with WorkCover, NSW Police Service and Deloitte Touche Thomatsu. Racing NSW also engages external legal and medical specialists and other independent experts as and when needed in the administration or litigation of claims.

NOTE 29: FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value has been determined on the basis of the present value of expected future cash flows under the terms and conditions of each financial asset and liability.

The information is only relevant to circumstances at balance date and will vary depending on market rates and conditions at the time. The carrying value less impairment provisions for trade receivables and payables approximates their fair values due to their short term nature. The carrying value of other short term financial assets and liabilities is assumed to approximate their fair value due to their short term nature. The fair value of financial liabilities, that are maturing in more than 12 months, for disclosure purposes, has been estimated by discounting the future contractual cash flows at the current market interest that is available to Racing NSW. Significant assumptions used in determining the cash flows are that they will be consistent with the contracted cash flows under their respective contracts. Other specific assumptions used are:

- the interest rate used for discounting is the published CBA Reference Rate as at 30 June each year 2022: 7.83% (2021: 7.08%)
- payments are made evenly throughout the period.
- BOBS has been discounted over 2 years (2021: 2 years) due to the nature of the BOBS agreement.

	Fair Value	2022 Carrying Value	Variance	2021 Fair Value	Carrying Value	Variance
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash at Bank	169,015,851	169,015,851	-	112,944,375	112,944,375	-
Receivables - term deposits	178,885,543	178,885,543	-	178,710,936	178,710,936	-
Other Receivables	64,451,001	64,451,001	-	37,555,893	37,555,893	-
Total Financial Assets	412,352,395	412,352,395	-	329,211,204	329,211,204	-
Financial Liabilities:						
Breeder Owner Bonus Scheme	(28,195,279)	(28,307,802)	112,523	(25,697,428)	(25,794,239)	96,811
Trade and Other Payables	(98,487,486)	(98,487,486)	-	(60,453,084)	(60,453,084)	-
Total Financial Liabilities measured at amortised cost	(126,682,765)	(126,795,288)	112,523	(86,150,512)	(86,247,323)	96,811

FOR THE YEAR ENDED 30 JUNE 2022

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	2022 \$	2021 \$
NOTE 30: INSURANCE ACTIVITIES		
Premium revenue	14,305,666	13,788,091
Reinsurance recoveries and other recoveries revenue	901,089	848,285
Other Income	279,950	255,550
	15,486,705	14,891,926
Interest Income	517,974	811,654
Rental Income	201,846	-
	719,820	811,654
Underwriting expenses	1,780,912	1,574,855
Direct claims expense	15,212,467	12,590,157
Outwards reinsurance premium expense	506,301	455,850
	17,499,680	14,620,862
Underwriting result for the financial year excluding investments revenue and expense	(2,012,975)	271,064
Investments		
Investment Property	-	-
Bank	55,158,014	56,644,489
Reinsurance recoveries	12,772,338	7,606,115
	67,930,352	64,250,604
Total Assets	67,930,352	64,250,604
Liabilities		
Outstanding claims	57,519,799	53,264,264
Unearned Premiums	145,860	135,190
	57,665,659	53,399,454

Refer to Note 18 for bank guarantee and other information relating to Workers Compensation Provision.

a) Outstanding Claims

Gross undiscounted claim liability	67,672,037	50,296,420
Discount to present value	(17,610,149)	(4,641,847)
Third party recoveries	(108,506)	(362,611)
Reinsurance recoveries	(12,663,832)	(7,243,505)
Central estimate of the expected present value of future payments for claims incurred	37,289,550	38,048,458
Prudential margin	7,457,910	7,609,692
	44,747,460	45,658,149
Current	12,057,325	9,837,309
Non-current	32,690,135	35,820,840
	44,747,460	45,658,149

The average weighted term to settlement of the outstanding liabilities is 7.1 years (2021: 6.4 years).

The following average inflation rates and discount rates were used in measuring the liability for outstanding claims:

	2022		2021	
	Next Year	Thereafter	Next Year	Thereafter
Inflation rate	2.25%	2.25%	2.10%	2.10%
Discount Rate	4.0%	4.0%	1.50%	1.50%

b) Net claims incurred for current year and change in incurred for prior years.

	Current Year Incurred \$	Reassess Prior Years \$	Current Year Incurred \$	Reassess Prior Years \$
Gross undiscounted incurred claims	16,746,303	20,205,737	17,681,070	(3,103,535)
Undiscounted reinsurance & other recoveries	(321,863)	(10,334,816)	(313,343)	(76,647)
Net undiscounted incurred claims	16,424,440	9,870,921	17,367,727	(3,180,182)
Discounting of incurred claims	(2,288,811)	(14,623,577)	(907,169)	(246,452)
Discounting recoveries	110,323	5,025,919	39,991	267,726
	(2,178,488)	(9,597,658)	(867,178)	21,273
Gross discounted incurred claims	14,457,491	5,582,160	16,773,902	(3,349,987)
Discounted reinsurance & other recoveries	(211,539)	(5,308,898)	(273,352)	191,079
Net discounted incurred claims	14,245,952	273,263	16,500,549	(3,158,909)

The claim cost incurred consists of paid to date plus estimate of outstanding liabilities plus claim management expenses, being 9%

NOTE 30: INSURANCE ACTIVITIES (CONT.)

- a) the interest rate used for discounting is the published CBA Reference Rate as at 30 June each year 2022: 7.83% (2021: 7.08%)
- b) payments are made evenly throughout the period.
- c) Claim Development

	Prior	Accident year										Total		
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022			
Claims cost estimate	\$	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At end of accident year	n/a	11,168	11,499	11,661	11,693	12,561	12,968	12,813	11,672	12,277	15,730			
One year later	n/a	10,719	9,786	11,123	11,078	12,473	12,781	12,516	11,598	12,970				
Two years later	n/a	8,198	8,987	10,913	10,484	9,877	12,127	12,511	12,430					
Three years later	n/a	7,261	8,742	10,157	9,910	9,393	11,571	13,178						
Four years later	n/a	7,128	8,063	7,387	8,976	9,807	11,594							
Five years later	n/a	7,669	8,061	6,909	8,718	10,135								
Six years later	n/a	6,943	8,367	6,510	9,162									
Seven years later	n/a	6,651	8,090	6,820										
Eight years later	n/a	6,556	8,491											
Nine years later	n/a	6,784												
Current estimate of claims cost		6,784	8,491	6,820	9,162	10,135	11,594	13,178	12,430	12,970	15,730	107,295		
Cumulative payments		(6,163)	(7,157)	(4,832)	(7,118)	(8,238)	(8,035)	(10,178)	(7,397)	(5,985)	(6,630)	(71,733)		
Undiscounted central estimate		621	1,333	1,989	2,044	1,897	3,558	2,999	5,033	6,986	9,100	43,799		
Effect of discounting		(2,177)	(364)	(517)	(520)	(417)	(863)	(300)	(1,091)	(1,423)	(1,538)	(9,272)		
Discounted central estimate		6,060	969	1,472	1,524	1,480	2,695	2,700	3,942	5,562	7,562	34,527		
Claims handling expense		485	78	118	122	118	216	216	315	445	605	2,762		
Risk margin		1,309	121	209	329	320	582	583	852	1,201	1,633	7,458		
Present value recognised in the statement of financial position		7,854	1,256	1,908	1,975	1,918	3,493	3,499	5,109	7,209	9,800	44,747		

d) Maturity Analysis for Outstanding Claims

	2022					2021				
	All Years	< 1 year	1 - 2 years	2 - 5 years	> 5 years	All Years	< 1 year	1 - 2 years	2 - 5 years	> 5 years
Workers Compensation Claim Payments - Undiscounted	\$ 9,486,807	\$ 6,484,119	\$ 8,248,843	\$ 19,579,203	\$ 37,578,530	\$ 8,744,701	\$ 5,626,337	\$ 8,716,772	\$ 14,490,720	\$ 14,490,720

This table shows the maturity analysis for the remaining contractual maturities of the workers' compensation liabilities. The management of insurance risk and liquidity risk are disclosed in Note 29.

Amounts shown are undiscounted and exclude claims handling expenses.

REVENUE AND EXPENSES

FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

NOTE 31: RACE FIELDS DEVELOPMENT PROGRAM

As result of Race Fields High Court case decision of 30 March, 2012 the Board of Racing NSW commenced a capital development program for the State's racecourses over a sustained period. The focus of the program is improvements to racing surfaces and training facilities at major provincial and country racecourses throughout the State. In the year ended 30 June 2022, the following clubs benefited from the program in the current financial year and since the High Court case as follows:

	2022	Cumulative Total	Racing NSW Board Approved project balance remaining
	\$	\$	\$
- Albury Turf Club		1,236,517	13,483
- Australian Turf Club (Kensington Track)		1,701,539	-
- Quarantine facility		1,003,208	6,996,792
- Ballina Jockey Club		295,911	1,874,089
- Bathurst Thoroughbred Racing		577,843	172,157
- Coffs Harbour Jockey Club		1,175,434	2,566
- Dubbo Turf Club		1,504,428	45,573
- Goulburn & District Racing Club	58,259	2,139,068	810,932
- Gosford Race Club		238,600	22,200
- Hawkesbury Race Club (Home Straight)		4,516,295	233,705
- Hawkesbury Race Club (Polytrack)		2,200,000	1,800,000
- Illawarra Turf Club		5,203,882	6,296,118
- Muswellbrook Racing Club		463,188	86,812
- Murrumbidgee Turf Club		1,304,950	-
- Newcastle Jockey Club		11,266,868	-
- Racing Orange		1,235,795	64,205
- Port Macquarie		4,434,213	31,729
- Scone Race Club	69,661	1,049,654	430,346
- Tuncurry Forster Jockey Club		1,029,234	129,234
- Manning Valley Race Club		94,201	1,105,799
- Tamworth Jockey Club		2,117,724	683,778
- Wyong Race Club		1,448,763	51,237
- ATC - Capital Development fund		4,000,000	-
- ATC - Rosehill Training Track		1,500,000	-
- Sapphire Coast Turf Club	213,695	338,708	21,292
- Treadmills - Narromine Turf Club/Albury Turf Club		58,470	110,530
- Clarence River Jockey Club		106,891	-
	341,616	52,241,384	20,724,109

The Race Fields funding the clubs was provided by way of interest free interminable loans with certain conditions attached allowing Racing NSW to recover these funds should these conditions be breached. The above amounts have been utilised from the Race Fields provision for the year ended 30 June 2022 on the basis that it is not probable that these loans will ever be recovered by Racing NSW

NOTE 32: RACECOURSE REDEVELOPMENT FUND AND OTHER LOANS TO THE ATC

On 1 July 1998, the operations of the Racecourse Redevelopment Fund were transferred to Racing NSW, including the right to interminable loans from the former Australian Jockey Club for \$43,036,000 and former Sydney Turf Club for \$53,671,000 (subsequently combined within the Australian Turf Club for \$99,707,000). These interminable loans are repayable only on the sale of properties which have benefited from the expenditure of the funds, or in the event of the Company ceasing to perform its current operations. As such, the aforementioned amounts were expensed in the respective year on the basis that it is not probable that these loans will ever be recovered by Racing NSW.

NOTE 33: EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the organisation, the results of those operations or the statement of affairs of the organisation in future financial years. We will continue to monitor the impact of COVID-19 on the Group's operations.

DECLARATION BY MEMBERS OF THE BOARD

REVENUE AND ADMINISTRATION EXPENSES

FOR THE YEAR ENDED 30 JUNE 2022

RACING NSW ABN 86 281 604 417

The Members of the Board declare that:

- the financial statements comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and accompanying notes:
 - give a true and fair view of the financial position of Racing NSW as at 30 June 2022 and its performance for the year ended on that date.
 - are in accordance with the Thoroughbred Racing Act 1996 (NSW) and comply with Accounting Standards.
- as at the date of this declaration there are reasonable grounds to believe that Racing NSW will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Members of the Board and is signed for and on behalf of Racing NSW.

Mr R Balding AO
Chairman

Mr P N V'landys AM
Chief Executive

Dated at Sydney this 24 October 2022



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RACING NSW BOARD

Report on the audit of the financial report

Opinion

We have audited pages 57 to 81 of the accompanying financial report of Racing NSW (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Declaration by Members of the Board.

In our opinion, the accompanying financial report of Racing NSW:

- presents fairly, in all material respects, the Company's financial position as at 30 June 2022 and of its performance and cash flows for the year then ended;
- and complies with Australian Accounting Standards and the Thoroughbred Racing Act 1996.

Basis for Opinion

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

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

Information other than the financial report and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit of otherwise appears to be materially misstated.

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

Responsibility of management and those charged with governance for the financial report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Thoroughbred Racing Act 1996. This responsibility also includes such internal controls as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf/.

This description forms part of our auditor's report.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A G Rigele
Partner - Audit & Assurance
Sydney, 24 October 2022

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RACING NSW MAGAZINE





Nick Heywood returns
after winning the
2022 Newhaven Park
Country Championships
Final aboard Another
One at Royal Randwick.
Image by Bradley
Photographers



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