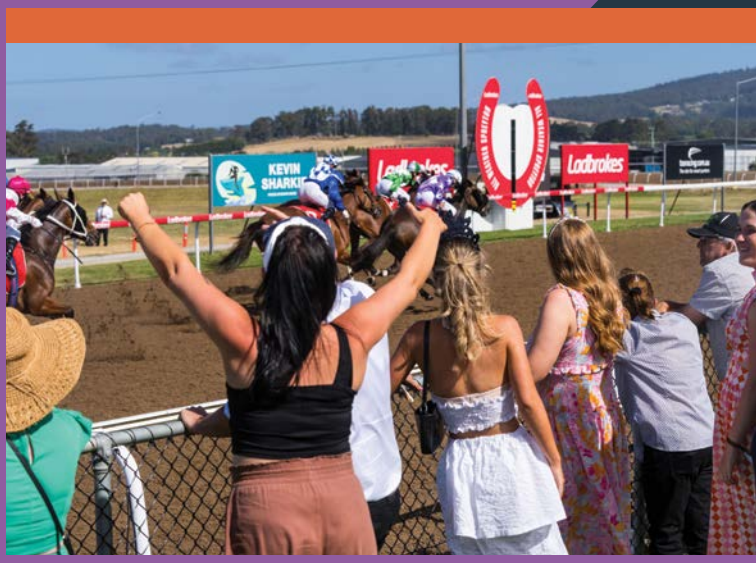
ANNUAL REPORT

2023







tasracing

Tasracing Pty Ltd
ABN 62 269 303 946
ACN 137 188 286
6 Goodwood Road, Glenorchy TAS 7010
PO Box 730, Glenorchy TAS 7010
Telephone: +61 3 6212 9333
Fax: +61 3 6272 5191
Email: admin@tasracing.com.au
Web: tasracingcorporate.com.au
& tasracing.com.au







Contents

From the Chairperson	06
From the Chief Executive Officer	10
Statement of Corporate Intent	22
Company Overview	24
Board of Directors	27
Organisational Structure	31
Corporate Plan	35
Thoroughbred Code Report	38
Harness Code Report	42
Greyhound Code Report	46
Corporate Governance	50
Annual Financial Report	54
Auditor's Independence Declaration	92
Independent Auditor's Report	93

5 YEAR GROWTH

1 JULY 2018 TO 30 JUNE 2023



$231.8 M / 40% ⬆
Wagering turnover



$10 M / 75% ⬆
Race Field Fee revenue



$7.1M
Point of consumption tax funding



$12.5 M / 53% ⬆
Code funding



$10 M / 48% ⬆
Stakes paid



$1.1 M / 168% ⬆
Breeding bonuses paid


13
12
11

FROM THE CHAIRPERSON



Tasracing's five-year Corporate Plan reviewed and released in March 2023 introduces, on page one, the Tasmanian racing industry as a critical part of the social and economic landscape of the state with a history nearly-200-years-old. It goes on to note that the growth and ongoing development of the industry is important to Tasmania. This has always been a critical consideration for the Tasracing Board, and this reporting period was no different.

The past five years of operations have seen substantial improvements across all aspects of the Tasmanian racing industry, including Race Field Fee revenue, code funding, stakes money and breeding incentives (see page 4 of this annual report for further information).

In addition, investment in infrastructure over the past five years totalled $28.5 million with no additional debt, culminating in the redevelopment of the Elwick thoroughbred track. During the last months of the 2022/23 financial year the track raced evenly and fairly with winners coming from both on pace and back in the field – an outcome with which Tasracing was very pleased.

As a result of the track's performance improvements during the 2022/23 reporting period, race meeting numbers in Hobart will increase from 21 to 24 in 2023/24. This is an excellent result of which the Tracks and Racing Facilities Manager, Bryan Dunn, (and formerly Ricky Aitken) and his team should be justifiably proud.

In August 2022 Tasracing announced that its preferred location for new harness and greyhound tracks on the north west coast was to be on 27 hectares of private land opposite the Devonport Airport. Tasracing acquired the land subject to a Subdivision and a Development Application (DA) being approved.

Since then, the company has lodged a DA and Subdivision application with the Latrobe Council and is actively working with it to advance the development through the approvals process and to commence construction as soon as possible.

Importantly much of the original work for the Palmers Road site development (which was ruled out when a Natural Values Assessment identified a critically endangered Black Gum forest and woodland community and the presence of burrowing crayfish) could be applied to the new site near the airport – so it was not a matter of starting again, though some adjustments to the concept design and masterplan were required.

Tasracing has consulted extensively with north west coast-based greyhound and harness racing industry participants about its plans and will continue to do so in the coming financial year.

The Ladbrokes Tasmanian Summer of Racing Festival, that features all three codes of racing, was again an extremely successful event for Tasracing and the racing industry. It was the third time that the festival was run in this format.

Summer racing is extremely important to the Tasmanian racing industry, combining Tasmania's most popular race days across all three codes. While we do place significant emphasis on broadcasting racing to interstate markets, support for the industry in Tasmania generated through crowds at race meetings is important. The festival provides us with an opportunity to showcase just how good our racing product can be.

Ladbrokes has a number of long-term partnerships in Australian racing. Its role as a key partner and key contributor to Tasmanian racing cannot be underestimated. On behalf of the Board, Tasracing and the Tasmanian racing industry, I would like to thank Ladbrokes for its ongoing and very generous support. Beyond this, Ladbrokes' extensive customer base allows Tasracing to promote Tasmanian racing to a national market.

Tasracing's continued strong financial performance – on top of the ongoing popularity of racing – allowed the company to increase stakes to nearly $4.0 million across the three codes of racing during the reporting period.

Highlights of the increased allocation included base stakes increases for thoroughbred and harness races, additional stakes for Tasbred greyhound races, increases for the Ladbrokes Hobart and Launceston Cups for throughbreds, increases to the Ladbrokes Hobart Thousand and Launceston Cup for greyhounds and an increase to the Ladbrokes Tasmania Cup for harness horses.

The Tasmanian racing industry is partly funded under a 20-year funding deed established in 2009, prior to the sale of the government-owned TOTE Tasmania to TattsBet in 2011. Until 2009, the racing industry was self-funded and delivered a dividend to the government of the day.

This deed is set to expire in 2029. With this in mind, the Board has established a subcommittee to develop a submission for the Tasmanian Government to consider a new funding deed, and confirmation of Point of Consumption Tax arrangements, well before we reach the 2029 expiration date. This work is critical to provide participants with the confidence to continue investing in the industry. Subject to this work being completed, Tasracing will engage with its stakeholders to provide updates when relevant.

During the reporting period the Tasmanian Government released its detailed response to the Monteith Review, which recommended changes to the Racing Regulation Act 2004.

The recommendations included:

- Creating a Tasmanian Racing Integrity Commissioner (TasRIC) with powers to set integrity and animal welfare standards and that must include staff with experience in animal welfare policy and regulation.
- Enhancing integrity governance within Tasracing to allow it to become operationally responsible for all three codes of racing (including pre-race day and race day management, stewards and daily animal welfare).
- Providing an advisory role for the RSPCA in animal welfare and retaining the power for independent investigation of animal welfare matters.

Implementation of these reforms will require new legislation which is currently being drafted.

Under these changes – which Tasracing endorses – it is expected that all stewards will report to a Director of Integrity who will in turn report to a separate Tasracing Board integrity subcommittee constituted by Tasracing Board members and independent members. The Director of Integrity will also have specific lines of reporting to a new Tasracing Integrity Commissioner.



Tasracing appointed Steve Old and Suzie Jacobson to its Board of Directors at its annual general meeting in December 2022. Both Mr Old and Ms Jacobson have brought extensive and relevant experience to Board deliberations.

Mr Old is the CEO of the Tasmanian Hospitality Association and is a highly experienced non-executive director. His current board positions include the Tasmania JackJumpers in the National Basketball League and Visitor Experience Training. Ms Jacobson is a communication professional with more than 30-years in media, marketing and strategic planning. She is a former Committee Member of the Tasmanian Racing Club and is the Deputy Chair of the Choir of High Hopes, Hobart Inc.

Current directors David Garnier and Michael Gordon were re-appointed for a further three-year term.

Tasracing farewelled retiring thoroughbred director Robyn Whishaw and commercial director Helen Galloway. Both are highly regarded in their respective fields of expertise and made a significant contribution to the governance of Tasracing during their six-year tenure.

I would also like to note the significant and important contribution of CEO Andrew Jenkins. Mr Jenkins was appointed to the position in February 2023 after acting in the role for much of the reporting period. The Board and I feel he has done an excellent job strengthening Tasracing's relationships with participants, customers, racing clubs and peak body representatives. The significant focus applied to ensuring Tasracing staff feel part of a respectful, constructive workplace under Andrew's leadership should also be noted. The Board has enjoyed working with him – and his team – on the further development of the industry in Tasmania.

And finally, I would like to thank former Racing Minister Madeleine Ogilvie for her support of Tasracing and the Tasmanian racing industry during 2022/23.



Gene Phair
Chairperson


OFF THE
REMUS RUGS

FROM THE CHIEF EXECUTIVE OFFICER



Tasracing's five year Corporate Plan – in addition to setting the company's strategic direction – tells a very good story when setting the scene for the remainder of the document. It notes: "The past five years have seen substantial improvements across all aspects of the Tasmanian Racing Industry."

To begin with, Race Field Fee revenue increased by $10 million, Point of Consumption Tax received totalled $7.1 million and stakes money across all three codes increased by $10 million.

Investment in infrastructure was $28.5 million with no additional debt. Looking ahead over the coming five years, infrastructure investment is set to increase to $51.6 million, with $39 million of this funded from internal resources. These significant investments will underpin the growth of the racing industry by delivering safe and contemporary racing, training and public facilities.

Financial performance

Tasracing recorded a Total Comprehensive Profit of $0.42 million for 2022/23 ($4.23 million in 2021/22). This included a profit before tax of $0.40 million ($4.87 million in 2021/22) with a $0.10 million tax expense ($1.08 million in 2021/22) and an after-tax reduction in Defined Benefit Obligations of $0.18 million ($0.62 million in 2021/22).

Racefield Revenue returns declined 4.2 per cent to $24.13 million ($25.20 million 2021/22) as a degree of post Covid normality returned to the wagering market and economic factors started to impact. Despite the decline in 2022/23, national wagering on Tasmanian racing product increased by $208.83 million or 35 per cent since the pre Covid 2018/19 to $807.76 million with an $8.916 million increase in commercial Racefield Revenue.

These continuing strong results are supported by our investment in digital distribution and broadcast of the Tasmanian racing product. This investment ensures Tasmanian races are featured and promoted by wagering service providers, that Tasmanian races are scheduled and broadcast to optimise audience reach as far as possible and that we generate loyalty among wagering customers by providing market-leading form analysis products.

Interest revenue increased to $1.14 million ($0.09 million in 2021/22) due to higher interest rates during the year.

Employee benefits increased $0.34 million or 3.6 per cent with significant restructuring occurring across the organisation during the year. This resulted in some temporary financial benefits due to several longer vacancies in the year. Sales and marketing costs declined to $1.79 million ($2.29 million in 2021/22) due to one off initiatives undertaken in the prior year. Other expenditure increased $0.31 million to $3.54 million ($3.23 million in 2021/22) primarily due to legal costs and participation initiatives.

Capital expenditure during the year was $18.38 million below target due to the change in location for the north-west tracks project and difficulties accessing contractors and supplies. These projects are still ongoing with cash and equivalents at year end totalling $17.03 million in support of a $21.24 million investment budget for 2023/24.

Prize money and industry funding

Prize money and Industry funding benefitted from the trading conditions with an increase of $4.82 million for the year.

This included a $4.88 million (15.7 per cent) increase in sustainable Code Funding with a saving in COVID-19 costs.. Total stakes money paid during the year across the three codes of racing increased $3.98 million to $30.76 million ($26.78 million in 2021/22).

Economic contribution

An updated independent economic impact report found that in the 2021/22 financial year the Tasmanian racing industry was responsible for generating close to $208 million in value-added contribution to the Tasmanian economy – 40 per cent of which directly benefited regional economies, with more than 6,400 individuals either employed, direct participants or volunteers.

The industry generated almost $190 million in direct expenditure in the Tasmanian economy, with 48 per cent of this in regional communities.

More than 63 per cent of racing participants are in regional communities. One of Tasracing's key strategic principles is to increase the racing industry's contribution to the Tasmanian economy.

Assets and infrastructure

Given the Company's continued strong financial performance, Tasracing is in a good position to sustainably invest in industry infrastructure.

Tasracing is successfully delivering on the Tasmanian Government commitments announced in 2021/22, namely its $3 million investment into one-off infrastructure upgrades at the Longford Racecourse, the Brighton Training Centre and the Devonport Racing Club. The breakdown of investments is as follows:

- Longford Training Centre - thoroughbred track drainage upgrade – completed.
- Longford Training Centre - construction of new 800m trial starting chute – completed.
- Brighton Training Centre - thoroughbred track drainage upgrade – expected to be completed in late 2023.
- Brighton Training Centre - harness track upgrade – expected to be completed in late 2023.
- Spreyton Park Amenities - building upgrade – expected be completed in early to mid-2024.

These upgrades were important to ensure training infrastructure was fit for purpose, allowing trainers to adequately prepare their animals for racing. The training facilities listed are used by participants across all three codes. As part of Tasracing's commitment to these projects, additional funds have been committed. These projects are at various levels of completion, though all are expected to be completed in 2023/24.

In addition, more than $300,000 was awarded to Tasmanian racing clubs under the Tasmanian Community Racing Club Infrastructure Grants in 2022/23. Six grants were awarded to four clubs: Carrick Park Pacing Club, the Devonport Racing Club, the North East Pacing Club and the Tasmanian Turf Club.

In 2022/23, Tasracing's capital expenditure budget allocation saw the following projects completed across all three codes:

- Upgrade of Mowbray Mounting Yard.
- Commissioning of new Safechase lure at Mowbray.
- Commissioning of new greyhound starting boxes at Mowbray.
- Painting of Mowbray grandstand.
- Refurbishment of Mowbray owners' and trainers' bar.





- Installation of asphalt at Elwick day stalls.
- Removal of redundant infrastructure and upgrade to Elwick betting hall.
- Removal of disused caretaker's building at Elwick.
- Drainage and overflow carparking at Elwick.
- Commercial kitchen flooring replacement at Elwick.
- Installation of LED advertising Billboards on the Brooker Highway and Goodwood Road at Elwick.
- Installation of new AV screens and mega screen in the main grandstand at Elwick.
- New maintenance shed and facility at Longford.
- Day stall asphalt at Longford.
- Construction of 44 stripping stalls at Carrick Park Pacing Club.
- Safechase lure, fencing and catching pen upgrade at Brighton straight track.
- Upgrade of lights and electrical within Brighton stable complex.
- Road upgrade at Ulverstone straight track.

At the same time, significant improvements have been made to tracks across the state resulting in improved performance.

At Elwick, the progress of the thoroughbred track is where Tasracing expected it to be given its past performance. At the end of the winter season the track is in a high-quality condition following an increase of trials and track gallops. Due to these improvements, race meeting numbers will increase from 21 to 24 in the 2023/24 season.

The Mowbray thoroughbred track benefited from a renovation at the conclusion of the Good Friday race meeting. The work comprised dethatching, aeration, topdressing, fertilising and seeding. The track was in optimal condition for the start of winter racing.

Key initiatives completed for tracks and racing facilities during the reporting period included:

- Repairs and upgrades to the Brighton greyhound straight track.
- Elwick harness track resurfaced.
- Brighton thoroughbred training track irrigation and drainage improvements.
- WHS audit of all Tasracing sites.
- Spreyton track rewaxing.
- Assessment of stewards' towers at all tracks.
- Installation of drainage in Brighton bullring.
- More sand introduced at Brighton and Longford training tracks.
- Installation of an automatic gate in bullring at Brighton.
- Drainage installed at the Longford thoroughbred turf track.

Tasracing announced its preferred location for harness and greyhound tracks on the north-west coast on 27 hectares of private land opposite the Devonport Airport in August 2022. Tasracing has lodged a Development Application (DA) and Subdivision application with Latrobe Council and is actively working with council to advance the development through the approvals process and to commence construction as soon as possible. Intensive greyhound and harness industry consultation has occurred during the DA process to present a sustainable development appropriate to the level and frequency of racing.

Racing

For the 14th season in a row, Scott Brunton won the Australian Trainers Association Tasmanian Leading Trainer award with 65 winners. The highlight of his season was the performances of The Inevitable during the Ladbrokes Tasmanian Summer Racing (winning the Goodwood Handicap, the Listed Newmarket Handicap, the Listed Conquering Stakes, the Listed Tasmanian Stakes, the Listed Thomas Lyons Stakes and the Listed Hellova Street Stakes) before running third in the $5 million All Star Mile at Moonee Valley. Unsurprisingly, The Inevitable was named the Ladbrokes Tasmanian Horse of the Year.

Adam Trinder's Bello Beau was named the Devonport Racing Club Tasmanian 3YO of the Year after wins in the 3YO Cup and 3YO Trophy. Needs Sugar, trained by Stuart Gandy, was a narrow winner of the Tasmanian Turf Club Tasmanian 2YO of the Year award after her win in the Listed Elwick Stakes and second placings in the Listed Gold Sovereign Stakes, Alfa Bowl and Alexandra Plate during the Tasmanian Summer of Racing.

Locally trained Swoop Dog won the Devonport Cup while Military Mission, from the Gai Waterhouse and Adrian Bott stable, won the Hobart Cup from Travelling Gigolo, trained locally by Scott Brunton. Aurora's Symphony, from the Symon Wilde stable at Warrnambool, became the first horse since St. Andrews in 2002 and 2003 to make it back-to-back Launceston Cups wins.

In harness, the Tasmanian bred and part owned Longfellow won the Ladbrokes Horse of the Year award.

In other awards, Triedtotellya was named the Medical Edge 2YO Colt or Gelding of the Year, Iylac Pakaria the Tasmanian Trotting Club 2YO Filly of the Year Award, Iden Boutique won the Launceston Pacing Club 3YO Filly of the Year Award, Mickey Oh the Corporate Communications 3YO Colt or Gelding of the Year and Iden Miss Lucy the Elderslie Horse Care & Spelling Mare of the Year Award.

Trainer Ben Yole has won his seventh consecutive Hardings Hotmix / Devonport Harness Racing Club Leading Trainer Award and also established a new benchmark with 314 season wins, eclipsing his own performance from the 2021 season (231 winners). This outstanding performance also landed Ben the HRA J.D.Watts Award for the leading National Trainer (Total 393 wins).


Ladbrokes

In greyhounds, Tasmania's only feature Group 1 race – the Ladbrokes Hobart Thousand - was won by Victorian Fernando Mick for trainer David Geall while the Launceston Cup was won by Wynburn Ruby for local Ben Englund. The Group 3 Devonport Chase was won by the locally trained Rojo Diamond for Robin Grubb.

Tasracing, in conjunction with the Launceston Greyhound Racing Club, hosted the annual awards dinner in late January 2023 to announce the following awards.

Tasmanian Greyhound of the Year – Rojo Diamond.

Leading Trainer – Anthony Bullock.

Leading Owner – Robyn Johnson.

Leading Breeding Female – Hoity Toity.

Leading Sire – Fernando Bale.

Most Consistent Greyhound – Dr. Hayley.

Racing Animal Welfare

Animal welfare is critically important to Tasracing and Tasracing places the welfare of racing animals across all three codes front and centre of our operational decisions. To tangibly demonstrate this, the company is:

- Investing in track infrastructure improvements that address safety.
- Continuing to develop the Greyhound Adoption Program (GAP).
- Enhancing equine-related post-race programs.
- Examining animal welfare strategies regularly and ensuring national best practice is adopted where practical.
- Providing regular training and information support for industry participants and owners on animal welfare matters.

Tasracing appointed Dr Martin Lenz to the newly created position of Chief Veterinary and Animal Welfare Officer during the reporting period. One of his principal roles has been to provide advice and services to Tasracing and the broader Tasmanian racing industry regarding the delivery of racing animal welfare and veterinary services. He is also leading Tasracing's drive to ensure the organisation meets its animal welfare objectives.

Dr Lenz joined Tasracing after six years as the Director of Veterinary Services and Animal Welfare at the Queensland Racing Integrity Commission. Prior to that he was Racing Queensland's Chief Veterinary Officer. He is also a highly experienced equine veterinarian having worked at various practices in Australia, the United Kingdom and Singapore.

Dr Lenz's appointment to this newly created position is assisting us to continue to meet our racing animal welfare obligation and drive further improvement in line with community expectations.

Greyhound Adoption Program Statistics

Financial Year	Entered	Adopted	Failed Assessment - Euthanised	Failed Assessment - Returned to Owner
2010/2011*	38	28	3	1
2011/2012	49	30	22	2
2012/2013	38	23	14	0
2013/2014	60	35	24	1
2014/2015	100	63	33	1
2015/2016	94	85	20	0
2016/2017	118	111	18	5
2017/2018	99	111	18	2
2018/2019	79	89	6	0
2019/2020	102	138	3	1
2020/2021	76	98	1	0
2021/2022	66	81	0	0
2022/2023	61	72	0	0

*Part Year

Entries - An entry is recorded as the first time a greyhound enters GAP

Adopted - A count of the number of adoptions

Failed Assessment – Euthanised - Unsuitable for rehoming; euthanised on behavioural grounds (does not include euthanasia on medical grounds)

Failed Assessment – Returned to Owner - Unsuitable for rehoming; greyhound returned to owner

One of the animal welfare initiatives introduced was the drafting of a comprehensive Code of Practice for Racing Horse Welfare. This document, which at the time of writing was undergoing final consultation, once adopted will provide clear guidance to the two codes of horse racing on minimum standards of horse husbandry, care and welfare throughout the whole lifecycle of these animals.

The Greyhound Adoption Program Tasmania (GAP Tasmania) was established by Tasracing with the objective of giving permanent homes to greyhounds when they retire from racing.

The GAP strives to increase the number of greyhounds rehomed responsibly year-on-year with the ultimate aim of the industry becoming the major rehomer of retired greyhounds in Tasmania. As a responsible adoption agency, GAP Tasmania has a duty of care to the greyhounds, our staff, our foster carers and members of the adopting public who entrust the GAP to carefully select the right dog to match their domestic circumstances and fit perfectly into their family life.

The GAP recorded 72 adoptions for the reporting period, with one greyhound euthanised for medical reasons and one deceased. While seven adopted greyhounds were returned to the program, all were subsequently successfully rehomed.

Funding for the Greyhound Recovery Rebate Scheme – which aims to increase the number of successfully treated racing injuries by providing financial support for the assessment, repair and rehabilitation of those injuries – was increased to $100,000 during the reporting period, with 76 greyhounds benefitting from the scheme. Given the positive

uptake of the scheme by the greyhound industry, further refinement will be applied, and more funding made available for the scheme to continue to drive enhanced treatment outcomes for serious racing injuries next financial year.

Another positive ongoing animal welfare initiative is the Greyhound Desexing Program, which paid out $120,732 for a total 244 greyhounds desexed during this reporting period. This scheme funds the cost of desexing all greyhounds upon their retirement (desexing became mandatory for all greyhounds retired from racing in 2020/21) and provides significant benefits, not only to the racing owners of the dogs, but also to all greyhound rehoming organisations, providing a racing industry-funded cost subsidy of around $500 per greyhound rehomed by those rehoming groups.

The Tasracing Off-The-Track (OTT) program continued to expand over the reporting period, with a focus on continuing to drive demand for OTT horses within the equestrian community, and widening the scope of partner organisations and eligible horse disciplines.

Sponsorship was provided for a large variety of OTT horse competitions and events across Tasmania and throughout the year.

The Subsidised Lessons for owners of OTT horses provided by Tasracing-funded OTT coaches proved highly popular, with a total of 84 applications for the free lessons provided for new owners of retired racehorses to assist them in learning the basics of OTT ownership and provide them with riding lessons to help train the riders and transition the horses into their new careers.

New coaches were recruited to cover a larger geographical area of the state and cater for a more comprehensive range of equine disciplines.

A new partnership with Petstock was formed, through which Hygain horse feed could accessed by new OTT owners. Nutritional advice for feeding of retired racehorses transitioning to OTT life continued to be provided by the Hygain nutritional information line.

OTT Tasmania continues to partner with Cavalor, providing equine products that support the health and wellbeing of Off The Track horses within our community. OTT owners can make a selection from the Cavalor range, or arrange for a one-on-one consultation to discuss Cavalor product that best suit their horse's needs.



Greyhound on-track injury data

		Category A + B		Category C		Category D		Category E		Total Injuries	
		(0-10 days)		(11-21 days)		(22 or more days)		(Euthanised / deceased)			
	Starters	Number	Per 1000 starters	Number	Per 1000 starters	Number	Per 1000 starters	Number	Per 1000 starters	Number	Per 1000 starters
2016/2017	12,724	299	23.5	39	3.07	20	1.57	15	1.18	373	29.31
2017/2018	11,207	209	18.65	46	4.1	30	2.68	16	1.43	301	26.86
2018/2019	12,642	244	19.3	58	4.59	26	2.06	18	1.42	346	27.37
2019/2020^	9,788	161	16.45	52	5.31	31	3.17	13	1.33	257	26.26
2020/2021	12,127	246	20.29	73	6.02	43	3.55	7	0.58	369	30.43
2021/2022	11,887	177	14.89	58	4.88	50	4.21	9	0.76	294	24.73
2022/2023	11,792	188	15.94	61	5.17	49	4.16	5	0.42	303	25.70

Data source – ORI Stewards Reports

^ In FY20, racing was shut down for 10 weeks

Data source – ORI Stewards Reports

Note:

1. Injuries are categorised by 'stand down' time from racing as determined by the On-Track Veterinarian
2. In FY20, the way injuries were categorised changed to enable national uniformity in reporting

FY17-19	FY20 onwards
Very minor (0-5 days)	Category A (0 days)
Minor (6-10 days)	Category B (1-10 days)
Medium (11-21 days)	Category C (11-21 days)
Major (> 21 days)	Category D (22 or more days)
Catastrophic (Euthanised / deceased)	Category E (Euthanised / deceased)

Greyhound retirement data

	2018/2019		2019/2020		2020/2021		2021/2022		2022/2023	
	Number of dogs	(%)	Number of dogs	(%)	Number of dogs	(%)	Number of dogs	(%)	Number of dogs	(%)
Breeding	11	2.68	8	2.25	23	6.76	11	3.6	11	3.6
Deceased	38	9.27	24	6.74	18	5.29	32	10.5	23	7.6
Euthanised	137	33.41	90	25.28	40	11.76	43	14.1	17	5.6
Rehomed	224	54.63	233	65.45	259	76.18	219	71.8	251	82.6
Other	0	0.00	1	0.28	0	0.00	0	0	2	0.7
Total	**410**		**356**		**340**		**305**		**304**	

Data source – OzChase National System

Note: Data is 'self-reporting' and has not been independently verified

- Considerable improvement across the years in rehoming rate and the number of greyhounds deceased/euthanised
  - In FY23, 82.6% of all greyhounds exiting the industry retired to pet life (up from 54.63% in FY18).
  - In FY23, 5.6% of all greyhounds exiting the industry were euthanised (down from 33.41% in FY18).

Greyhound breeding data

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of Litters	48	40	32	40	44	34
Pups Whelped	330	248	203	283	294	210

Data source – OzChase National System

Note: Data is 'self-reporting' and has not been independently verified



Harness retirement data

	2018/19		2019/20		2020/21		2021/22		2022/23	
	Number of horses	(%)	Number of horses	(%)	Number of horses	(%)	Number of horses	(%)	Number of horses	(%)
Breeding	5	2.70	16	7.80	9	6.25	23	11.4	50	21.6
Deceased	23	12.43	17	8.29	10	6.95	32	15.8	26	11.3
Euthanised	73	39.46	73	35.61	54	37.50	31	15.4	47	20.3
Rehomed	83	44.86	99	48.29	71	49.31	116	57.4	108	46.8
Other	1	0.54	0	0.00	0	0.00	0	0	0	0
Total	**185**		**205**		**144**		**202**		**231**	

Data source – Harness Racing Australia Database

Note: Data is 'self-reporting' and has not been independently verified

Breeding refers to Standardbreds that leave the industry for breeding purposes

Deceased refers to Standardbreds that have died because of accidental or natural causes

Euthanised refers to Standardbreds that have been euthanised due to an injury or illness, unsafe to be rehomed or unable to be placed in a home. It includes euthanasia via veterinary surgeon and knackery/abattoir persons

Rehomed refers to Standardbreds who have exited the racing industry for equestrian, pleasure, work, kept by owner, and entered an official PRA retirement program.

Other refers to Standardbreds who have been sent to a livestock sale, or where DNA was unable to identify parentage

- Steady improvement across the years in rehoming rate and the number of Standardbreds deceased/euthanised
  - In FY23, 46.8% of Standardbreds retiring from the industry were rehomed (up from 44.86% in FY19)
  - In FY23, 20.3% of Standardbreds exiting the industry were euthanised (down from 39.46% in FY19)



Thoroughbred retirement data

	2019/2020		2020/2021		2021/2022		2022/2023	
	Number of horses	(%)	Number of horses	(%)	Number of horses	(%)	Number of horses	(%)
Breeding	62	15.31	57	15.92	63	22.0	55	16
Deceased	30	7.41	19	5.31	13	4.6	9	3
Euthanised	60	14.81	43	12.01	23	8.0	31	9
Rehomed	245	60.49	237	66.20	181	63.3	248	72
Other	8	1.98	2	0.56	6	2.1	2	1
Total	**405**		**358**		**286**		**345**	

Data source – Single National System (SNS)

Note: Data is self-reporting and has not been independently verified

Breeding refers to Thoroughbreds that leave the industry for breeding purposes

Deceased refers to Thoroughbreds that have died because of accidental or natural causes

Euthanised refers to Thoroughbreds that have been euthanised due to an injury or illness, unsafe to be rehomed or unable to be placed in a home. It includes euthanasia via veterinary surgeon and knackery/abattoir persons

Rehomed refers to Thoroughbreds who have exited the racing industry for equestrian, pleasure, working, companion horse, official PRA retirement program and breeding (non-racing) purposes

Other refers to Thoroughbreds who have been sent to a livestock sale, or where their official status is unknown or has been incorrectly categorised through the self-reporting system

- Steady improvement across the years in rehoming rate of Thoroughbreds
  - o In FY23, 72% of Thoroughbreds retiring from the industry were rehomed (up from 60.49% in FY20)

Digital and customer reach

During the reporting period, Tasracing's customer database increased by 11 per cent, improving the ability to directly reach our audience with information relating to Tasmanian racing news, events and related entertainment.

A focus on social media as a platform to reach a new and varied audience saw a strong increase in reach and engagement across Tasracing accounts. Engagement opportunities were widened, with the introduction of new corporate brand channels for Tasracing and an expansion to TikTok and Instagram reels featuring story focused content to engage a younger audience.

Tasracing's It's Why We Race Campaign, which saw "always-on" awareness activity across a variety of channels and media, was developed to dispel myths and mistruths about the racing industry and highlight the industry's economic impact on the state. In its first flight conducted in the final quarter of the reporting period, the social media campaign reached more than 2.2 million people, and 1.8 million targeted Tasmanians.

Tasracing's digital product, Formplus PRO, reached a milestone of more than 10,000 account sign-ups, representing a near 31 per cent increase compared to the previous financial year. Formplus PRO customer data is used to provide notifications about racing events and wagering products, including tips and staking strategies and black book runners, as well as prices and results, with a goal of driving wagering on Tasmanian racing and increasing race field fee revenue.

TasracingTV continues to drive customer interest in Tasmanian racing with an increase in live hosted meetings. Investments in upgraded technology to future proof the platform were undertaken, along with improvements to graphic overlays and displays for a better customer viewing experience.

Tickets sold across the Go Racing Tasmania and Summer Racing Festival websites increased by more than 87 per cent, providing improved customer data and insights for clubs and Tasracing to continue increasing attendance at Tasmanian race days.

Industry consultation

Tasracing attends quarterly meetings with the Greyhound Reference Group, Harness Industry Forum and Thoroughbred Advisory Network.

There are also regular meetings on specific matters with the Tasmanian Trainers' Association, the Tasmanian Jockeys' Association and the Harness and Greyhound Owner, Trainer and Breeders association.

I would like to take this opportunity to thank the industry representatives for their time, commitment and contribution to these important forums and discussions that assist Tasracing so greatly to formulate and implement policy.

I am also particularly pleased with the continued strengthening of Tasracing's relationship with racing clubs across the state and across all three codes. A number of new initiatives were successfully implemented during the reporting period thanks to this constructive joint approach.

Conclusion

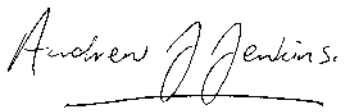
Looking back on the reporting period, I am very pleased to reflect on the way Tasracing has engaged, consulted and sought feedback from industry participants, our own staff and other external stakeholders on our strategic direction. There is no question that we are a better organisation and a better industry when working together.

We will continue to take the opportunity to consult and listen to these stakeholders to make decisions on an informed basis that, on balance, we believe are for the betterment of racing, ensuring industry sustainability for many decades to come.

I would like to particularly thank the committed and hard-working Tasracing team for a tremendous effort across the board, the management team which leads them and the Tasracing Board for its leadership and guidance.

As a company we will work to ensure that racing in Tasmania maintains its high standards of performance, infrastructure and racing surfaces, providing a solid platform for growth and sustainability.

Andrew Jenkins



Chief Executive Officer



STATEMENT OF CORPORATE INTENT

for the year ended 30 June 2023

The following table provides a summary of the Statement of Corporate Intent for the year ended 30 June 2023.

FINANCIAL

	FY2023 $ Million Actual	FY2023 $ Million Target
NPAT	0.42	0.91
Race Field Revenue	24.13	22.32
Code Funding	35.92	34.48
Capital Expenditure	5.52	23.90
Animal Welfare Funding	1.61	1.66
Workers Compensation	0.93	1.00
Capital Expenditure Segmentation		
POCT Infrastructure Program	0.41	0.85
NW Tracks Project[1]	0.54	14.50
Government Equity Contribution	1.91	2.10
Other Projects	2.86	6.45
Wagering Turnover	807.76	772.75

NON-FINANCIAL

Racing Information		FY2023 Actual	FY2023 Target
Thoroughbred	Number races	568	570
	Total Starters	5,210	5,526
	Average Starters per Race	9.2	9.7
Harness	Number races	796	720
	Total Starters	8,077	7,450
	Average Starters Per Race	10.1	10.3
Greyhound	Number races	1,562	1,600
	Total Starters	11,706	12,389
	Average Starters Per Race	7.5	7.7
Licensed Persons		1,257	1,574
Stakes Money Paid		$30.76 M	$30.30 M
Breeder Bonuses Paid		105	200

WHS	FY2023 Actual	FY2023 Target
Lost Hours (Employees)[2]	3157.0	450.0
Toolbox Meetings Held	64	48
Jockey Raceday Injury Claims	1.0	4.0
Jockey Training Injury Claims (External)	1.0	1.0
Jockey Training Injury Claims (Tasracing)	5.0	5.0

Welfare	FY2023 Actual	FY2023 Target
Greyhounds Euthanased (Non Injury/Safety)	0	0
Greyhounds Rehomed	72	150
OTT Lesson Vouchers Issued	840	1,500
Operations	**FY2023 Actual**	**FY2023 Target**
Brand Awareness Growth[3]	n/a	6%
Video Hours Consumption Growth[4]	n/a	14%
Administration Costs	7.6%	5.9%
Asset Life Percentage	46%	60%
Assets Fit for purpose or better	94%	93%
Thoroughbred Track Performance	**FY2023 Actual**	**FY2023 Target**
Summer (% of tracks presented good 3 to dead 5)	100%	85%
Winter (% of tracks presented good 3 to slow 7)	98%	85%

[1] The Development Application has progressed within Council with public advertising commencing 23 August 2023. The Development Application approval is forecast for the end of October 2023 with tender processes to commence immediately following approval. Site works are forecast to commence early December 2023.

[2] 870 hours related to claims subsequently declined while 1 long term claim was responsible for 1,703 hours.

[3] During the financial year, Google released a new version of analytics, GA4 which changed the way analytics were collected and reported. Upon reviewing the analytics for the past year, there was a large variance in one particular reach metric, Direct which means any figure provided will not represent an accurate comparison to the targeted brand awareness growth.

[4] Tasracing switched Live Stream/On Demand video providers during the reporting period. Tasracing is able to report on number of hours watched on the Live Stream, however On Demand playback is not reportable via the new provider. Tasracing has previously reported both Live Stream and On Demand, hence any figure provided will not represent the actual amount of hours viewed.

COMPANY OVERVIEW

Vision

To build a united, sustainable and growing Tasmanian racing industry that is a respected source of entertainment.

Mission

To grow the economic and cultural contribution to Tasmania from the racing industry by:

Ensuring Community Support

- Championing animal and participant welfare
- Building awareness in the community of racing's importance
- Identifying, monitoring and effectively managing risks
- Balancing the needs of all stakeholders

Meeting stakeholder requirements

- Balancing the needs of all stakeholders
- Strengthening communication and relationships throughout the industry
- Developing a passionate and high performing Tasracing team

Improving commercial outcomes

- Implementing strategies that maximise industry revenues
- Assisting participants to be more professional and viable
- Effectively and efficiently leading and administering the industry

Tasracing is a State-owned company established under the Racing (Tasracing Pty Ltd) Act 2009 with two Shareholding Ministers, the Minister for Racing and the Treasurer. The principal objectives of Tasracing are outlined in the Racing Regulation Act 2004.

Tasracing is the principal racing authority for Tasmania. It provides the strategic direction and funding to the three codes of racing in Tasmania – thoroughbred, harness and greyhound.

In accordance with its legislative obligations, Tasracing is responsible for the development of racing and breeding, the funding of clubs, and providing stakes, negotiating media rights, and managing racing and training venues. The Office of Racing Integrity (ORI) is responsible for maintaining the probity and integrity of each racing code.

An updated independent economic impact report found that in the 2021/22 financial year Tasmanian racing industry was responsible for generating close to $208 million in value-added contribution to the Tasmanian economy – 40 per cent of which directly benefited regional economies, with more than 6,400 individuals either employed, direct participants or volunteers.

The industry generated almost $190 million in direct expenditure in the Tasmanian economy, with 48 per cent of this in regional communities.

More than 63 per cent of racing participants are in regional communities. One of Tasracing's key strategic principles is to increase the racing industry's contribution to the Tasmanian economy.

In part funded by the Tasmanian Government under the terms of a 20-year Funding Deed established in 2009, Tasracing must focus on commercial revenue in order to maintain financial sustainability. Prior to the Funding Deed the industry was self-funded through the operations of TOTE Tasmania. Only through financial sustainability can Tasracing deliver the growth in returns to racing participants essential for overall industry sustainability. The support for the industry via the Funding Deed – which is supplemented by increasing commercial revenue from Tasracing – provides racing industry participants with the confidence to continue investing in the industry.

Tasracing's commercial revenue is primarily derived from off-course wagering customers. Revenue is earned through Race Field Fees applied to wagering service providers offering wagering on Tasmanian races to their customers. Since Tasracing was established in 2009, the racing and wagering landscape has continued to change rapidly. Privatisation of wagering providers, changing consumer preferences, rapid technological change and intensification of competition from sports betting and other forms of entertainment characterise Tasracing's commercial environment.

A vast majority of Tasracing's wagering revenue is generated from interstate and overseas markets.

A Point of Consumption Tax was introduced in Tasmania on 1 January 2020. The tax was set at a rate of 15 per cent of the net wagering revenue of wagering companies on Tasmanian racing. This rate is consistent with most other jurisdictions. The decision by the State Government to allocate 80 per cent of the project net returns to racing provides a strong sustainable base going forward.

Additional revenue is generated from sponsorship and media rights.

Integrity is a critical contributor to wagering customer confidence. The racing integrity function in Tasmania is managed externally to Tasracing by the Office of Racing Integrity (ORI). Tasracing works with the ORI by consulting and setting the Rules of Racing for all codes, provision of stewards' facilities and provision of race day footage.


BEAUTY
LAB & LASER
YOUNG RACING TASMANIA

OUR OPERATING ENVIRONMENT

Tasracing, as a tri-code racing authority, must manage competing interests between codes, venues and participants. To achieve our strategic objectives, Tasracing needs to consult, collaborate and focus on fostering a commercial mindset, while respecting the passion and personal pursuits of participants.

Racing is elite-level competitive sport. Safety remains our core priority and we will continue to focus and invest in systems, processes and initiatives which help to mitigate risk for participants and stakeholders.

Enhancing animal welfare remains a core priority for Tasracing and the sport must also ensure it meets or exceeds expectations in order to maintain its social licence to operate.

Tasracing is faced with a complex operating environment, but one that has an exciting future. We respect our racing traditions but maintain our commercial focus and continue to invest in innovation and the reform to secure this future.

Nationally and locally we face many challenges. However there are many exciting opportunities that are now afforded by our sustainable position and an increasingly connected digital world. Invest, innovate and differentiate are the three pillars of focus that drive our strategic principles, goals and initiatives.





BOARD OF DIRECTORS

Our Board comprises seven non-executive directors: a chairperson, three directors who each have experience and expertise in one of the three codes of racing, and three directors with the experience and expertise necessary to enable the Company to achieve its objectives. Directors are appointed for a term of three years and may be reappointed at the expiry of that term subject to their contribution having been satisfactory and their skills continuing to be relevant to the Board.

At the Annual General Meeting on 15 December 2022, Ms Suzie Jacobson and Mr Stephen Old were appointed to the Board for a term of three years. Mr Michael Gordon and Mr David Garnier were re-appointed for a term of three years. Mrs Helen Galloway and Mrs Robyn Whishaw retired from the Board after each serving six years.

The Board wishes to thank Mrs Galloway and Mrs Whishaw for their significant contributions and value services to the Board.

The Board has six standing committees – Revenue, Audit and Risk, Asset and Safety, Racing Rules and Policy, Board Nominations and HR and Remuneration. A Director Selection Advisory Panel is convened as and when required to select a director with an independent panel member.

OUR BOARD OF DIRECTORS



Gene Phair (Chairperson)

Appointed: 22 November 2018

Current term: 25 May 2023 to May 2026

Member: Board Nominations (Chair), HR & Remuneration Committees and DSAP (Chair)

Mr Phair joined the Tasracing Board as Chairman on 22 November 2018.

Mr Phair is a Fellow of the Chartered Accountants Australia and New Zealand and a member of the Australian Institute of Company Directors.

He was a long-standing Board Member of the National Heart Foundation of Australia (Tasmanian Division) Chairman and Board Member of The Hutchins School.



Martin Wallace (Deputy Chairperson)

Appointed: 18 November 2020

Current term: 18 November 2020 to November 2023

Member: Audit and Risk Committee (Chair), Revenue Committee (Chair) and Asset and Safety Committee

Mr Wallace brings more than 30 years of experience in public administration, business and financial management, and has extensive regulatory policy experience. He also brings senior executive experience in the energy and telecommunications sectors.

Mr Wallace is a former Secretary of the Department of Treasury and Finance in Tasmania and is a long-term participant in the racing industry in Tasmania, both as an owner of horses and as a hobby breeder.



Neil Grose

Appointed: 25 November 2021

Current term: 25 November 2021 – November 2024

Member: Assets and Safety and Racing, Rules and Policy Committees

Mr Grose has a diverse business experience across tourism, journalism, publishing, education, local government and regional economic development and is currently the Bell Bay Hydrogen Cluster Manager responsible for the regional economic development of local Tasmanian businesses as a key part of the emerging global green hydrogen industry.

He is a member of the Boards of Harness Racing Australia and Rise Racing Australia representing Tasracing.

Mr Grose holds two degrees in fine art and education and is a member of the AICD.



Michael Gordon

Appointed: 21 September 2016

Current term: 15 December 2022 to November 2025

Member: Racing Rules and Policy Committee, HR and Remuneration Committee (Chair), Board Nominations Committee and DSAP

A Director of PDF Management Services, a management consulting firm based in Hobart, he has a broad and diverse career, across the training, employment and youth sectors, 14 years with fire services in Tasmania and South Australia and as a small business owner and operator.

Mr Gordon has bred, owned and raced greyhounds. He also has a long-standing association with the Harness and Thoroughbred codes, both as a participant and committee member.

Mr Gordon is a member of the Board of Greyhound Australasia representing Tasracing.

He holds a Bachelor of Business from the University of South Australia.



David Garnier

Appointed: 26 November 2019

Current term: 15 December 2022 to November 2025

Member: Audit and Risk Committee, Revenue Committee and Asset and Safety Committee (Chair)

Mr Garnier is an experienced business executive and board representative, with experience spanning over 30 years across technology, banking, telecommunications, gaming and wagering, agriculture and media sectors. These roles include board and senior operational roles in Australasia, Hong Kong and China. In addition to executive and leadership roles in listed companies, he has been responsible for organisational change, capital raisings, M&A operations and business strategy.

Since returning to Australia in 2015 Mr Garnier has focussed predominantly on strategic consulting in digital markets and managing capital raisings for strategic clients. Current business relationships include being Alibaba's Alipay Marketing Partner in Australia and New Zealand via the platform www.chinainabox.org which his company, New Wave, established in 2017.



Suzie Jacobson

Appointed: 15 December 2022

Current term: 15 December 2022 to November 2025

Member: Racing Rules and Policy Committee, HR and Remuneration Committee and Board Nominations Committee

Ms Jacobson is a communications professional with more than 30 years of experience in media management, marketing and strategic planning.

A former journalist, she has a comprehensive understanding of Government processes and good networks among all tiers of Government, media and private industry in Tasmania.

Ms Jacobson has a strong understanding of corporate governance, with over 10 years of experience on not-for-profit boards and extensive involvement in and chairing high-level committees and meetings.

Ms Jacobson has a long-standing interest in thoroughbred racing in Tasmania, is a racehorse owner and was a committee member at the Tasmanian Racing Club (TRC).



Steve Old

Appointed: Appointed: 15 December 2022

Current term: 15 December 2022 to November 2025

Member: Revenue Committee, HR and Remuneration Committee and Audit and Risk Committee

Mr Old is currently the Chief Executive Officer of the Tasmanian Hospitality Association and has been for over 15 years, representing the interests of hotels, pubs, accommodation venues, cafes, and restaurants as well as sporting, RSL and community clubs.

He is a highly experienced non-executive director. His current board positions include the Tasmania JackJumpers in the National Basketball League (NBL) and Visitor Experience Training (VXT).

Mr Old formerly worked as a Chief of Staff and racing adviser from 2000 – 2007 and has held numerous Chair and board roles within sporting organisations in Tasmania.

He is a current member of the Carbine Club of Tasmania and a member of the AICD.



Helen Galloway (Preceding Director)

Appointed: 20 July 2016 - Retired 15 December 2022

Member: Audit and Risk (Chair), HR and Remuneration (Chair) and Board Nominations Committees

Mrs Galloway was appointed as the Deputy Chairperson of the Board in December 2019. An experienced executive in the commercial gaming industries, Mrs Galloway was formerly a vice president of casino development and strategic analysis with Marina Bay Sands in Singapore and Sand China Limited in Macao. Mrs Galloway is a Fellow of CPA Australia (FCPA) and a graduate of the Australian Institute of Company Directors. Mrs Galloway is also on the Board of TT-Line Company Pty Ltd, Sorell Council Audit Panel, Bank of Us and Hydro Tasmania.



Robyn Whishaw (Preceding Director)

Appointed: 21 December 2016 - Retired 15 December 2022

Member: Racing Rules and Policy (Chair) Committee

An owner and operator of the highly successful Armidale Stud in Carrick in northern Tasmania, Mrs Whishaw is a member of the Tasmanian Racing Hall of Fame and a former chairperson of the Thoroughbred Advisory Network. Mrs Whishaw represented Tasracing on the Board of Racing Australia.

Mrs Whishaw holds a Bachelor of Education from the University of Tasmania.

Directors' meeting attendance 2022/23

	Board		Audit & Risk		Assets & Safety		RR & Policy		HR & Rem		Board Noms		Revenue	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Gene Phair	14	14							3	3	2	2		
Martin Wallace	14	14	5	5	3	3							2	2
Neil Grose	14	13			3	3	5	5						
Michael Gordon	14	14					5	5	3	3	2	2		
David Garnier	14	14	5	5	3	3							2	2
Suzie Jacobson	6	6					2	2			2	2		
Steve Old	6	6	3	3									2	2
Helen Galloway	8	7	2	2					3	2				
Robyn Whishaw	8	7					3	2						

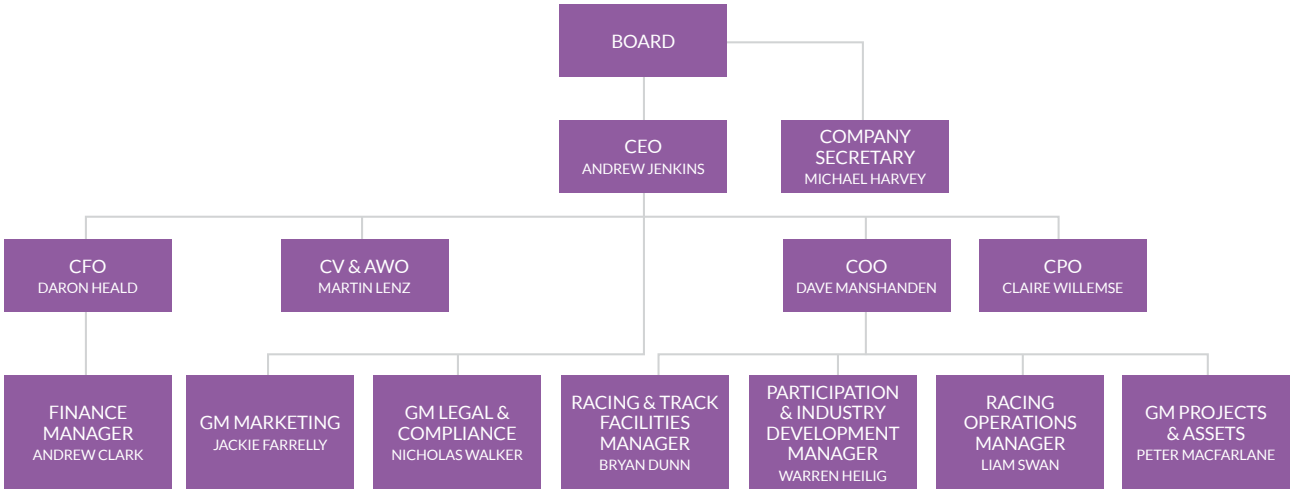
A Eligible
B Attended

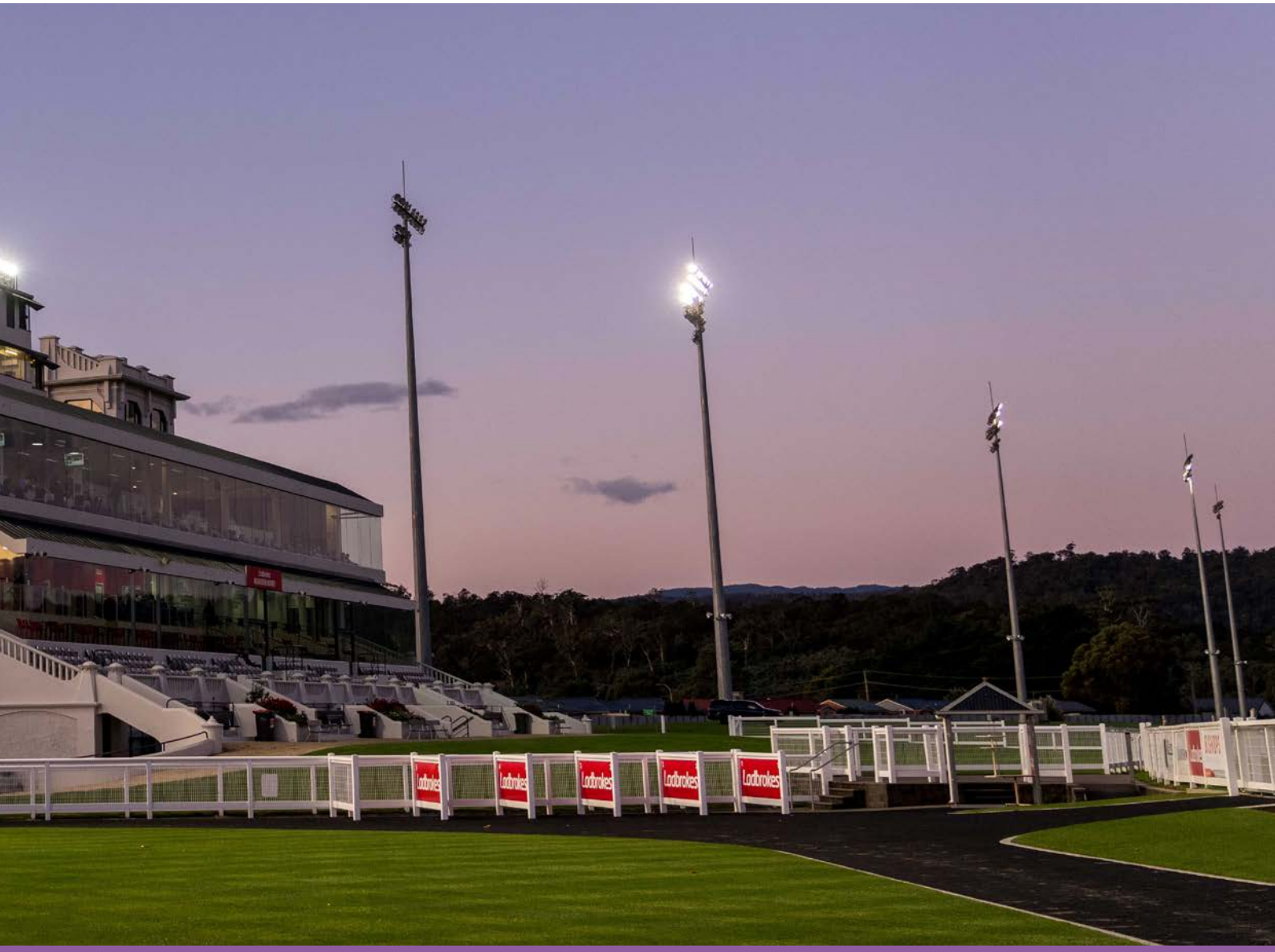
The Company Secretary is responsible for delivering corporate governance advice to the Board, Chief Executive Officer and management.



Our organisational structure

Our structure has been designed around the following service pillars: Racing Operations, Projects & Facilities, Animal Welfare, Marketing, Finance, Legal & Compliance and People & Culture. Our culture is inclusive and performance driven, with a focus on accountability, empowerment, risk minimisation and optimised service delivery for the racing industry.





Racing Operations	Our Racing Operations Team is responsible for programming, racing, management of stakes allocation, rules and policies, industry education and training of jockeys and drivers along with general management for all three codes of racing within Tasmania. The team is also responsible for the management and oversight of all industry workshops and awards along with breeding schemes and sales (Magic Millions) and liaison with major media broadcasters including Sky Channel.
Welfare	Our Welfare Team sets the strategic direction for the welfare of racing animals across the three codes of racing in Tasmania. It is responsible for enhancing animal welfare and achieving legislative and best practice animal welfare objectives. The Welfare Team develops and implements Tasmanian animal welfare programs and initiatives, oversees the Greyhound Adoption Program (GAP) and Off The Track (OTT).
Project & Facilities	Our Projects and Facilities Team works closely with the Racing Operations Team to facilitate all race meetings of the three codes of racing across the state. It is primarily responsible for the day-to-day operational oversight and maintenance/preparation of the tracks, staffing requirements for the thoroughbred meetings and key harness raceday employees, workplace safety and health and Tasracing training venue operations. The Team is also responsible for identified planned strategic and reactive risk mitigation. Deliverables include assisting race clubs to engage with new and existing industry participants and patrons through improved venue experiences by undertaking capital infrastructure projects and operational maintenance services.
Marketing	Our Marketing Team is responsible for presenting our racing product in order to drive wagering revenue growth. To achieve this, the team undertakes a range of strategic partnerships, promotion and digital product development. The Team also provides marketing and event assistance to racing clubs to help them attract and retain on-course customers. Marketing also develops and implements communication programs designed to grow public understanding of the racing industry and its value to the economy and the community.
Finance	The Finance Team delivers a range of financial and administrative functions to support Tasracing's core operational areas of racing operations, animal welfare and infrastructure maintenance. The team strives to provide accurate and timely financial services, including transaction processing, measurement and reporting of financial information, monitoring adherence to internal controls, plus compliance with legislative requirements. Key responsibilities of the team include payment of stakes, payroll, budgeting and forecasting, internal and external reporting, risk management and business analysis.
Legal & Compliance	Our Legal Team is responsible for the management of Tasracing's legal and governance functions, including the provision of legal advice and services to all parts of the business, compliance management and regulatory affairs.
People & Culture	People & Culture is responsible for the strategic framework of all employee life-cycle activities, including the management and support of recruitment, onboarding, performance management, ER/IR navigation, training & development, remuneration and benefits, workers compensation and offboarding.

OUR MANAGEMENT TEAM

Tasracing Executive



Left to Right: Daron Heald (CFO), Dr Martin Lenz (CV&AWO), Andrew Jenkins (CEO), Dave Manshanden (COO), Claire Willemse (CPO)

Tasracing Management Team



Left to Right: Bryan Dunn (Racing & Tracks Facilities Manager), Peter McFarlane (GM Projects & Assets), Jackie Farrelly (GM Marketing), Liam Swan (Racing Operations Manager), Andrew Clark (Finance Manager), Nick Walker (GM Legal & Compliance), Andrew Jenkins (CEO), Warren Heilig (Participation & Industry Development Manager)

OUR VALUES

I R A C E

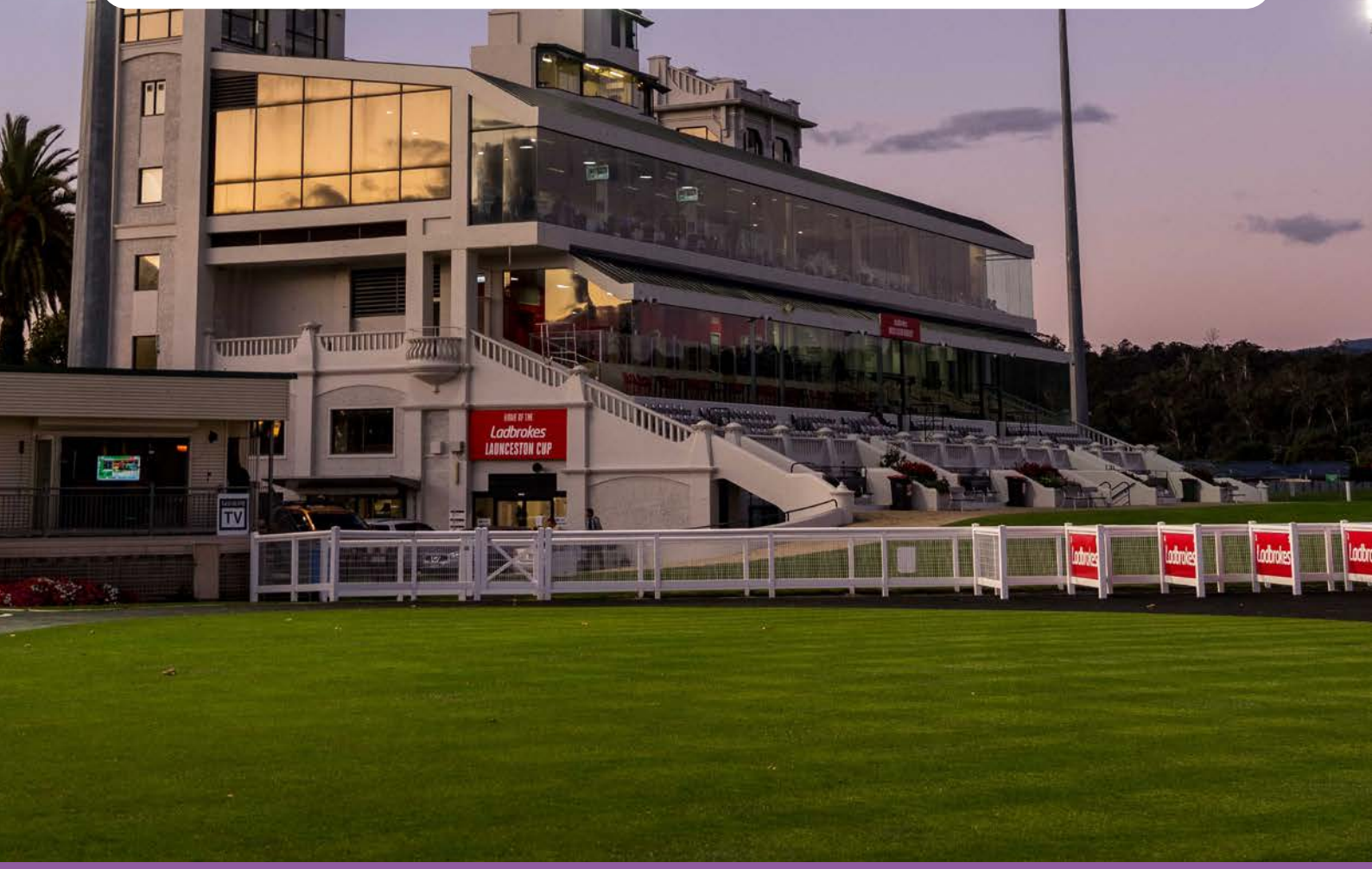
INTEGRITY
- Trustworthy
- Ethical
- Honest
- Accountable
- Transparent

RESPECTFUL
- Open to all ideas and views from staff and stakeholders
- Listen with empathy
- Empower staff

ADAPTABILITY
- Embrace change
- Innovate
- Capitalise on opportunities

COLLABORATION
- Acknowledge and value the contribution and efforts of all
- Ensure co-operation between our teams and stakeholders
- Effectively communicate

EXCELLENCE
- Dedication to quality work
- Results orientated
- Continuous improvement
- Long term sustainability and growth focus



CORPORATE PLAN

In line with our Shareholding Ministers' expectations, Tasracing undertakes annual updates to a rolling five-year Corporate Plan. The Corporate Plan is presented annually to the Shareholding Ministers for approval. Tasracing's current Corporate Plan has a strong focus on customers, commercial partners, industry participants, staff, infrastructure and welfare.

The Tasmanian racing industry lacks assurance of long-term funding and social licence.

Tasracing is focused on the development of a united, sustainable and growing Tasmanian racing industry that is a respected source of entertainment.

The commercial strategies it will implement to achieve this are:

1. Grow and better communicate racing's economic contribution.
2. Lead with animal welfare.
3. Develop a more professional and viable racing industry.
4. Effectively manage risk.
5. Community recognition of racing's importance.
6. Build commercial sustainability.

OUR STRATEGIC PRINCIPLES

Tasracing's primary purpose is to develop a competitive and sustainable racing industry in Tasmania.

We are committed to:

- operating in accordance with sound commercial practice and within current funding commitments as provided for in the Funding Deed
- supporting and promoting the racing industry in Tasmania
- developing strategies and initiatives to address cost efficiencies
- ensuring the safety of the public, racing participants and employees by implementing and complying with best practice operating procedure
- maintaining the safety and efficiency of our facilities by developing appropriate maintenance and capital improvement programs.

Our strategic principles represent key themes within our corporate plan. They align with our Shareholders' Statement of Expectations.




Maximise economic contribution
Maintain tri-code presence in three regions (North-West, North and South)
Responsibly manage risk including safety
Maximise commercial performance
Safeguard animal welfare
Valued by the community for what we do and what we stand for



THOROUGHBRED CODE REPORT

Tasmanian Thoroughbred code funding increased by 12.7 per cent ($2,106,506) to $18.65 million in 2022/23. The increase was used to increase stakes across the board for all races, as well as to increase stakes for some feature races.

Wagering turnover on Tasmanian thoroughbred racing totaled $361.0 million during the year, compared to $369.5 million in 2021/22.

Jockey Brendon McCoull won the Tasmanian Racing Club Tasmanian Leading Jockey Award for the 15th time with 54 wins, while Chelsea Baker won the Skillinvest Leading Apprentice award with 34 wins. She was also named the Tasmanian Jockeys Association Dux of Apprentice School while Chloe Wells won the inaugural Carbine Club Raquel Clark Encouragement Award.

David Evans, who has worked as the starter for more than 30 years, was presented with the Tasracing Industry Appreciation Award.

For the 14th season in succession, Scott Brunton won the Australian Trainers Association Tasmanian Leading Trainer award with 65 winners.

The Scott Brunton-trained gelding The Inevitable – which won the Goodwood Handicap, Listed Newmarket Handicap, Listed Conquering Stakes, Listed Tasmanian Stakes, Listed Thomas Lyons Stakes, and Listed Hellova Street Stakes before running third in the $5 million All-Star Mile at Moonee Valley – was named the Ladbrokes Tasmanian Horse of the Year.

Bello Beau from the Adam Trinder stable was named the Devonport Racing Club Tasmanian 3YO of the Year after wins in the 3YO Cup and 3YO Trophy.

Needs Sugar, trained by Stuart Gandy, won the Tasmanian Turf Club Tasmanian 2YO of the Year award after her win in the Listed Elwick Stakes and second placings in the Listed Gold Sovereign Stakes, Alfa Bowl and Alexandra Plate during the Ladbrokes Summer Racing Festival.

Sirene Stryker from the Mark Ganderton stable was named the Armidale Stud Leading Tasmanian Filly or Racemare for the season.

Alpine Eagle, which stands at Armidale Stud, was named the Magic Millions Leading Tasmanian-based Juvenile Sire and the Tasbreeders Leading Tasmanian-based Sire.

The Grenville Stud Tasmanian Broodmare of the Year was Tiare, who stands at Grenville Stud and is the dam of Group 1 winner Think About It.

Five-year-old Swoop Dog, trained by John Blacker and ridden by Sigrid Carr, won the Devonport Cup. This gave Blacker his fourth win in the race, while it was the second time Carr has ridden the winner of the race.



Military Mission, from the Gai Waterhouse and Adrian Bott stable, won the Hobart Cup from Travelling Gigolo which was trained locally by Scott Brunton. New South Wales based jockey Winona Costin was the successful rider.

Aurora's Symphony, from the Symon Wilde stable at Warrnambool, became the first horse since St. Andrews in 2002 and 2003 to make it back-to-back Launceston Cups wins. Hobart Cup winner Military Mission could only manage ninth, meaning the lucrative $100,000 Ladbrokes Double Cup Bonus was not collected this season.

The 2023 Tasmanian Magic Millions Yearling Sale was again a success with a gross of $3.97 million and a clearance rate of 86 per cent. From a catalogue of 140 lots, 129 lots were offered for sale, with 111 lots sold at an average of $35,761, a decrease of seven per cent on the 2022 sale results. A filly by Stratosphere out of the mare Ehor offered by Grenville Stud topped the sale, purchased by Star Thoroughbreds/Randwick Bloodstock Agency (FBAA) from New South Wales for $105,000.

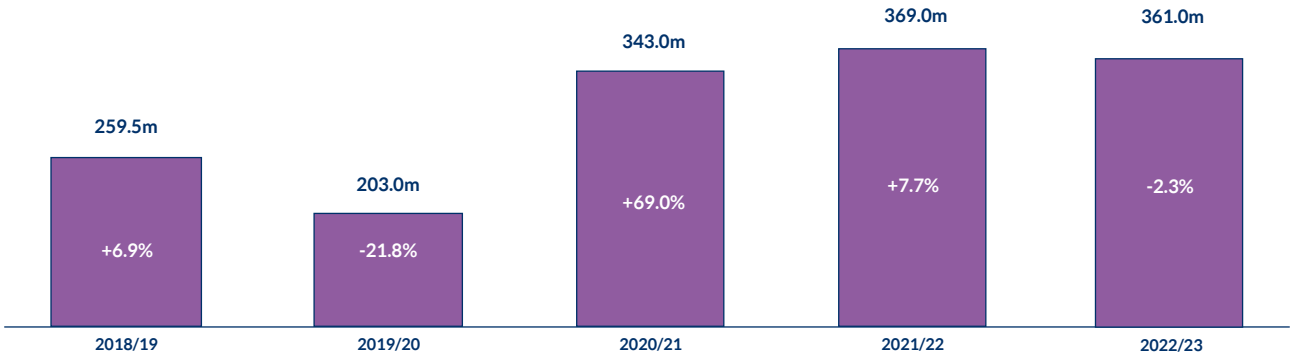
Night racing at Launceston continued to be successful with race meetings generating high returns. There were three Friday night meetings in Launceston in 2022/23. The meeting held on 21 October to coincide with Manikato Stakes night at Moonee Valley produced a turnover figure of $10.4 million and was only bettered for the year by the turnover figure on Launceston Cup Day.

The majority of night meetings were held on Wednesday nights. Average turnover generated per meeting was $6.8 million per meeting, a decrease of 5.6 per cent from 2021/22.

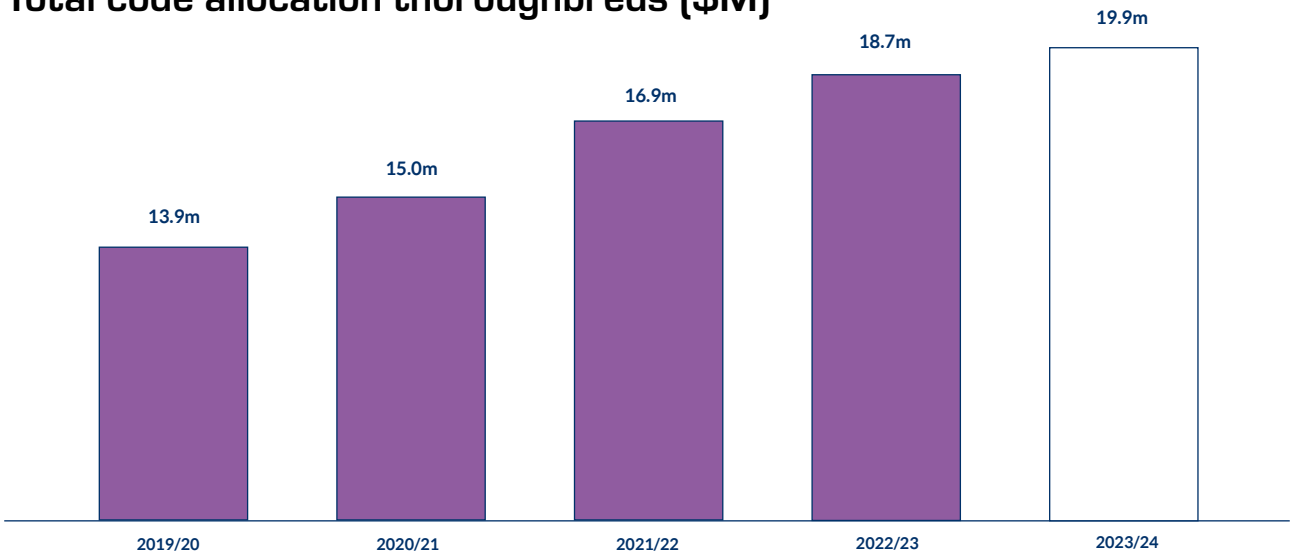
Tasracing acknowledges the efforts of the members of the Thoroughbred Advisory Network (TAN) who meet with Tasracing on a quarterly basis. Tasracing looks forward to continuing to work with TAN members to further strengthen and improve thoroughbred racing in Tasmania.

Tasracing continued to deliver race day function operations at the Devonport Racing Club, the Tasmanian Turf Club and the Tasmanian Racing Club. This delivers efficiencies across all venues and allows for a coordinated, centralised system that complements Tasracing's ongoing statewide responsibilities for tracks and assets.

Thoroughbred wagering turnover ($M)



Total code allocation thoroughbreds ($M)



Key racing statistics thoroughbreds

	18/19	19/20	20/21	21/22	22/23
Meetings	72	58	71	65	70
Races Held	553	454	574	534	568
Overall Starters	4,976	3,996	5,108	4875	5210
Average Starters/Race	9.0	8.8	8.9	9.1	9.2
Thoroughbred Stakes ($)*	11,699,492	9,970,041	12,954,490	14,276,370	16,425,596
COVID-19 Welfare Payments ($)	-	2,037,698	-	-	-
Thoroughbred Code Funding ($)*	13,406,140	13,930,814	15,031,557	16,918,850	18,653,557

* Representing amounts expensed during the financial year. Unspent Code Funding Allocation is carried forward to future years which may include stakes.



Thoroughbred Award Winners

Ladbrokes Tasmanian Horse of the Year	The Inevitable
ROAT Owner Recognition Award	Barry Diprose
TJA DUX of Apprentice School	Chelsea Baker
TAN Recognition Award	Robyn Whishaw
Tasracing Industry Appreciation Award	David Evans
Carbine Club Raquel Clark Encouragement Award	Chloe Wells
Magic Millions Leading Tasmanian-based Juvenile Sire	Alpine Eagle
Tasbreeders Leading Tasmanian-based Sire	Alpine Eagle
Grenville Stud Tasmanian Broodmare of the Year	Tiare
Armidale Stud Leading Tasmanian Filly or Racemare	Sirene Stryker
ATA Leading Tasmanian Trainer	Scott Brunton
TRC Leading Tasmanian Jockey	Brendon McCoull
Skillinvest Leading Tasmanian Apprentice	Chelsea Baker
TTC Tasmanian 2YO of the Year	Needs Sugar
DRC Tasmanian 3YO of the Year	Bello Beau



HARNESS CODE REPORT

Harness racing in Tasmania received two funding increases in 2022/23. After industry consultation, the initial increase was allocated to Code Bonuses, Drivers' Fees, some Feature Events and the programming of an additional race at the secondary meeting. The additional funding saw increases across some of the smaller Feature Events as well as the Tasmanian Cup to maintain its Group 1 status, stake increases across base races at the premier meeting, maidens and 2 & 3YO races, as well as the introduction of a new Trainer Encouragement series. Tasmanian harness racing stakes remains competitive when comparing country prize money levels.

There were 28 feature races held in Tasmania during FY23 with stake money of $20,000 or more. Prize money across these races totaling $1,087,000.

Interstate trainer Emma Stewart again made herself known at many of our Feature nights. Winning the $60k Raider Stakes final with locally bred 4YO gelding Longfellow, The $20k Golden Slipper with 2YO Rock Artist, the $20k Golden Girls with 4YO Mare So Art I NZ, the $40k Hobart Pacing Cup with Hes Ideal, the $30k George Johnson with Major Grace NZ, the $20k Keith Stanley Debutante with Renewal and the $150k Tasmania Cup with Wheres the Gold NZ. Another Victorian trainer Allan McDonough won the Golden Apple with his 4YO horse Blitzern. Local trainer Kent Rattray won both the $40k Devonport Cup (Sunny Sanz) and the $75k Easter Cup (Colby Sanz).

The Tasbred Sire Stakes was moved to the latter part of the year. Improvements were seen across both wagering and field sizes with heats held over multiple weekends for both the 3 and 4YO series. Winners of the $60,000 Finals were – 2YO Fillies Iylac Pakaria (Bianca Heenan), 2YO Colts & Geldings Tiredtotellya (Matthew Howlett), 3YO Fillies Iden Boutique (Christian Salter), 3YO Colts & Geldings Mickey Oh (Matthew Howlett), 4YO Mare Looby Lombo (Todd Rattray), 4YO Gelding Longfellow (Emma Stewart).

The National Ratings Handicapping System introduced on 1 July 2019 has continued to deliver positives within the code across Australia. Increased wagering, field sizes and more competitive racing are the specific outcomes. A Ratings Review Team with representatives from each state meets on a regular basis to discuss feedback from the industry. With the assistance of the Programming sub-committee and Programming guidelines, Tasracing continues to deliver a variety of race programs to provide the Tasmanian industry an opportunity to achieve the best start for their horse/s.

King Island Racing was again scheduled to be held over the December/January period with seven combined Harness / Thoroughbred meetings. Standardbred numbers on the island had declined from previous years but was still sufficient to run 2 races per meeting. Local trainer Paul Williams dominating the season taking out 10 of the 14 programmed races, with Tisu Storm winning six, Rocknroll Nitro three and Alkatraz one.



Tasmania participated in both the Australian Drivers' Championship, SA (Sept 2022) and the Female Drivers' Championship, Qld (April 2023). Conor Crook and Rohan Hillier were the representatives for the ADC, however due to flight cancellations Rohan lost the opportunity to drive in SA. Conor represented Tasmania well finishing 10th place on 38 points. Tiarna Ford and Hannah Vandongen were the AFDC representatives. Competing in six heats over one night at Albion Park, Hannah finished 12th on 17 points with Tiarna taking away 3rd place on 38 points.

The Team Teal promotion was held for a six-week period from 1 February to mid-March concluding in Tasmania with the Tasmania Cup meeting in Hobart. Leading female driver Bronte Miller was the Team Teal ambassador with Faith Colgrave the Mini Trot ambassador. Unfortunately, Bronte was unable to drive during this period handing over the reins to fellow reinswomen Tiarna Ford. Donning teal pants for the promotional period, $200 for each female winning drive was donated. Due to the declining number of female drivers in the state Tasracing agreed to also donate $200 per female Tasmanian trainer win. Tasmania tallied a total of 11 wins, Tabcorp matching dollar for dollar for each female winning drive, and 12 female trainer wins. A total of $193,280 was raised Nationally (including New Zealand).

Continued in 2023 was the Pacing for Pink campaign which raises funds for the McGrath Foundation. Held over the month of May sponsored drivers wear pink pants with all sponsorship funds donated. This year Harness Starter Adam Emery also got on board the promotion sourcing two sponsors that advertised on a pink jacket for this period. In addition to this a function was scheduled at Launceston but was cancelled due to insufficient ticket sales. The Tasracing Code-Lead designed beanies to be sold for additional fundraising which were a hit in many states. A total of $126,000 was raised across the participating jurisdictions.

Improvements to the Tasbred bonus scheme continues with increased funding each year being contributed to breeding in Tasmania. With all horses regardless of age receiving the $10k bonus ($6k owner / $2k breeder / $2k breeder coupon) on their maiden win, 43 bonuses were paid out totaling $332,000. Additional to this $73,588 was paid out in breeders' coupons and 116 foal born payments totaling $232,000.

Payment of foal notifications saved industry participants more than $25,000.

The Harness Industry Forum (HIF) continued to meet quarterly in 2022/23. Tasracing appreciates the time and effort all HIF participants commit to this process that facilitates direct interaction and consultation between Tasracing and the Industry.

Though it was introduced on 1 July 2023, it is important to reference the Equity in Participation Policy (EIPP) for the harness code.

Under the policy, horses trained by a single trainer (or under the effective control of a single trainer) cannot make up more than 50 per cent of starters in any race field.

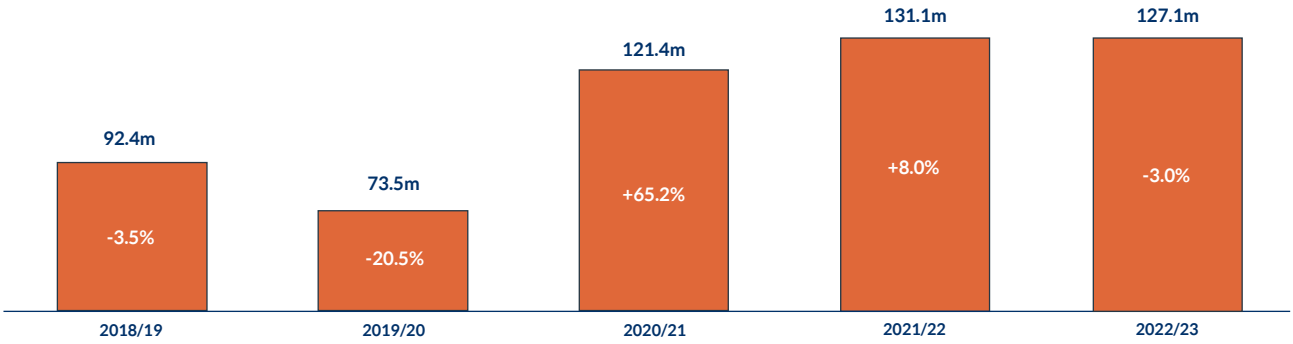
The policy, which has been an agenda item at Harness Industry Forum meetings throughout the reporting period, recognises the importance of providing all harness trainers (particularly small or "hobby" trainers) with the opportunity to access races.

It is intended that the policy will provide smaller trainers with the opportunity to consistently gain access to ratings-based handicap races.

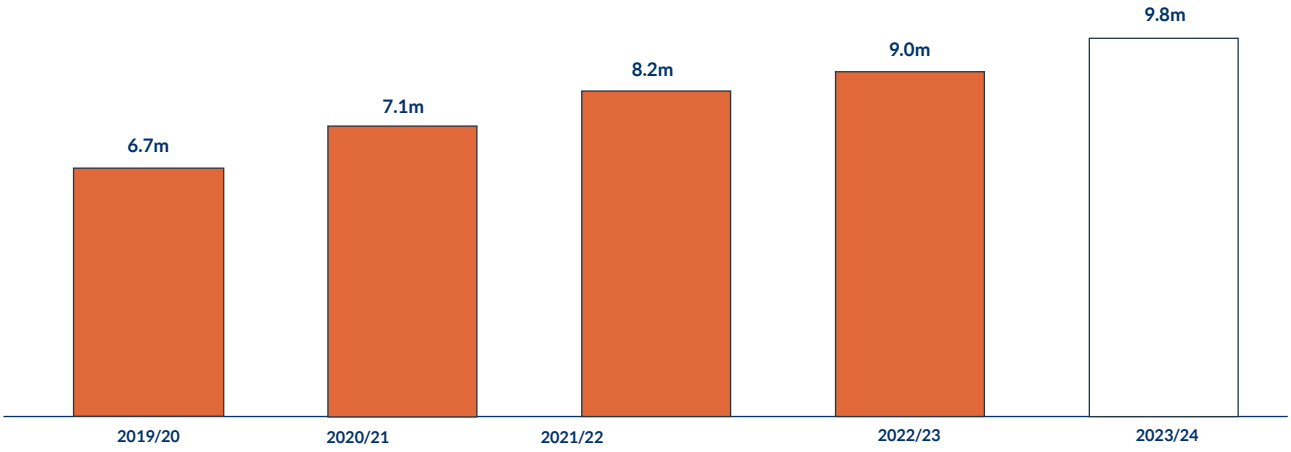
The policy will not apply to the following circumstances:

- Feature races as defined in the Tasmanian Harness Feature Race Calendar.
- Races that are finals from heats.
- Races in which acceptances for that race will not see the maximum field size for the race achieved, in which case any remaining race field places can be filled by horses which would otherwise have been prevented from racing because of the policy's restrictions.

Harness Wagering turnover ($M)



Total code allocation Harness ($M)



Key racing statistics Harness

	18/19	19/20	20/21	21/22	22/23
Meetings	90	68	85	85	88
Races Held	721	550	724	737	796
Overall Starters	7,050	5,520	7,249	7722	8077
Average Starters/Race	9.8	10.0	10.0	10.5	10.1
Harness Stakes ($)*	5,689,119	4,381,981	6,131,689	6,903,737	7,801,003
COVID-19 Welfare Payments ($)	-	1,465,765	-	-	-
Harness Code Funding ($)*	6,492,477	6,700,609	7,096,794	8,185,799	8,961,248

* Representing amounts expensed during the financial year. Unspent Code Funding Allocation is carried forward to future years which may include stakes.



The following Tasmanian 2022 Harness Racing Awards recipients were celebrated at the Tailrace Centre, Riverside.

Harness Award Winners

Leading Trainer	Ben Yole
Leading Driver	Mitch Ford
Leading Junior Driver	Mitch Ford
Leading Female Trainer	Bianca Heenan
Leading Female Driver	Bronte Miller
Tasracing Mini Trot Award	Tamsyn Davis
2YO Colt or Gelding of the Year	Triedtotellya
2YO Filly of the Year	Iylac Pakaria
3YO Colt or Gelding of the Year	Mickey Oh
3YO Filly of the Year	Iden Boutique
4YO & Older Horse of the Year	Longfellow
4YO & Older Mare of the Year	Iden Miss Lucy
Broodmare of the Year	Soho Summer
Horse of the Year	Longfellow
Beautide Award	Ryley Major
Industry Award	Barrie Rattray
Young Achiever Award	Jacob Duggan
Halwes Award	Matthew Howlett
Edgar Tatlow	Brian Mackrill



GREYHOUND CODE REPORT

Greyhound racing benefited from two funding increases in 2022/23 – the first in October and the second in December. After consultation with industry, the October increase was allocated to the heats for Tasmania's three Group races - the Hobart Thousand, The Ladbrokes Chase and the Launceston Cup (the Group 1 Hobart Thousand prize money for first place increased to $100,000) and an increase in general stakes for sprint and distance racing was introduced.

The December increase was used to set new stake levels for both the Hobart Thousand and the Launceston Cup to ensure they retained their Group 1 and Group 2 status respectively. The Maiden Thousand, Reg & Aileen Ivory and the Rising Stars were also increased, general stakes for all races were also increased and a new Tasbred series of races was created.

Tasracing continued to consult with industry through the Greyhound Reference Group (GRG) comprising delegates from each club and the Greyhound Owners, Trainers and Breeders Association of Tasmania. The GRG held four formal meetings during the year.

The Programming Sub-Committee, which provided recommendations on programming and feature events, met on four occasions during the year. In March, a 2023/24 Racing Calendar and feature events meeting was held with members from Tasracing, the Office of Racing Integrity and club representatives.

Tasmania's Hobart Thousand was won by Victorian Fernando Mick for trainer David Geall while the Launceston Cup was won by locally trained Wynburn Ruby for Ben Englund. The Group 3 Devonport Ladbrokes Chase race was taken out by the locally trained Rojo Diamond for Robin Grubb.

Tasracing and Ladbrokes introduced the Ladbrokes Triple Treat Connections Bonus – a $100,000 bonus for the owner / trainer of any greyhound that can win the finals of The Chase, the Ladbrokes Hobart Thousand and the Ladbrokes



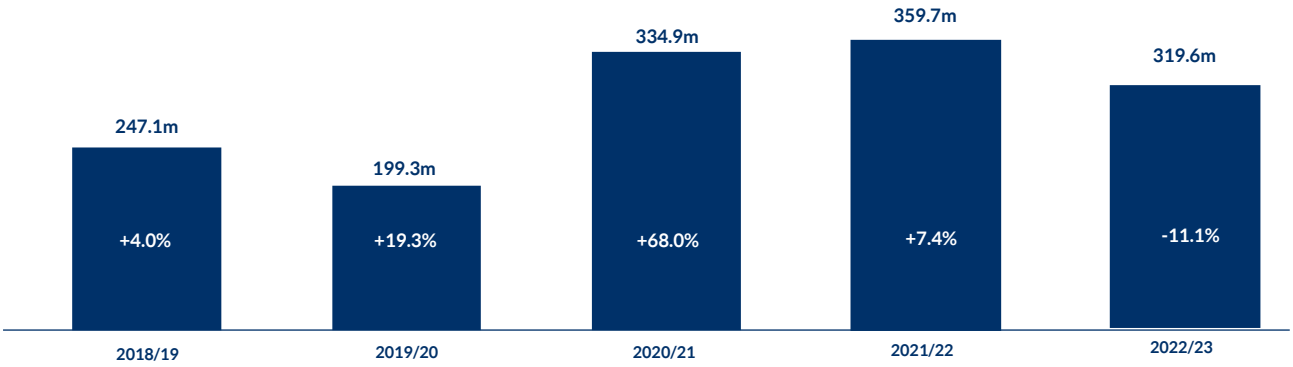
Launceston Cup in the one season. If one greyhound cannot win all three races, a $25,000 bonus will be paid to the owner / trainer of the greyhound to win two of the eligible races. For the record, Rojo Diamond contested all three finals, winning Ladbrokes Chase, running third in the Hobart Thousand and fourth in the Launceston Cup.

Tasracing, in conjunction with the Launceston Greyhound Racing Club, hosted the annual awards dinner in late January 2023 to announce the following awards.

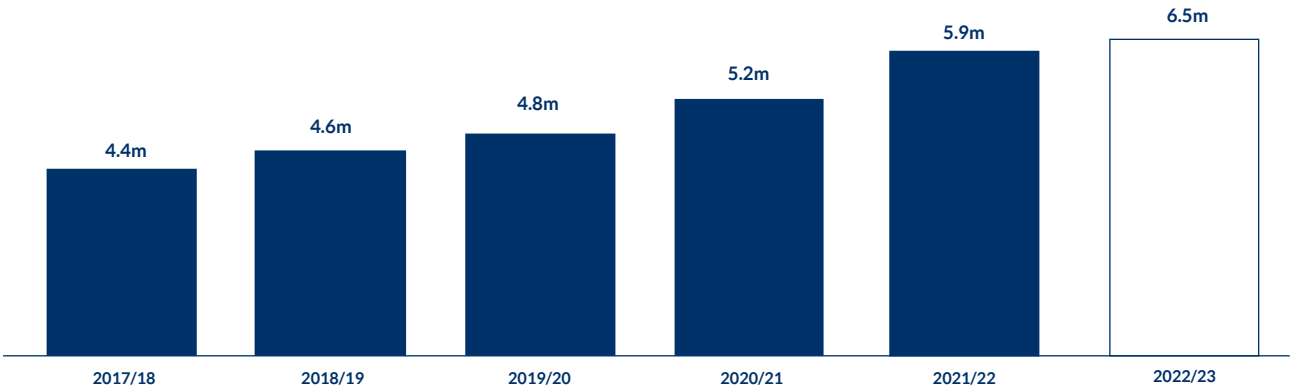
- **Tasmanian Greyhound of the Year – Rojo Diamond** (17 wins and 4 placings from 24 starts in Tasmania, including winner of the Ladbrokes Chase, Silver Trophy and a brave third in the Group 1 Hobart Thousand)
- **Leading Trainer – Anthony Bullock** (222 winners)
- **Leading Owner – Robyn Johnson** (110 winners)
- **Leading Breeding Female – Hoity Toity** (progeny won 57 races)
- **Leading Sire – Fernando Bale** (progeny won 251 races in Tasmania)
- **Most Consistent Greyhound – Dr. Hayley** (18 wins, 18 seconds and 7 thirds from 53 starts in Tasmania)

Following the success of the introduction of the SafeChase lure at Mowbray more than 12-months-ago, the lure system has been implemented, along with track upgrades, at the Brighton straight track. The SafeChase is also planned to be used in Hobart with an early August 2023 timeline.

Greyhound wagering turnover ($M)



Total code allocation Greyhound ($M)



Key racing statistics Greyhound

	18/19	19/20	20/21	21/22	22/23
Meetings	157	130	158	159	157
Races Held	1,585	1,252	1,558	1539	1562
Overall Starters	12,339	9,596	11,979	11734	11706
Average Starters/Race	7.8	7.7	7.7	7.6	7.5
Greyhound Stakes ($)*	4,351,245	3,630,290	5,087,020	5,599,286	6,534,955
COVID-19 Welfare Payments ($)	-	505,693	-	-	-
Greyhound Code Funding ($)*	4,578,647	4,849,975	5,206,954	5,930,429	6,544,686

* Representing amounts expensed during the financial year. Unspent Code Funding Allocation is carried forward to future years which may include stakes.



CORPORATE GOVERNANCE

Tasracing is committed to the principles of good corporate governance. We believe in transparency, accountability and integrity for the benefit of our Shareholding Ministers, employees, industry participants and all other stakeholders. Tasracing operates under a framework that is consistent with the ASX Corporate Governance Council's eight corporate governance principles and recommendations in line with the Shareholding Ministers' expectations under the Tasmanian Government Businesses Governance Framework Guide. Our position on the eight core corporate governance principles and recommendations is summarised below:

PRINCIPLE 1: Lay solid foundations for management and oversight

FUNCTIONS OF THE BOARD

The Tasracing Board of Directors is responsible for the overall performance in achieving the Company's objectives and legislative obligations – as set out in the Racing Regulation Act 2004, and the Members' Statement of Expectations. The key responsibilities of the Board include:

- considering and determining the strategic direction of Tasracing
- adopting annual corporate plans and budgets
- reviewing and assessing executives' performance against set objectives
- reviewing and approving major expenditure items and policies
- reviewing and monitoring risk management processes
- reviewing and approving rules of racing
- ensuring compliance with key policies, guidelines and legislative obligations
- appointing the Chief Executive Officer and the Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairperson, on all matters to do with the proper function of the Board.

MANAGEMENT AND DELEGATED AUTHORITIES

The Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief People Officer and the Chief Veterinary and Animal Welfare Officer (Executives) are responsible for the general management and leadership of Tasracing, including day-to-day business operations, and are accountable to the Board for achieving the stated objectives. They are also responsible for reporting to the Board on a monthly basis and keeping Directors and Shareholding Ministers apprised of key strategic issues and developments. The Delegations Manual is a document that outlines the matters and financial limits reserved for the Board, Executives and Tasracing employees. The Board also delegates authority to a number of Board committees to assist it in carrying out its functions and to ensure its effective performance in specific areas. Directors sit on Board committees and are accountable to the Board. The Board committees include: Audit and Risk, Asset and Safety, Racing Rules and Policy, HR and Remuneration, Revenue and Board Nominations. They all operate under a Terms of Reference, which is reviewed annually.

Members of the Board and the Chief Executive Officer also sit on national boards and committees for Racing Australia, Harness Racing Australia and Greyhounds Australasia, representing Tasracing's interests in national racing policy, rules and strategy.

PERFORMANCE EVALUATION

The Board's practice is to undertake an annual appraisal of its performance. An internal evaluation of the Board's performance and the assessment was completed in February 2023. The Executives and employees are also subject to an annual assessment of their performance against agreed objectives and expected behaviours.

In December each year, the Chairperson, Chief Executive Officer and Chief Financial Officer are required to attend and respond to questions at the Government Business Scrutiny Committee.

PRINCIPLE 2: Structure the board to add value

The composition of the Board is set out in the Racing *(Tasracing Pty Ltd) Act 2009* (the Act) and consists of seven members made up of a Chairperson and six directors. The directors include three directors who have the skills and experience to enable the Board to achieve its objectives and one Director from each of the Thoroughbred code, Harness code and Greyhound code, who are nominated by participants. Directors are selected and appointed on the basis of their skills and experience and in consideration of diversity and independence, probity and background checks.

The Chairperson and all Tasracing Directors are independent directors. They are appointed in accordance with Tasracing's Constitution, the Act and the Guidelines for Tasmanian Government Businesses – Board Appointments. Prior to appointing new directors, the Board Nominations Committee undertakes a skills assessment to determine the skills and experience that may be necessary for the Board to achieve its objectives and strategic plans. The Board maintains a skills matrix which sets out the mix of skills and diversity of the Board.

A Director Selection Advisory Panel is then established to consider and nominate candidates for Cabinet approval. Directors have an ongoing requirement to notify the Board of any material personal interest in any matter relating to the affairs of Tasracing and make annual declarations regarding any related party transactions.

New directors on the Board undergo a formal induction to enable them to be fully informed and contribute positively to Board deliberations. The induction program is administered by the Chairperson with the support of the Company Secretary.

PRINCIPLE 3: Act ethically and responsibly

Our Code of Conduct applies to all our people: the Board, employees, contractors and volunteers. The Code of Conduct sets out the standard of expected behaviour. Tasracing also promotes its values (IRACE) in all its business activities and operations. We have a number of more specific policies that relate to our commitment to comply with our legal obligations and to act ethically and responsibly. These include the right to information policy, public interest disclosure (whistleblower) policy, procurement policy, wagering policy, gifts, benefit and hospitality policy, compliance policy, workplace bullying, discrimination and harassment policy, and related party transactions disclosure policy.

PRINCIPLE 4: Safeguard integrity in corporate reporting

The Audit and Risk Committee meets regularly to consider and oversee matters relating to financial reporting, risk management, internal audit and compliance, and report accordingly to the Board. The Committee reviews the annual financial statements and provides recommendations to the Board.

Tasracing's auditor is the Tasmanian Audit Office, which conducts an audit of the financial statements at the end of each financial year and is invited to attend the annual general meeting each year. Tasracing's annual reports are tabled in each House of Parliament and are subject to the scrutiny of all members of the Parliament and the community.

PRINCIPLE 5: Make timely and balanced disclosure

The Chairperson and the CEO meet regularly with the Shareholding Ministers to provide briefings on key strategic issues and developments.

Tasracing also communicates regularly with its industry participants informing them of relevant matters, key projects and activities, as well as listening to their concerns. One avenue of formal communication is through Tasracing's participation in the racing code industry forums. Tasracing meets quarterly with industry bodies, including the Thoroughbred Advisory Network (TAN), the Harness Industry Forum (HIF) and the Greyhound Reference Group (GRG).

We also communicate via a variety of other forums, including email, SMS and online via our website. Details about disclosures made under the Right to Information Act 2009, the Public Interest Disclosures Act 2002 and personal information provisions are set out in page 52.

PRINCIPLE 6: Respect the rights of security holders

Tasracing's Constitution outlines the rights and powers of Shareholding Ministers. Shareholding Ministers can issue various guidelines and directives to Tasracing. The Board has procedures for communication with Shareholding Ministers to ensure they have timely access to information about the Company, including its financial situation, performance, governance and any sensitive matters about which they need to be aware.

Tasracing also complies with various reporting obligations as set out in its Constitution, relevant legislation and the Guidelines for Tasmanian Government Businesses.

PRINCIPLE 7: Recognise and manage risk

The Board has established an Audit and Risk Committee which oversees financial, operational and strategic risks and internal controls in accordance with the Board-approved Risk Management Framework. Material risks are discussed directly with the Shareholding Ministers at the regular scheduled meetings. The Audit and Risk Committee oversees the internal audit function which is outsourced, including the approval of the audit plan, receiving reports of all audits undertaken and monitoring management actions to address the findings. The Audit and Risk Committee oversees this on a regular basis. In 2022/23, the Audit and Risk Committee held five meetings.

PRINCIPLE 8: Remunerate fairly and responsibly

The Board has established an HR & Remuneration Committee to oversee remuneration practices and policies in relation to directors, executives and other employees of the Company. The remuneration policy is designed to attract and retain high calibre employees and to align the interests of shareholders and stakeholders for value creation. The HR & Remuneration Committee meets quarterly to discharge these duties.

Tasracing adheres to the Treasury Guidelines for Executive and Board Remuneration. Director fees are set by the Tasmanian Government under the Director and Executive Remuneration Guidelines. Remuneration levels are reviewed annually and any increases are benchmarked against independent data.

The 2022/23 Financial Statements detail the remuneration of directors and executives.

LEGISLATIVE REPORTING OBLIGATIONS

Tasracing is committed to complying with all relevant legislative, regulatory and business obligations, including compliance with the Treasurer's Instructions and Guidelines for Tasmanian Government Businesses.

To achieve this commitment, Tasracing's Compliance Management Framework and Compliance Policy adheres to the AS ISO 19600:2015 Compliance management systems – Guidelines to:

- maintain the highest standards of integrity as consistent with Tasracing's Code of Conduct and Values;
- embed a positive compliance culture; and
- ensure the compliance framework and policy integrates Tasracing's governance, risk, legal, financial, business, safety management processes and Tasracing's corporate plan objectives.

Public Interest Disclosures Act 2002

Tasracing recognises the value of transparency, accountability and supports disclosures that reveal improper or corrupt conduct or detrimental actions of Tasracing's members, officers and employees in accordance with the Public Interest Disclosures Act 2002 (PID Act).

Tasracing has adopted the Ombudsman's Model Procedures to achieve the objectives of the PID Act. Tasracing's Whistleblower Policy includes the Ombudsman's Model Procedures and incorporates the requirements regarding whistleblowing under the Corporations Act 2001 (Cth) (Corporations Act). This policy is available on our website tasracingcorporate.com.au.

Right to Information Act 2009

Tasracing understands and appreciates the need to make information readily available to the public and is committed to the objectives of the Right to Information Act 2009 (Tas) (RTI Act). Tasracing routinely publishes information that it considers to be of interest to the public via its website and social media. Where information is not disclosed but a request is made for provision of that information, Tasracing adheres to the requirements and processes established by RTI Act.

In accordance with the RTI Act, the following disclosures were provided for 2022/23

Right to Information Disclosures	
Number of applications for assessed disclosure received	6
Number of applications for assessed disclosure where information was disclosed in full	1
Number of applications for assessed disclosure refused and the basis for refusal	0
Number of applications for assessed disclosure where it related to exempt information and the basis for the exemption	5[1]
Number of applications for internal review and the outcome of those reviews	0
Number of applications for external (Ombudsman) review and the outcome of those reviews	0

For 5 applications, some information requested was claimed as exempt under s36, s37 and s39 of the RTI Act.

Personal information protection

Tasracing is committed to protecting the information it collects, holds and handles by complying with the Personal Information Protection Act 2004 (Tas), Privacy Act 1988 (Cth) and the Australian Privacy Principles. During the financial year no complaints were received and no breaches were recorded under this regime.

Buy local
Tasmanian Government Reporting Requirements

Purchases from Tasmanian businesses	
% of purchases from Tasmanian businesses	65%
Value of purchases from Tasmanian businesses	$19.1 million

Purchases from Tasmanian businesses was prepared on a cash basis and does not include prizemoney payments.

Consultancies valued at more than $50,000 (ex GST)

Name of Consultant	Location	Description	Period of engagement	Amount
Choose Digital	Perth, WA	Digital marketing advisory services	July 2022 - June 2023	$56,500
Cor Comms	Hobart, TAS	Public relations advisory services	July 2022 - June 2023	$95,838
Deloitte Pty Ltd	Hobart, TAS	Income tax consulting services	July 2022 - June 2023	$68,115
Ekto Investments Pty Ltd	Blackmans Bay, TAS	Human resource consulting	December 2022 - June 2023	$59,500
Murdoch Clarke	Hobart, TAS	Legal services	July 2022 - June 2023	$108,671
Red Jelly	Hobart, TAS	Marketing services	September 2022 - June 2023	$212,613
Sekel Grinberg Judd	Sydney, NSW	Legal services	March 2023 - June 2023	$56,601
University of Technology Sydney	Broadway, NSW	Engineering advice	July 2022 - June 2023	$75,000
			TOTAL	**$732,838**
There were 11 consultants engaged for $50,000 or less totalling				$145,929
TOTAL PAYMENTS TO CONSULTANTS				**$878,767**

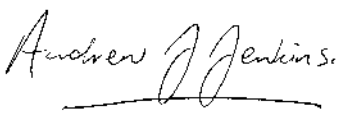
ACCOUNTS DUE OR PAID WITHIN EACH YEAR

Measure	
Creditor days	2.81
Number of accounts due for payment	8,895
Number of accounts paid on time	8,738
Amount due for payment	29,493,928
Amount paid on time	28,896,503
Number of payments for interest on overdue accounts	-
Interest paid on overdue accounts	-

Superannuation declaration

I, Andrew Jenkins, hereby certify that Tasracing has met its obligations under the Commonwealth's *Superannuation Guarantee (Administration) Act 1992* in respect of any employee who is a member of a complying superannuation scheme to which Tasracing contributes.

Signed



Andrew Jenkins

Chief Executive Officer

Tasracing Pty Ltd

Annual Financial Report

for the financial year ended 30 June 2023

Contents

Directors' Declaration	55
Directors' Report	56
Statement of Comprehensive Income	57
Statement of Financial Position	58
Statement of Changes in Equity	59
Statement of Cash Flows	60
Notes to the Financial Statements	61-91
Auditor's Independence Declaration	92
Independent Auditor's Report	93

Directors' Declaration

The directors declare that:

(a) in the directors opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

(b) in the directors opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with Australian Accounting Standards and give a true and fair view of the financial position and performance of the company;

(c) the financial statements also comply with International Financial Reporting Standards as disclosed in the General Information note to the Financial Statements.

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

On behalf of the Directors



G. Phair
Chairperson
Tasracing Pty Ltd
Hobart, 11 August 2023

Directors' Report

The directors present their report together with the financial report for the year ended 30 June 2023 and the independent auditor's report thereon.

Directors

The names of directors of the company in office during or since the end of the financial year are:

G. Phair (Chairperson, non-executive director)
M. Wallace (Deputy Chairperson, non-executive director)
H. Galloway (Deputy Chairperson, non-executive director), to 15 December 2022
D. Garnier (non-executive director)
M. Gordon (non-executive director)
N. Grose (non-executive director)
S. Jacobson (non-executive director), from 15 December 2022
S. Old (non-executive director), from 15 December 2022

Principal activities

The principal activities during the course of the financial year were the administration, oversight and funding of racing in Tasmania.

Review of operations

For the year ended 30 June 2023, the company recorded a profit before tax of $399,035 (2022: profit of $4,866,895). No dividends were paid to members during the year (2022: Nil). The company had no options or unissued shares during the current or previous year.

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

Significant changes in the current reporting period

The financial performance of Tasracing has been particularly affected by the following material items during the year ended 30 June 2023:

· Racefield revenue decreased by $1.07m to $24.13m (2022: $25.20m) as the market settles from the COVID related highs and continued economic pressure.
· Other Racing Revenue decreased $1.28m to $1.12m primarily due to one off benefits in FY22 from vacating the Devonport Showgrounds site in March 2022.
· Interest revenue increased $1.06m to $1.14m (2022: $0.08m) due to interest rate increases during the year.
· Code funding increased by $4.88m (15.7%) to $35.92m including Stakes expenditure to $30.76m (2022: $26.78m).
· Employee benefits expense increased 3.6% to $9.77m (2022: $9.43m).
· Sales and marketing expenses declined $0.49m to $1.80m (2022:$2.29m) due to one off Corporate Plan initiatives undertaken in FY22 not being continued into FY23.
· Cash decreased to $17.03m (2022:$18.94m) with $5.52m invested in capital works during the year. This cash balance supports the infrastructure plan which includes planned capital investment of $21.24m in FY24.

Environmental regulations

The company is not subject to any environmental regulations under a law of the Commonwealth or the State of Tasmania.

Subsequent events

There has been no matter or circumstance which has occurred subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Future developments

Tasracing will progress an extensive capital works program across the State including the Raceday amenities building and horse pool at the Ladbrokes All Weather Spreyton race course and the North-West Tracks project at Devonport.

Animal welfare will continue to be a focus with ongoing enhancement of the Off The Track program, the Equine Code of Practice and other programs and initiatives. The GAP facility at Mangalore will be further developed with kennel expansions and enhanced visitor and administration facilities.

Tasracing is committed to the supporting the Government's actions in response to the Review of the Racing Regulation Act 2004. While it is too early in the process to be specific in terms of detail, Tasracing notes the integration process is expected to impact on employees, administration processes, IT systems, general culture and financial projections.

Indemnification of officers and auditors

During the financial year the company paid a premium of $177,905 (2022: 105,618) in respect of insurance for directors and officers liability.

The company has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred by such an officer or auditor.

Auditor's independence declaration

The auditor's independence declaration is included on page 92 of the financial statements.

Signed in accordance with a resolution of the Board of Directors:



Mr Gene Phair
Chairperson
11 August 2023

Statement of Comprehensive Income

for the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue and Other Income			
Racing revenue	A1	26,469,669	28,812,430
Government funding	A2	33,920,434	32,162,486
Point of Consumption Tax funding		7,097,190	6,829,619
Interest revenue	A3	1,138,779	84,201
Total Revenue and Other Income		**68,626,072**	**67,888,736**
Expenses			
Prizemoney and industry funding	A4	39,919,564	35,094,860
Raceday and racing expenses	A5	7,626,461	7,355,714
Depreciation and amortisation expenses	A6	4,909,506	4,952,856
Sales and marketing expenses	A7	1,795,571	2,288,351
Employee benefits expenses	A8	9,773,688	9,432,071
Finance and leasing costs	A9	664,349	671,494
Other expenses	A10	3,537,898	3,226,495
Total Expenses		**68,227,037**	**63,021,841**
Profit/(Loss) before tax		**399,035**	**4,866,895**
Income tax benefit/(expense)	A12	(103,073)	(1,076,169)
Profit/(Loss) for the year after tax		**295,962**	**3,790,726**
Actuarial gain/(loss) on defined benefit plan	A8	179,000	625,000
Income tax on other comprehensive income	A12	(53,700)	(187,500)
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE YEAR		**421,262**	**4,228,226**

This statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

for the year ended 30 June 2023

	Note	2023 $	2022 $
Current Assets			
Cash and cash equivalents	B1 (a)	17,027,961	18,937,967
Trade and other receivables	B2	2,293,725	2,133,486
Prepayments		1,194,565	753,652
Total Current Assets		**20,516,251**	**21,825,105**
Non-Current Assets			
Property, plant and equipment	B3	47,261,447	45,944,567
Intangible assets	B4	251,001	315,943
Other financial assets	B5	94,507	94,507
Right-of-Use assets	B10 (a)	1,504,067	1,339,431
Deferred tax assets	A12 (c)	-	156,774
Total Non-Current Assets		**49,111,022**	**47,851,222**
Total Assets		**69,627,273**	**69,676,327**
Current Liabilities			
Trade and other payables	B6	5,109,993	5,204,416
Borrowings	B7	932,971	886,254
Other financial liabilities	B8	213,404	200,578
Provisions	B9	1,842,141	1,888,860
Lease liabilities	B10 (b)	461,920	320,909
Total Current Liabilities		**8,560,429**	**8,501,017**
Non-Current Liabilities			
Borrowings	B7	4,460,448	5,393,419
Provisions	B9	2,399,465	2,496,205
Lease liabilities	B10 (b)	1,000,402	1,000,419
Total Non-Current Liabilities		**7,860,315**	**8,890,043**
Total Liabilities		**16,420,744**	**17,391,060**
Net Assets		**53,206,529**	**52,285,267**
Equity			
Contributed equity	B11	64,464,911	63,964,911
Accumulated losses	B12	(11,258,382)	(11,679,644)
Total Equity		**53,206,529**	**52,285,267**

This statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2023

	Note	Contributed Equity $	Accumulated Losses $	Total $
Balance as at 30 June 2021		**60,714,911**	**(15,907,870)**	**44,807,041**
Equity contribution	B11	3,250,000	-	3,250,000
Profit /(Loss) for the year	B12	-	3,790,726	3,790,726
Actuarial gain/(loss) on defined benefit plan	B12	-	625,000	625,000
Income tax on other comprehensive income	B12	-	(187,500)	(187,500)
Total Comprehensive Income for the year		**-**	**4,228,226**	**4,228,226**
Balance as at 30 June 2022		**63,964,911**	**(11,679,644)**	**52,285,267**
Equity contribution	B11	500,000	-	500,000
Profit /(Loss) for the year	B12	-	295,962	295,962
Actuarial gain/(loss) on defined benefit plan	B12	-	179,000	179,000
Income tax on other comprehensive income	B12	-	(53,700)	(53,700)
Total Comprehensive Income for the year		**-**	**421,262**	**421,262**
Balance as at 30 June 2023		**64,464,911**	**(11,258,382)**	**53,206,529**

This statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2023

	Note	2023 $	2022 $
Cash Flows from Operating Activities			
Receipts from customers		70,841,270	70,275,135
Payments to suppliers & employees		(67,028,709)	(58,274,436)
Interest received		1,053,196	70,763
Interest and other costs of finance paid		(359,786)	(476,476)
Net Cash provided by Operating Activities	B1 (b)	**4,505,971**	**11,594,986**
Cash Flows from Investing Activities			
Proceeds from disposal of non-current assets		-	6,898
Payments for non-current assets		(5,518,789)	(3,479,497)
Net Cash used in Investing Activities		**(5,518,789)**	**(3,472,599)**
Cash Flows from Financing Activities			
Repayment of borrowings	B1 (c)	(886,254)	(846,683)
Equity contribution	B11	500,000	3,250,000
Lease payments	B1 (c)	(510,934)	(495,818)
Net Cash provided by Financing Activities		**(897,188)**	**1,907,499**
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,910,006)	10,029,886
Cash and Cash Equivalents at the beginning of the year		18,937,967	8,908,081
Cash and Cash Equivalents at end of the year	B1 (a)	**17,027,961**	**18,937,967**

This statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the year ended 30 June 2023

GENERAL INFORMATION

Tasracing Pty Ltd (Tasracing) was incorporated on 1 July 2009 and is domiciled in Tasmania, Australia. Tasracing is a state owned company.

Tasracing was established by the *Racing (Tasracing Pty Ltd) Act 2009*. The Principal Act is the *Racing Regulation Act 2004*. The responsible Minister is the Minister for Racing. Section 11 of the *Racing Regulation Act 2004* sets out Tasracing's responsibilities in detail.

Tasracing's principal activity is the administration, oversight and funding of the three codes of racing in Tasmania. Tasracing's registered office and principal place of business is 6 Goodwood Road, Glenorchy TAS 7010.

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations and comply with other requirements of law. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company comply with International Financial Reporting Standards ("IFRS").

The financial report was authorised for issue by the directors on 11 August 2023.

Basis of preparation

The financial report has been prepared on the basis of historical cost and on a going concern basis. Historical cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Some balances included in provisions have been reclassified to trade and other payables as there is no or limited uncertainty regarding the amount or timing of the payment to settle the liability. The comparative balances have been amended to accord with the change in classification.

For the purposes of preparing the financial statements, Tasracing is a for-profit entity.

Critical accounting judgements and key sources of estimation uncertainty.

In the application of Tasracing's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimates which are material to the financial statements are found in the following notes:

Note		
A6	Asset useful lives	65
B3/B4	Impairment review of property, plant and equipment	71
B9	Employee entitlements	74
B9	TASBRED Thoroughbred Breeding Incentive Scheme	74
B9	Defined benefit superannuation fund obligations	77

Other accounting policies

Significant other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Notes to the financial statements

The notes have been grouped into key themes to make the report easier to read and more relevant for the user. These themes are:

- Operations and Performance
- Financial Position
- Financing and Funding
- Other

OPERATIONS AND PERFORMANCE

REVENUE

	2023 $	2022 $
A1 Racing Revenue		
Racefield revenue	24,127,987	25,197,483
Sponsorship income	1,013,327	1,014,590
Rental income	207,673	198,033
Other racing income	1,120,682	2,402,324
	26,469,669	**28,812,430**

Accounting policy

Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Tasracing's main source of income is in the form of state government funding via appropriation from a funding deed.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as income in a manner consistent with the basis on which they are determined. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Racing revenue from contracts with customers		
Racefield revenue	24,127,987	25,197,483
Magic Millions income	133,665	112,335
Sponsorship and digital revenue	1,001,668	1,095,285
Total revenue from contracts with customers	**25,263,320**	**26,405,103**
Timing of revenue recognition		
Goods transferred at a point in time	25,263,320	26,405,103
Services transferred over time	-	-
Total revenue from contracts with customers	**25,263,320**	**26,405,103**

Performance obligations

Information about Tasracing's performance obligations are summarised below:

Racefield Revenue

The performance obligation is satisfied as races are run within Tasmania. Racefield Revenues are derived from wagering on races held in Tasmania. These contracts have been accounted for as a group. Tasracing recognises racefield revenue when it can be reliably measured. The Wagering Operator is required to pay racefield fees within 14 days of the prior month end.

Magic Millions Income

The performance obligation is satisfied when the sales are held and the associated race series is complete. Payment is generally due within 30 days.

The contract is on an annual basis and is financially completed before the reporting date.

Sponsorship and Digital Revenue

Sponsorship income is earned from contracts with a number of parties with separately identifiable performance obligations, such as naming rights to racetracks, specific races and rights to provide products. Tasracing recognises the revenue as the performance obligations are met for each contract, for example, when a race has been completed or signage installed. Payment terms vary from contract to contract but are financially completed before the reporting date and generally due within 30 days.

All remaining performance obligations are expected to be recognised within one year.

	2023 $	2022 $
A2 Government Funding		
Annual Industry Funding Grant	33,431,442	31,812,486
Thoroughbred & Harness Breeding Grant	350,000	350,000
Racing Industry Training Initiative Grant	138,992	-
	33,920,434	**32,162,486**

Accounting policy

Government Funding

Government monies are not recognised until there is reasonable assurance that Tasracing will comply with the conditions attached to them and the grants will be received.

Government assistance which does not have conditions attached specifically relating to the operating activities of the company is recognised in the Statement of Comprehensive Income on a systematic basis over the periods in which Tasracing recognises as expenses the related costs for which the grants are intended to compensate.

Tasracing is funded by government appropriations provided each year, over a twenty year period from 1 July 2009 and subject to the conditions of a funding deed.

A3 Interest Revenue

Interest revenue is recognised when it is probable that the economic benefits will flow to Tasracing and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

EXPENSES

A4 Prizemoney and Industry Funding	2023 $	2022 $
Club funding	2,089,160	2,002,347
Code funding	35,917,682	31,035,078
COVID-19 costs & industry support	5,280	231,007
Insurance contribution (recognised as Racing Insurance in Note A5)	(250,000)	(250,000)
Other industry funding	2,018,450	2,076,428
Racing industry training initiative costs	138,992	-
	39,919,564	**35,094,860**

Code Funding

Details about the allocation of funding to each racing code is summarised below:

2023	Thoroughbred $	Harness $	Greyhound $	Growth Fund $	Total $
Stakes	16,425,597	7,801,003	6,534,955	-	30,761,555
Animal welfare contribution*	164,256	78,010	122,132	-	364,398
Breeding bonuses	600,000	620,110	164,400	-	1,384,510
Insurance contribution	250,000	-	3,748	-	253,748
Payments to jockeys and drivers	1,549,867	617,133	-	-	2,167,000
Other code funding**	144,469	325,625	200,085	316,292	986,471
Total	**19,134,189**	**9,441,881**	**7,025,320**	**316,292**	**35,917,682**

2022	Thoroughbred $	Harness $	Greyhound $	Growth Fund $	Total $
Stakes	14,276,370	6,903,737	5,599,286	-	26,779,393
Animal welfare contribution*	142,764	69,037	119,737	-	331,538
Breeding bonuses	600,000	683,737	159,000	-	1,442,737
Insurance contribution	250,000	-	3,441	-	253,441
Payments to jockeys and drivers	1,333,738	529,287	-	-	1,863,025
Other code funding**	315,978	-	48,966	-	364,944
Total	**16,918,850**	**8,185,798**	**5,930,430**	**-**	**31,035,078**

* Animal welfare contribution from code funding represents only a portion of total animal welfare expenditure, with additional costs recognised in other areas of the business.

** Other code funding may include unspent code funding allocation which is carried forward to future years.

The allocation of code funding to stakes and other code specific items is determined annually in consultation with the Thoroughbred Advisory Network, Harness Industry Forum and Greyhound Reference Group.

A5 Raceday and Racing Expenses	2023 $	2022 $
Training and racing facilities	4,519,448	4,513,580
Race day & other racing expenses	2,080,463	1,794,582
Racing insurance	1,026,550	1,047,552
	7,626,461	**7,355,714**

A6 Depreciation and Amortisation Expenses	2023 $	2022 $
Racecourse leasehold improvements	3,754,128	3,657,963
Plant and equipment	489,159	464,464
Welfare facilities	31,584	31,255
Intangibles	182,866	317,611
Right-of-Use assets	451,769	481,563
	4,909,506	**4,952,856**

Accounting policy

Depreciation and amortisation expenses

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation and amortisation methods are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. The following useful lives are used in the calculation of depreciation and amortisation:

Category	Term
Leasehold improvements	term of the lease or life of the asset
Welfare facilities	5 to 20 years
Plant and equipment	3 to 20 years
Racecourse plant and equipment	5 to 20 years
Right-of-Use assets	term of the lease
Website and systems development	3 to 5 years

A7 Sales & Marketing Expenses	2023 $	2022 $
Sales	674,140	748,659
Marketing	1,121,431	1,539,692
	1,795,571	**2,288,351**

Due to strong trading conditions during 2022, one-off additional expenditure to promote Corporate Plan initiatives was undertaken in the areas of Sales and Marketing expenses.

A8 Employee Benefit Expense	2023 $	2022 $
Recognised in profit/(loss) for the year		
Wages and salaries	8,037,477	7,838,004
Other associated personnel expenses	654,270	560,767
Contributions to defined contribution superannuation funds	833,108	774,950
Service cost of defined benefit scheme (excludes interest cost)	33,000	54,000
(Decrease)/Increase in liability for annual leave	135,883	135,173
Increase in liability for long service leave	79,950	69,177
	9,773,688	**9,432,071**
Recognised in other comprehensive income for the year		
Actuarial (losses)/gains in relation to defined benefit obligation (DBO) (see note B9)	239,000	687,000
Actual return on plan assets less interest income in relation to DBO (see note B9)	(60,000)	(62,000)
Total measurement recognised in other comprehensive income	**179,000**	**625,000**

A9 Finance and Leasing Costs	2023 $	2022 $
Finance costs		
Net interest cost in relation to DBO (see note B9)	160,000	117,000
Interest expense	448,512	501,557
	608,512	**618,557**
Short-term leases and leases of low-value assets		
Occupancy lease rentals - short-term	33,104	12,567
Plant and equipment lease rentals	22,733	40,370
	55,837	52,937
Total finance and leasing costs	**664,349**	**671,494**

Accounting policy

Finance costs

Finance costs are expensed as incurred using the effective interest method. Borrowing costs include interest on bank overdrafts, borrowings, leases and unwinding of discounts.

Short-term leases and leases of low-value assets

Tasracing has elected not to recognise Right-of-Use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets when the value of the leased asset when new is $10,000 or less. Tasracing recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

A10 Other Expenses	2023 $	2022 $
Insurance	1,282,839	1,049,316
Administration	1,031,963	749,793
Impairment losses	-	260,951
Loss on disposal of assets	6,527	22,036
Digital & IT	1,036,790	1,068,138
Other	179,779	76,261
	3,537,898	**3,226,495**

A11 Remuneration of Auditors	2022 $	2021 $
External audit services	60,000	43,190
Internal audit services	47,683	31,009
	107,683	**74,199**

The Company paid $60,000 to the Tasmanian Audit Office in 2023 for the audit of the financial statements.

Internal audit services are provided by other third party audit service providers and not the Tasmanian Audit Office.

TAXATION

	2023 $	2022 $
A12 Income Taxes		
(a) Income tax recognised in profit or loss		
Tax expense/(income) comprises:		
Current tax expense/(income)	-	-
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	103,073	1,076,169
Total tax expense/(income)	**103,073**	**1,076,169**
Attributable to:		
Continuing operations	103,073	1,076,169
	103,073	**1,076,169**
The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:		
Profit/(loss) from continuing operations	399,035	4,866,895
Profit/(loss) from operations	**399,035**	**4,866,895**
Income tax expense calculated at 30%	119,711	1,460,069
Tax break		
Non-deductible expenses	15,064	13,151
Unused tax losses and tax offsets not recognised as deferred tax assets	(31,702)	(372,180)
Previously unrecognised and unused tax losses and tax offsets now recognised deferred tax assets	-	-
Other	-	-
	103,073	1,101,040
(Over)/under provision of income tax in previous year	-	(24,871)
	103,073	**1,076,169**
Current income tax (benefit)/expense recognised in Statement of Comprehensive Income	**103,073**	**1,076,169**

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

(b) Income tax recognised directly in equity

The following current and deferred amounts were charged directly to equity during the period:

	2023 $	2022 $
Deferred tax:		
Actuarial movements on defined benefit plans	(53,700)	(187,500)
Deferred tax movement not recognised through equity	-	-
	(53,700)	**(187,500)**
(c) Recognised deferred tax balances		
Deferred tax assets comprise:		
Temporary differences	7,137,986	6,524,179
Tax losses (revenue)	142,060	822,430
	7,280,046	7,346,609
Deferred tax liabilities comprise:		
Temporary differences	1,480,017	1,358,104
	1,480,017	1,358,104
Net deferred tax asset/(liability)	**5,800,029**	**5,988,505**

Taxable and deductible temporary differences arise from the following: 2023	Opening Balance $	Charged to Income $	Charged to Equity $	Closing Balance $
Gross deferred tax liabilities:				
Prepayments	(202,646)	(12,356)	-	(215,002)
Receivables	(4,378)	(25,651)	-	(30,029)
Intangibles	(35,698)	7,161	-	(28,537)
Leases	(27,024)	(17,750)	-	(44,774)
Property, plant and equipment	(1,088,358)	(73,317)	-	(1,161,675)
	(1,358,104)	(121,913)	-	(1,480,017)
Gross deferred tax assets:				
Provisions	1,315,519	10,663	(53,700)	1,272,482
Property, plant and equipment	4,584,576	372,166	-	4,956,742
Leases	46,166	8,675	-	54,841
Payables	577,918	276,003	-	853,921
Tax losses (revenue)	822,430	(680,370)	-	142,060
	7,346,609	(12,863)	(53,700)	7,280,046
Net deferred tax assets:	5,988,505	(134,776)	(53,700)	5,800,029
Less unrecognised deferred tax asset	(5,831,731)	31,702	-	(5,800,029)
Net recognised deferred tax asset	**156,774**	**(103,074)**	**(53,700)**	**-**
Attributable to:				
Continuing operations				-

2022	Opening Balance $	Charged to Income $	Charged to Equity $	Closing Balance $
Gross deferred tax liabilities:				
Prepayments	(160,164)	(42,482)	-	(202,646)
Receivables	(324)	(4,054)	-	(4,378)
Intangibles	(1,842)	(33,856)	-	(35,698)
Leases	(28,038)	1,014	-	(27,024)
Property, plant and equipment	(938,948)	(149,410)	-	(1,088,358)
	(1,129,316)	(228,788)	-	(1,358,104)
Gross deferred tax assets:				
Provisions	1,465,897	37,122	(187,500)	1,315,519
Property, plant and equipment	4,558,460	26,116	-	4,584,576
Leases	38,642	7,524	-	46,166
Payables	625,220	(47,302)	-	577,918
Tax losses (revenue)	2,065,452	(1,243,022)	-	822,430
	8,753,671	(1,219,562)	(187,500)	7,346,609
Net deferred tax assets:	7,624,355	(1,448,350)	(187,500)	5,988,505
Less unrecognised deferred tax asset	(6,203,911)	372,180	-	(5,831,731)
Net recognised deferred tax asset	**1,420,444**	**(1,076,170)**	**(187,500)**	**156,774**

(d) Unrecognised deductible temporary differences and unused tax losses

Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:	2023 $	2022 $
Temporary differences	5,800,028	5,831,731
Tax losses – revenue	-	-
	5,800,028	**5,831,731**

Accounting policy

Income tax equivalent

Tasracing as a state owned company is registered under the National Tax Equivalent Regime. Income tax expense represents the sum of the tax currently payable and deferred tax.

Tasracing's five year projections indicate that it is probable that future tax profits will be achieved, therefore, it is considered appropriate to recognise deferred income tax assets.

FINANCIAL POSITION

CASH FLOW

B1 Cash Flow	2023 $	2022 $
(a) Cash and cash equivalents		
Cash on hand and balances with banks	**17,027,961**	**18,937,967**
(b) Reconciliation of profit for the year to net cash flows from operating activities		
Profit/(Loss) for the year	399,035	4,866,895
Adjustments for:		
Depreciation and amortisation	4,909,506	4,952,856
(Profit)/loss on disposal of property, plant and equipment	13,444	269,190
Interest charged on lease liabilities	28,917	25,081
(Increase)/decrease in receivables	(160,236)	(286,378)
(Increase)/decrease in prepayments	(440,916)	(146,890)
(Decrease)/increase in creditors, accruals and other financial liabilities	(279,320)	1,980,507
Increase/(decrease) in provisions	35,541	(66,275)
Net cash from operating activities	**4,505,971**	**11,594,986**

(c) Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

Borrowings		
Balance as at 1 July	6,279,673	7,126,356
Changes from financing cash flows:		
Cash received	-	-
Cash repayments	(886,254)	(846,683)
Balance as at 30 June	**5,393,419**	**6,279,673**
Lease liabilities		
Balance as at 1 July	1,321,328	1,486,499
Changes from financing cash flows:		
Cash lease payments	(510,934)	(495,818)
Non-cash lease movement	651,928	330,647
Balance as at 30 June	**1,462,322**	**1,321,328**

(d) Financing facilities

Credit and Stand By arrangements		
Credit Cards		
- amount used	97,000	86,500
- amount unused	13,000	23,500
Facility Limit	**110,000**	**110,000**
TASCORP borrowing facilities		
- amount used	5,393,419	6,279,673
- amount unused	34,760,308	34,760,308
Facility Limit	**40,153,727**	**41,039,981**

Accounting policy

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value and have a maturity of three months or less at the date of acquisition.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

ASSETS

B2 Trade and Other Receivables	2023 $	2022 $
Trade and other receivables	2,199,700	2,124,584
Provision for expected credit loss	(6,073)	(5,613)
	2,193,627	**2,118,971**
Interest receivable	100,098	14,515
	2,293,725	**2,133,486**

Reconciliation of movement in expected credit loss		
Carrying amount at 1 July	**(5,613)**	(8,269)
Amounts written off during the year	15,294	6,736
Amounts recovered during the year	-	-
(Increase)/decrease in provision recognised in Statement of Comprehensive Income	(4,080)	(4,080)
Carrying amount at 30 June	**5,601**	**(5,613)**

Ageing of trade and other receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default.

The ageing of Tasracing's trade and other receivables was:

Past due between 31 and 60 days	65,620	34,942
Past due between 61 and 90 days	27,309	18,329
90+ days	30,058	63,669
Balance at end of year	**122,987**	**116,940**

Included in the trade and other receivables balance are debtors with a carrying amount of $122,987 (30 June 2022: $116,940) that are past due at the reporting date which Tasracing has not impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable. Tasracing does not hold any collateral over these balances. Many of the long outstanding past due amounts have been lodged with Tasracing's debt collectors or are on payment arrangements.

Accounting Policy

Trade and other receivables

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Tasracing considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Tasracing's historical experience, an informed credit assessment and forward-looking information. Tasracing has established a provision matrix to facilitate the impairment assessment.

For receivables the average credit period on these items is 30 days with a large number of smaller debtors reducing the risk. No interest is charged on receivables.

B3 Property, Plant and Equipment	2023	2022
(a) Carrying amounts	$	$
Land		
At cost	650,600	650,600
Total	**650,600**	**650,600**
Racecourse leasehold improvements		
At cost	84,832,273	81,119,575
Less: accumulated depreciation	(45,039,128)	(41,292,620)
Total	**39,793,145**	**39,826,955**
Plant & equipment		
At cost	8,330,563	7,562,491
Less: accumulated depreciation	(5,345,517)	(4,853,416)
Total	**2,985,046**	**2,709,075**
Welfare facilities		
At cost	991,829	991,829
Less: accumulated depreciation	(104,625)	(73,041)
Total	**887,204**	**918,788**
Work in progress		
At cost	2,945,452	1,839,149
Total	**2,945,452**	**1,839,149**
Total Property, plant and equipment	**47,261,447**	**45,944,567**

(b) Reconciliation of movements in carrying amounts

	Land at cost	Racecourse Leasehold Improvements at cost	Plant & Equipment at cost	Welfare facilities at cost	Work in progress at cost	TOTAL
2023	$	$	$	$	$	$
Carrying amount at 1 July	650,600	39,826,955	2,709,075	918,788	1,839,149	**45,944,567**
Additions	-	-	4,752	-	5,711,762	**5,716,514**
Disposals	-	-	(6,838)	-	-	**(6,838)**
Impairment losses	-	-	-	-	-	**-**
Net transfers	-	3,720,318	767,217	-	(4,605,459)	**(117,924)**
Depreciation	-	(3,754,128)	(489,160)	(31,584)	-	**(4,274,872)**
Carrying amount at 30 June	**650,600**	**39,793,145**	**2,985,046**	**887,204**	**2,945,452**	**47,261,447**

	Land at cost	Racecourse Leasehold Improvements at cost	Plant & Equipment at cost	Welfare facilities at cost	Work in progress at cost	TOTAL
2022	$	$	$	$	$	$
Carrying amount at 1 July	650,600	42,857,446	2,190,600	939,229	223,882	**46,861,757**
Additions	-	-	10,397	-	3,511,033	**3,521,430**
Disposals	-	(6,343)	(10,465)	-	-	**(16,808)**
Impairment losses	-	-	-	-	(258,890)	**(258,890)**
Net transfers	-	633,815	983,007	10,814	(1,636,876)	**(9,240)**
Depreciation	-	(3,657,963)	(464,464)	(31,255)	-	**(4,153,682)**
Carrying amount at 30 June	**650,600**	**39,826,955**	**2,709,075**	**918,788**	**1,839,149**	**45,944,567**

Accounting policy

Property, plant and equipment

Property, plant and equipment and leasehold improvements are stated at cost less accumulated depreciation, amortisation and impairment. Cost includes expenditure that is directly attributable to the acquisition or construction of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

The asset capitalisation threshold adopted by Tasracing is $1,000. Assets valued at less than $1,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total). The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income.

B4 Intangible Assets	2023 $	2022 $
(a) Carrying amounts		
Website and software		
At cost	2,488,496	2,370,572
Less: accumulated amortisation	(2,237,495)	(2,054,629)
Total	**251,001**	**315,943**
Carrying amount at 1 July	315,943	624,314
Additions from work in progress	117,924	9,240
Amortisation	(182,866)	(317,611)
Carrying amount at 30 June	**251,001**	**315,943**

Accounting policy

Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimates being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Comprehensive Income when the asset is derecognised.

B5 Other Financial Assets	2023 $	2022 $
Ordinary share investment	94,507	94,507
	94,507	**94,507**

Accounting Policy

Ordinary share investment

Tasracing purchased 50 ordinary shares (5% of the total number of issued shares) in Racing Information Services Enterprises Pty Ltd (RISE). As Tasracing's investment in RISE is held for long-term strategic purposes, the Company has elected under AASB 9: Financial Instruments to irrevocably classify this equity investment as designated at fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income and not reclassified through the profit or loss when derecognised. The purchase was approved by the Shareholding Minister.

LIABILITIES

B6 Trade and Other Payables	2023 $	2022 $
Trade and others payables - unsecured	3,185,175	4,203,681
Animal welfare funding carried forward	886,657	611,830
Code funding carried forward	1,038,161	388,905
	5,109,993	**5,204,416**

Accounting policy

Trade and other payables

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.
The average credit period taken for trade purchases is 3 days. No interest is charged on the trade payables.
Tasracing has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Animal welfare funding carried forward

Tasracing has a constructive obligation to the Shareholders to utilise unspent allocated animal welfare code funding in future years.

Code funding carried forward

Tasracing has a constructive obligation to the racing industry based on an established pattern of past practice to utilise unspent funding allocated to code funding in future years.
The allocation of code funding to stakes and other code specific items is determined annually in consultation with the Thoroughbred Advisory Network, Harness Industry Forum and Greyhound Reference Group.

B7 Borrowings		2023 $	2022 $
This note provides information about the contractual terms of Tasracing's interest bearing loans and borrowings. For more information about the company's exposure to interest rate risk, see note C1 (c).			
Current			
Credit foncier loan 1 - operating loan	(i)	255,808	247,936
Credit foncier loan 2 - capital loan	(ii)	677,163	638,318
		932,971	**886,254**
Non-Current			
Credit foncier loan 1 - operating loan	(i)	536,237	792,045
Credit foncier loan 2 - capital loan	(ii)	3,924,211	4,601,374
		4,460,448	**5,393,419**

All loans are transacted through the Tasmanian Public Finance Corporation (TASCORP).

The funding deed provides that the State Government may provide debt support in the form of principal and interest repayments subject to the conditions of the deed. This support applies to both of the credit foncier loans.

(i) Credit Foncier 1 - operating loan - principal and interest is payable every 6 months. Effective 30 June 2016, interest is 3.15% fixed until maturity on 30 June 2026.
(ii) Credit Foncier 2 - capital loan - principal and interest is payable every 6 months. The option to extend the maturity date of the loan to 28 June 2029 was exercised on 28 June 2023. Interest was fixed for ten years at 5.20% per annum to 28 June 2023 and fixed at 4.90% per annum thereafter. Previously, the State government provided support for principal and interest repayments. The principal support component was treated as an equity contribution.

Under the funding deed Tasracing has a $40 million debt facility with the Tasmanian Public Finance Corporation. The Treasurer provided explicit support to the Tasmanian Public Finance Corporation for Tasracing's borrowings as part of the Government's response to the COVID-19 pandemic. This support is limited to a maximum borrowing limit of $18.7 million.

B8 Other Financial Liabilities	2023 $	2022 $
Rental bonds	213,404	200,578
	213,404	**200,578**

Accounting Policy

Rental bonds

Rental bonds are recognised as a liability in the financial statements when the Company receives the funds from the lessee and has a legal obligation to refund the amount at the end of the lease term, subject to the terms and conditions of the lease agreement. The rental bonds are initially measured at their fair value, which is typically equal to the amount received from the lessee.

B9 Provisions	2023 $	2022 $
Current		
Employee		
Annual leave	791,329	788,950
Long service leave	308,643	297,122
Superannuation - defined benefits	51,000	67,000
Total current employee provisions	**1,150,972**	**1,153,072**
Provision for TASBRED Scheme - Thoroughbred	323,408	566,508
Workers compensation insurance fund reserve	367,761	169,280
Total other current provisions	**691,169**	**735,788**
Total current provisions	**1,842,141**	**1,888,860**
Non-Current		
Employee		
Long service leave	318,465	347,205
Superannuation - defined benefits	2,081,000	2,149,000
Total Non Current provisions	**2,399,465**	**2,496,205**
Total provisions	**4,241,606**	**4,385,065**

Reconciliation of movements in carrying amounts of other current provisions

2023	Provision for TASBRED Scheme - Thoroughbred $	Workers compensation insurance fund reserve $	Total $
Carrying amount at 1 July	566,508	169,280	**735,788**
Additional provisions	1,066,500	198,481	**1,264,981**
Amounts used	(1,309,600)	-	**(1,309,600)**
Carrying amount at 30 June	**323,408**	**367,761**	**691,169**

Accounting policy

Provisions

Provisions are recognised when Tasracing has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

TASBRED Thoroughbred Breeding Incentive Scheme

Tasracing operates a Thoroughbred breeders and owners incentive scheme for eligible yearlings. The scheme is funded by government grants and industry funding while costs are incurred as horses meet the relevant criteria. Tasracing has a provision representing the excess of funding over recognised costs. This provision provides for future costs of the scheme.

Workers Compensation Insurance Policy

Taracing has a workers compensation insurance policy for the year ending 31 March 2024. The premium varies between a minimum of $750,000 and a maximum of $2,592,341. At 30 June 2023, the injuries incurred in the previous insurance years were greater than the minimum premium. Tasracing is exposed to a potential cost of up to $1,842,341 in the current insurance year being the difference between the maximum and minimum premiums and this is dependant upon the nature and extent of the injuries that occur. As an insurance year remains open for three years, injuries that occurred in prior years can impact on the current financial years expense recorded in the Statement of Comprehensive Income.

Employee benefit disclosures

Accounting Policy

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave, when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by Tasracing in respect of services provided by employees up to the reporting date.

Classification of employee benefits

An employee benefit liability is classified as a current liability if there is no unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit superannuation plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full in the Statement of Comprehensive Income in the period in which they occur.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise amortised on a straight-line basis over the average period until the benefits become vested.

The defined benefit obligation recognised in the Statement of Financial Position represents the present value of the defined benefit obligation, adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and as reduced by the fair value of the plan assets. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

Liability for defined benefit obligation

Members of the Contributory Scheme receive lump sum benefits on resignation and lump sum or pension benefits on retirement, death or invalidity. The Contributory Scheme is closed to new members.

There are a number of risks to which the Scheme exposes Tasracing. The more significant risks relating to defined benefits are:

Investment risk- the risk that investment returns will be lower than assumed and Tasracing will need to increase contributions to offset this shortfall over the long term.

Salary growth risk - the risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.

Inflation risk - the risk that inflation is higher than anticipated, increasing pension payments and the associated employer contributions over the long term.

Benefits options risk - the risk that a greater proportion of members who joined prior to 1 July 1994 will elect the pension option, which is generally more costly than the alternative lump sum option.

Pensioner mortality risk - the risk that pensioner mortality will be lower than expected, resulting in pensions being paid for a longer period.

Legislative risk - the risk that legislation changes could be made which increase the cost of providing the defined benefits.

There were no Scheme amendments affecting the defined benefits payable, curtailments or settlements during the year.

	2023 $	2022 $
Reconciliation of the net defined benefit liability/(asset)		
Defined benefit obligation	2,502,000	2,627,000
Fair value of plan assets	(370,000)	(411,000)
Net superannuation liability/(asset)	**2,132,000**	**2,216,000**
Current net liability	51,000	67,000
Non-current net liability	2,081,000	2,149,000
Total liability	**2,132,000**	**2,216,000**
Reconciliation of the fair value of scheme assets		
Fair value of plan assets at the beginning of the year	411,000	464,000
Interest income	22,000	15,000
Actual return on plan assets less interest income	(60,000)	(62,000)
Employer contributions	54,000	61,000
Contributions by plan participants	17,000	16,000
Benefits paid	(74,000)	(83,000)
Fair value of plan assets at the end of the year	**370,000**	**411,000**
Reconciliation of the defined benefit obligation		
Present value of defined benefit obligations at beginning of the year	2,627,000	3,225,000
Current service cost	33,000	54,000
Interest cost	138,000	102,000
Contributions by plan participants	17,000	16,000
Actuarial (gains)/losses arising from changes in demographic assumptions	8,000	-
Actuarial (gains)/losses arising from changes in financial assumptions	(88,000)	(633,000)
Actuarial (gains)/losses arising from liability experience	(159,000)	(54,000)
Benefits paid	(74,000)	(83,000)
Present value of defined benefit obligations at end of the year	**2,502,000**	**2,627,000**

The asset ceiling has no impact on the net defined benefit liability/(asset).

Fair Value of Scheme Assets

As at		30 June 2023		
Asset Category	**Total**	**Quoted prices in active markets for identical assets - Level 1 ($'000)**	**Significant observable inputs - Level 2 ($'000)**	**Unobservable inputs - Level 3 ($'000)**
Cash deposits	-	-	-	-
Australian equities	57	-	57	-
International equities	70	-	70	-
Infrastructure	58	-	14	44
Diversified fixed interest	88	-	88	-
Property	70	-	7	63
Alternative investments	27	-	27	-
Total	**370**	**-**	**263**	**107**

^Estimated based on assets allocated to Tasracing as at 30 June 2023 and asset allocation of the RBF Scheme as at 30 June 2022.

Fair Value of Entities Own Financial Instruments

The fair value of Scheme assets includes no amounts relating to:

- any of Tasracing's own financial instruments
- any property occupied by, or other assets used by Tasracing

Assets are not held separately for each reporting entity but are held for the Fund as a whole. The fair value of Scheme assets for each reporting entity was estimated by allocating the total Fund assets in proportion to the value of each reporting entity's fund liabilities, calculated using the assumptions outlined in this report, with the exception of the discount rate. For the purposes of allocating assets to each reporting entity, we have used the Government Bond yield of 3.85%, in order to be consistent with the allocation of assets reported to the Department of Treasury and Finance.

Significant actuarial assumptions at the reporting date

Financial year ended	30 June 2023	30 June 2022
Assumptions to determine defined benefit cost and start of year DBO		
Discount rate (active members)	5.35% p.a	3.20% p.a
Discount rate (pensioners)	5.35% p.a	3.20% p.a
Expected rate of increase of compulsory preserved amounts	5.50% for 22/23 then 3.50% p.a	3.00% p.a
Expected salary increase rate	3.50% p.a	3.00% p.a
Expected pension increase rate	5.50% for 22/23 3.25% for 23/24 then 2.50% p.a	2.25% p.a

Financial year ended	30 June 2023	30 June 2022
Assumptions to determine end of year DBO		
Discount rate (active members)	5.70% p.a	5.35% p.a
Discount rate (pensioners)	5.70% p.a	5.35% p.a
Expected salary increase rate	3.50% p.a	3.50% p.a
Expected rate of increase of compulsory preserved amounts	3.50% p.a	5.50% for 22/23 then 3.50% p.a
Expected pension increase rate	3.50% for 23/24 3.50% for 24/25 3.0% for 25/26 then 2.50% p.a	5.50% for 22/23 3.25% for 23/24 then 2.50% p.a

Sensitivity analysis

The defined benefit obligation as at 30 June 2023 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1.0% p.a discount rate	+1.0% p.a discount rate	-1.0% p.a pension increase rate	+1.0% p.a pension increase rate
Discount rate (% p.a)	5.70%	4.70%	6.70%	5.70%	5.70%
Pension increase rate (% p.a)	2.50%	2.50%	2.50%	1.50%	3.50%
Defined benefit obligation (A$'000s)	2,502	2,824	2,238	2,339	2,708

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

The pension increase assumptions in the above table are long term pension increase assumptions.

Higher rates are assumed for the next two years. In Scenario C & D, both the short term and long term assumptions have been adjusted.

Asset-Liability matching strategies

We are not aware of any asset and liability matching strategies adopted by the Fund.

Funding arrangements

The employer contributes a percentage of each lump sum or pension benefit payment. This percentage may be amended by the Minister on the advice of the Actuary.

Expected Contributions

Financial year ending	30 June 2024 ($'000)
Expected employer contributions	51

Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation for Tasracing is 12.3 years.

B10 Leases	2023 $	2022 $
(a) Right-of-Use Assets		
Carrying amounts		
Racecourse leaseholds	800,009	928,812
Motor vehicles	704,058	410,619
Total right-of-use assets at 30 June	**1,504,067**	**1,339,431**
Reconciliation of movements in carrying amounts		
Carrying amount at 1 July	1,339,431	1,509,026
Additions	830,633	352,280
Disposals	(214,228)	(40,312)
Amortisation expense	(451,769)	(481,563)
Carrying amount at 30 June	**1,504,067**	**1,339,431**

Accounting Policy

Right-of-Use assets

Tasracing has lease contracts for various racecourses and motor vehicles used in its operations. Leases of racecourses generally have lease terms between 10 and 50 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. There are several lease contracts that include extension and termination options.

(b) Lease Liabilities		
Reconciliation of movements in carrying amounts		
Carrying amount at 1 July	1,321,328	1,486,485
Additions	830,633	352,280
Disposals	(207,622)	(64,335)
Interest	28,918	25,081
Payments and accruals	(510,935)	(478,183)
Total lease liabilities at 30 June	**1,462,322**	**1,321,328**
Current	461,920	320,909
Non Current	1,000,402	1,000,419
Total lease liabilities at 30 June	**1,462,322**	**1,321,328**
The maturity analysis of lease liabilities is as follows:		
Present value of future minimum lease payments		
Year 1	461,920	320,909
Year 2	362,979	290,484
Year 3	222,135	158,419
Ongoing	415,288	551,516
Total	**1,462,322**	**1,321,328**

Accounting Policy

Lease liabilities

At the commencement date of the lease, Tasracing recognises lease liabilities measured at the present value of lease payments to be made over the lease term, unless the short-term or low-value exemption is applied.

In calculating the present value of lease payments, Tasracing uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

Tasracing has elected not to recognise Right-of-Use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is $10,000 or less. Tasracing recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

EQUITY

	2023	2022
B11 Contributed Equity	**$**	**$**
Balance at the beginning of the year	63,964,911	60,714,911
Equity contribution - Treasury	500,000	3,250,000
Balance at the end of the year	**64,464,911**	**63,964,911**

Fully paid shares (30 June 2023 and 30 June 2022: 2)

Tasracing is a state owned company. Tasracing's share capital is held on behalf of the State of Tasmania by the Minister for Racing and the Treasurer.

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by Treasurer's Instruction FC-16 and have been credited directly as equit contributions.

	2023	2022
B12 Accumulated Losses	**$**	**$**
Balance at the beginning of the year	(11,679,644)	(15,907,870)
Net Profit/(Loss)	295,962	3,790,726
Other comprehensive income	179,000	625,000
Income tax relating to components of other comprehensive income	(53,700)	(187,500)
Balance at the end of the year	**(11,258,382)**	**(11,679,644)**

FINANCING AND FUNDING

FINANCIAL INSTRUMENTS

C1(a) Capital Risk Management

Tasracing manages its capital to ensure that it will be able to continue as a going concern through the optimisation of the debt and equity balance.

The capital structure of Tasracing consists of debt, which includes the borrowings disclosed in note B7, cash and cash equivalents and equity attributable to equity holders of the company, comprising contributed equity and retained earnings as disclosed in notes B11 and B12 respectively.

Tasracing's policy is to endeavour to fund current and future activities through adequately maintained cash reserves. Where required Tasracing borrows through the Tasmanian Public Finance Corporation, TASCORP.

(b) Categories of Financial Instruments	2023 $	2022 $
Financial assets		
Cash and cash equivalents	17,027,961	18,937,967
Financial assets - at amortised cost	2,293,725	2,133,486
Other financial assets - at amortised cost	94,507	94,507
	19,416,193	**21,165,960**
Financial liabilities		
Held at amortised cost:		
Trade and other payables	5,109,993	5,204,416
Other financial liabilities	213,404	200,578
Borrowings	5,393,419	6,279,673
	10,716,816	**11,684,667**

Estimation of fair values

The directors consider that the carrying amount of financial assets and liabilities approximates to their fair value, except for Borrowings which have a fair value of $5,366,683 (2022, $6,321,226).

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

(i) Borrowings

Fair value is calculated based on discounted expected future principal and interest cash flows.

(ii) Trade and other receivables / payables

For receivables / payables with a remaining life of less than one year, the nominal amount is deemed to reflect the fair value. All other receivable / payables are discounted to determine the fair value.

Accounting policy

Financial assets

All Financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of any transaction costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts

(including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through the Statement of Comprehensive Income'.

Financial assets/Trade and other receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'Financial assets - at amortised cost', which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Tasracing considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Tasracing's historical experience, an informed credit assessment and forward-looking information. Tasracing has established a provision matrix to facilitate the impairment assessment.

Interest income is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at fair value through the Statement of Comprehensive Income, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of a financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of the ECL account. When a trade receivable is considered uncollectable, it is written off against the ECL account. Changes in the carrying amount of the ECL account are recognised in the Statement of Comprehensive Income.

Derecognition of financial assets

Tasracing derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If Tasracing neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If Tasracing retains substantially all the risks and rewards of ownership of a transferred financial asset, Tasracing continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual agreement. Interest and dividends are classified as expenses or as distributions of profit consistent with the Statement of Financial Position classification of the related debt or equity instruments or component parts of compound instruments.

Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.
Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Tasracing derecognises financial liabilities when, and only when, Tasracing's obligations are discharged, cancelled or they expire.

FINANCIAL RISK MANAGEMENT OBJECTIVES

Tasracing has exposure to the following risks from the use of financial instruments:
(i) Interest rate risk
(ii) Credit risk, and
(iii) Liquidity risk

(i) Interest rate risk management

Interest rate risk is limited to movements in "at call" and "short term fixed" interest rates on investments. The majority of Tasracing's borrowings are at fixed rates of interest.

Interest rate sensitivity analysis	Impact on Statement of Comprehensive Income/(Loss)		Impact on Equity	
	100 basis points increase	100 basis points decrease	100 basis points increase	100 basis points decrease
	$	$	$	$
30 June 2023	85,140	(85,140)	85,140	(85,140)
30 June 2022	94,690	(94,690)	94,690	(94,690)

(ii) Credit risk management

Credit risk represents the loss that would be recognised if debtors failed to meet their obligations under a contract or arrangement. The major exposure to credit risk arises from receivables. Tasracing has a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk.

The average credit period on these items is 30 days with a large number of smaller debtors reducing the risk. No interest is charged on receivables. An allowance has been made for estimated unrecoverable trade receivable amounts arising from past transactions, determined by reference to past default experience. Further details are disclosed in note B2.

(iii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of Tasracing's short, medium and long term funding and liquidity management requirements. Tasracing manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows.

The table below shows the contractual maturities of financial liabilities and expected maturities of financial assets.

30 June 2023	< 1 year $	1-2 years $	2-5 years $	> 5 years $	Total $	Weighted Average Effective Interest Rate
Financial Assets						
Cash and cash equivalents	17,027,961	-	-	-	17,027,961	4.46%
Financial assets - at amortised cost	2,293,725	-	-	-	2,293,725	-
Other financial assets - at amortised cost	94,507	-	-	-	94,507	-
Total Financial Assets	**19,416,193**	**-**	**-**	**-**	**19,416,193**	**3.91%**
Financial Liabilities						
Trade and other payables	5,109,993	-	-	-	5,109,993	-
Other financial liabilities	213,404	-	-	-	213,404	-
Borrowings	932,971	974,680	1,801,318	1,684,450	5,393,419	3.96%
Total Financial Liabilities	**6,256,368**	**974,680**	**1,801,318**	**1,684,450**	**10,716,816**	**1.99%**

30 June 2022	< 1 year $	1-2 years $	2-5 years $	> 5 years $	Total $	Weighted Average Effective Interest Rate
Financial Assets						
Cash and cash equivalents	18,937,967	-	-	-	18,937,967	1.31%
Financial assets - at amortised cost	2,133,486	-	-	-	2,133,486	-
Other financial assets- at amortised cost	94,507	-	-	-	94,507	-
Total Financial Assets	**21,165,960**	**-**	**-**	**-**	**21,165,960**	**1.17%**
Financial Liabilities						
Trade and other payables	5,204,416	-	-	-	5,204,416	-
Other financial liabilities	200,578	-	-	-	200,578	-
Borrowings	5,487,628	255,808	536,237	-	6,279,672	3.90%
Total Financial Liabilities	**10,892,622**	**255,808**	**536,237**	**-**	**11,684,666**	**2.48%**

OTHER

KEY MANAGEMENT PERSONNEL COMPENSATION

D1 Key Management Personnel

Tasracing's remuneration policy has been designed to align key management personnel objectives with business objectives by providing a fixed remuneration. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage Tasracing, as well as create goal congruence between directors, executives, shareholders and other key stakeholders.

The Board is remunerated in accordance with the Tasmanian State Government remuneration framework which recommends the maximum remuneration amount available to the members of Government boards. Tasracing has complied with the Guidelines for Tasmanian Government Businesses – Director and Executive Remuneration except for:

- In September 2022 an exception was appoved by Government for the CEO's remuneration to exceed the remuneration band established by the Government Business Executive Remuneration Advisory Panel.
- In February 2023 an exception was appoved by Government for the Chief Vetinary and Animal Welfare Officer to remunerated to within 80 per cent of the maximum approved CEO remuneration band; and
- The average senior executive remuneration to be above 70 per cent of the Government for the maximum approved CEO remuneration band until 30 June 2025.

The Board's policy for determining the nature and amount of remuneration for Tasracing's key management personnel is as follows:

- Remuneration is approved by the remuneration committee and then approved by the Board after professional advice is sought from independent external consultants.
- All key management personnel receive a base salary (which is based on factors such as position, competency, length of service and experience), superannuation and other benefits.
- No performance incentives exist for the current members of the executive.
- The remuneration committee reviews key management personnel packages annually by reference to Tasracing's performance, executive performance and comparable information from industry sectors.

Consistent with legislated requirements, key management personnel receive a superannuation guarantee contribution, which is currently 10.50%, and do not receive any other retirement benefits.

All remuneration paid to key management personnel is valued at the cost to Tasracing and expensed. All transactions with key management personnel, including the payment of prizemonies, including payments to syndicates, were conducted on an arm's length basis in the ordinary course of business and on commercial terms and conditions.

Non-executive directors

The Board's policy is to remunerate non-executive directors in accordance with guidelines and sizing statements provided by The Department of Treasury and Finance and Department of Premier and Cabinet respectively.

Remuneration details for the year ended 30 June 2023

The key management personnel of Tasracing Pty Ltd during the year were:

Board of Directors

G. Phair (Chairperson, non-executive director)
M. Wallace (Deputy Chairperson, non-executive director)
H. Galloway (Deputy Chairperson, non-executive director), to 15 December 2022
D. Garnier (non-executive director)
M. Gordon (non-executive director)
N. Grose (non-executive director)
S. Jacobson (non-executive director), from 15 December 2022
S. Old (non-executive director), from 15 December 2022
R. Whishaw (non-executive director), to 15 December 2022

Executive Management

P. Eriksson (Chief Executive Officer), to 8 July 2022
A. Jenkins (Chief Executive Officer), acting from 11 July 2022 - permanent from 7 February 2023
D. Heald (Chief Financial Officer)
A. Jenkins (Chief Operating Officer), from 1 July 2022 to 10 July 2022
M. Lenz (Chief Veterinary and Animal Welfare Officer), from 16 January 2023
D. Manshanden (Chief Operating Officer), from 8 May 2023

Table of benefits and payments for the year ended:

The aggregate compensation made to directors and other members of key management personnel of Tasracing is set out below:

	Directors Remuneration		Executive Remuneration		Consolidated	
	2023	2022	2023	2022	2023	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Short-term employee benefits	227	231	506	521	733	643
Post-employment benefits	23	24	52	48	75	58
Other long-term benefits	0	0	8	21	8	24
Termination benefits	0	0	0	0	0	0
	250	**255**	**565**	**590**	**816**	**725**

For Director remuneration, Short term employment benefits includes Director fees, Committee fees and Other benefits. Post employment benefits represents superannuation contributions.

For Executive remuneration, short-term employment benefits includes base salary, short-term incentive payments, vehicles, other benefits and other non-monetary benefits. Post employment benefits represents superannuation contributions and other long-term employee benefits includes leave movements.

(a) Remuneration for Board of Directors

The following tables disclose the remuneration details for each person that acted as a director during the current and previous financial years:

Board remuneration		30 June 2023		
Name	Position	Directors Fees [1] $'000	Superannuation [2] $'000	Total $'000
Mr G Phair	Chairperson	54	60	60
Mr M Wallace	Deputy Chairperson	29	32	32
Mrs H Galloway (to 15 December 2022)	Deputy Chairperson	13	14	14
Mr D Garnier	Director	29	32	32
Mr M Gordon	Director	29	32	32
Mr N Grose	Director	29	32	32
Ms S Jacobson (from 15 December 2022)	Director	15	17	17
Mr S Old (from 15 December 2022)	Director	15	17	17
Mrs R Whishaw (to 15 December 2022)	Director	13	14	14
Total		**227**	**23**	**250**

Board remuneration		30 June 2022		
Name	Position	Directors Fees [1] $'000	Superannuation [2] $'000	Total $'000
Mr G Phair	Chairperson	56	6	62
Mrs H Galloway	Deputy Chairperson	29	3	32
Mr D Garnier	Director	29	3	32
Mr M Gordon	Director	29	3	32
Mr N Grose (from 25 November 2021)	Director	17	2	19
Mr J Wallace (to 25 November 2021)	Director	13	1	14
Mr M Wallace	Director	29	3	32
Mrs R Whishaw	Director	29	3	32
Total		**231**	**24**	**255**

[1] Amounts are all forms of consideration paid, payable or provided by the company, i.e. disclosure is made on an accruals basis as at 30 June.
[2] Superannuation means the contribution to the superannuation fund of the individual.

Non-Executive Directors

Non-executive Directors are appointed by the Treasurer and Racing Minister. Each instrument of appointment is for a maximum period of three years and prescribes the relevant remuneration provisions. Directors can be re-appointed in accordance with the relevant Guidelines for Tasmanian Government Businesses - Board Appointments. The level of fees paid to non-executive Directors is administered by the Department of Premier and Cabinet, as is additional fees paid in respect of their work on Board committees.

Superannuation is paid at the appropriate rate as prescribed by superannuation guarantee legislation. No other leave, termination or retirement benefits are accrued or paid to Directors. Directors are entitled to reimbursement of reasonable expenses incurred while attending to Board business. Non-executive Directors' remuneration is reviewed periodically with increases subject to approval by the Treasurer and Racing Minister.

(b) Executive Remuneration

The following tables disclose the remuneration details for each person that acted as a senior executive during the current and previous financial year:

Executive Remuneration		30 June 2023							
Name	**Position**	**Base Salary [1] $'000**	**Superannuation [2] $'000**	**Vehicles Benefits [3] $'000**	**Other Benefits [4] $'000**	**Reported Remuneration $'000**	**Termination Benefits [5] $'000**	**Other Long Term Benefits [6] $'000**	**Total $'000**
Mr P Eriksson	Chief Executive Officer (to 8 July 2022)	7	1	0	0	8	88	-21	75
Mr A Jenkins	Chief Executive Officer (acting from 11 July 2022 - permanent from 7 February 2023)	212	22	12	0	246	0	12	258
Mr D Heald	Chief Financial Officer	166	17	0	0	184	0	6	190
Mr A Jenkins	Chief Operating Officer (to 10 July 2022)	5	1	0	0	6	0	0	6
Mr M Lenz	Chief Veterinary and Animal Welfare Officer (from 16 January 2023)	77	8	0	0	85	0	8	93
Mr D Manshanden	Chief Operating Officer (from 8 May 2023)	26	3	0	0	29	0	3	31
Total		**494**	**52**	**12**	**0**	**557**	**88**	**8**	**654**

Executive Remuneration		30 June 2022							
Name	**Position**	**Base Salary [1] $'000**	**Superannuation [2] $'000**	**Vehicles Benefits [3] $'000**	**Other Benefits [4] $'000**	**Reported Remuneration $'000**	**Termination Benefits [5] $'000**	**Other Long Term Benefits [6] $'000**	**Total $'000**
Mr P Eriksson	Chief Executive Officer	254	23	10	0	287	0	5	293
Mr D Heald	Chief Financial Officer	166	17	2	0	185	0	8	193
Mr A Jenkins	Chief Operating Officer (from 17 January 2022)	84	8	4	0	97	0	8	104
Total		**504**	**48**	**16**	**0**	**569**	**0**	**21**	**590**

[1] Base salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.
[2] Superannuation means the contribution to the superannuation fund of the individual.
[3] Vehicle Benefits includes the personal use component of the total cost of providing and maintaining a vehicle for an executive's use, calculated using the FBT taxable value of the personal use component for the financial year plus the FBT payable thereon.
[4] Other benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.
[5] Termination benefits include all forms of benefit paid or accrued as a consequence of termination.
[6] Other long-term benefits include annual and long service leave movements.

Termination benefits

Termination payments during the current year included:

- Mr Eriksson ceased employment effective 8 July 2022 was paid $88,475, which comprised leave entitlements and payments in lieu of notice.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence.

Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

In the current year, Mr Jenkins was appointed to the above positions for the periods shown, whilst the positions were vacant.

D2 Transactions with Related Parties

For all Tasmanian Government businesses, related parties are considered to include:

- a subsidiary or joint venture;
- key management personnel or close family members of key management personnel;
- Ministers or close family members of Ministers;
- any entities controlled or jointly controlled by key management personnel or their close family members; and
- any entities controlled or jointly controlled by Ministers or their close family members.

All related party transactions have been entered into on an arm's length basis.

During the year, Tasracing entered into the following transactions with related parties:

Nature of the transaction	Amount of transactions during the year	Transaction description
Sponsorship income	$500	Armidale Stud, which is controlled by a member of KMP of Tasracing, made a sponsorship payment to the Thoroughbred Awards Dinner.
Stakes payments (including prizemonies and bonus payments)	$45,545	Stakes and prizemoney payments were made to KMP. These payments are made in the ordinary course of business in line with Tasracing stakes payment procedures.

OTHER COMMITMENTS

D3 Expenditure Commitments	2023 $	2022 $
(i) Capital expenditure commitments		
Leasehold improvements		
Contractual commitments for the acquisition of property, plant or equipment: - not later than one year	4,302,806	1,616,723
	4,302,806	**1,616,723**
(ii) Other contractual commitments		
Non-cancellable contracts payable:		
- not later than one year	1,498,495	1,679,591
- later than 1 year but not later than 5 years	1,306,270	534,517
	2,804,765	**2,214,108**

Commitments in place are for vision and broadcast, medical services and general property maintenance service agreements.

OTHER

D4 Economic Dependency

A significant proportion of Tasracing's revenue is dependent on a funding deed through to 2029 with the State government which provides base funding of $30.79m increasing by CPI annually. In addition, the deed allows for a $40m debt facility with TASCORP of which Treasury will provide support in the form of principal and interest reimbursements, subject to certain conditions.

D5 Subsequent Events

No matters or circumstances have occurred subsequent to the end of the financial year that have significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

D6 Contingent Assets/Liabilities

After due investigation Tasracing has identified no material contingent assets or liabilities.

D7 Operating Segments

Reportable segments

Tasracing operates in the racing industry, where its principal activity is the administration, oversight and funding of the three codes of racing in Tasmania.

Tasracing has determined that the Company operates a single operating segment as defined under AASB 8 Operating Segments. The Company operates a single business activity (racing) in a single geographical environment (Tasmania).

A substantial portion of Tasracing's revenues and expenses cannot be reasonably allocated to individual racing codes in a manner that would result in relevant and meaningful disclosures. This is primarily due to the existence of revenues and expenses that are common across all racing codes or not directly linked to any specific code.

The measurement of assets, liabilities, and equity are treated on a single business activity basis.

Major customers

One customer represents 10% or more of the operating revenue, totalling $9,141,401.
For the purpose of AASB 8, State Government are not considered to be a major customer.

OTHER SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:
i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii. for receivables and payables which are recognised inclusive of GST.
The amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables and payables.

Impairment of non-financial assets

At the end of each reporting period, Tasracing reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, Tasracing estimates the recoverable amount of the cash generating unit to which it belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Impairment losses are allocated prorata across assets in the cash generating unit.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. The impairment reversal is allocated prorata across assets in the cash generating unit.

Current Year

There was no impairment charge in 2023.

Prior Year

There was an impairment charge of $258,890 in 2022.

a) Accounting standards adopted

In the current year Tasracing has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period and determined that none would have a material effect on the Company's operations or financial reporting.

b) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods. Tasracing's assessment of the impact of the relevant new standards and interpretations is set out below.
AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date.*

The amendments to the Australian Accounting Standards require a liability to be classified as current when an entity does not have a substantive right to defer settlement at the end of the reporting period.
The application of the amendments to the Standard applies to financial reporting periods beginning on or after 1 January 2024.
The Company does not anticipate that the application of the amendments will have a material impact on the financial statements.

AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates.*

The amendments to the Australian Accounting Standards are to improve accounting policy disclosures so that they provide more useful information to investors users of the financial statements and clarify the distinction between accounting policies and accounting estimates.

The amendments are effective for annual periods beginning on or after 1 January 2023. The amendments to the individual Standards may be applied early, separately from the amendments to the other Standards, where feasible.

The Company does not anticipate that the amendments will have a material impact, but may change the disclosure of accounting policy information included in the financial statements.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Tasracing's activities, or have no material impact. The directors anticipate that the adoption of these standards and interpretations in future periods will have no material financial impact on the financial statements of Tasracing.

IFRS Accounting Standards and IFRS Interpretations Committee Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued:

In June 2023 the International Sustainability Standards Board (ISSB) issued its first two IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

IFRS S1 is effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted as long as IFRS S2 is also applied. The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 is effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted as long as IFRS S1 is also applied. The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general purpose financial reports in making decisions relating to providing resources to the entity.

Tasracing has not yet assessed the impact of IFRS S1 and S2.

Tasmanian Audit Office

Level 2, 144 Macquarie Street, Hobart, Tasmania, 7000
Postal Address GPO Box 851, Hobart, Tasmania, 7001
Phone: 03 6173 0900
Email: admin@audit.tas.gov.au
Web: www.audit.tas.gov.au

11 August 2023

The Board of Directors
Tasracing Pty Ltd
PO Box 730
GLENORCHY TAS 7010

Dear Board Members

Auditor's Independence Declaration

In accordance with section 307C of the *Corporations Act 2001*, I provide the following declaration of independence.

As the auditor of the financial statements of Tasracing Pty Ltd for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit

(b) any applicable code of professional conduct in relation to the audit.

In accordance with the *Corporations Act 2001* a copy of this declaration must be included in the Directors' Report.

Yours sincerely

Rod Whitehead
Auditor-General

Tasmanian Audit Office

Independent Auditor's Report

To the Members of Tasracing Pty Ltd

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Tasracing Pty Ltd (the Company), which comprises the statement of financial position as at 30 June 2023 and statements of comprehensive income, cash flows and changes in equity for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

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

(a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of the Company on 11 August 2023 and included in the Directors' Report, would be in the same terms if provided to the directors at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's Directors' Report for the year ended 30 June 2023, but does not include the financial report and my auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

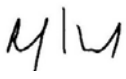
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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

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

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

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.



Rod Whitehead
Auditor-General
Tasmanian Audit Office

14 August 2023
Hobart







GORACING TASMANIA

FORMPLUS

tasracingTV

OFF THE TRACK TASMANIA

Greyhound Adoption PROGRAM | TAS

YRT

tasracingcorporate.com.au