

Tasracing Pty Ltd

STATEMENT OF CORPORATE INTENT AND PERFORMANCE STATEMENT 2022-23

July 2022

I STATEMENT OF CORPORATE INTENT

1.1 Introduction

This Statement of Corporate Intent (SCI) for the 2022-23 financial year has been prepared in accordance with section 41 of the *Government Business Enterprises Act 1995*. It should be read in conjunction with the Members' Statement of Expectation of Tasracing.

1.2 Strategic Direction

Tasracing's primary purpose is to develop a competitive and sustainable racing industry in Tasmania. The Tasracing Members' Statement of Expectations outlines the Shareholding Ministers' expectations as they relate to the strategic direction of the organisation. Specifically, the Shareholders expect that, in undertaking its core business, Tasracing will:

- operate in accordance with sound commercial practice and within current funding commitments as provided for in the Funding Deed;
- support and promote the racing industry in Tasmania;
- develop strategies and initiatives to address cost efficiencies;
- ensure the safety of the public and racing participants, and a safe working environment for Tasracing employees, through the implementation and compliance with best practice operating procedures; and
- maintain the safety and efficiency of its facilities by developing appropriate maintenance and capital improvement programs.

2 PERFORMANCE STATEMENT

2.1 Introduction

This Performance Statement has been prepared in accordance with the Members' Statement of Expectations and sets out the key performance targets to be met by Tasracing in 2022-23.

2.2 Performance Statement

Table 1 presents the Performance Statement which captures the relevant financial and non-financial targets for the business. The Performance Statement presented is consistent with Tasracing's Corporate Plan for 2022-2023 to 2026-2027.

The financial measures include the key income statement metrics which show the profitability of the company and its success in generating revenues as well as expenditure in key areas such as Code Funding, Animal Welfare and Workers Compensation. Capital Expenditure is segmented to show the North West Tracks project, expenditure on projects linked to the Point of Consumption Tax funding and the balance of Government's \$3.0m equity contribution.

Wagering turnover is an outcome of many parameters although racing volume and track quality are important inputs. Wagering turnover has been included as it is the important link between the effectiveness of the product and the growth in race field revenue.

Non-financial measures show the volume of races and average starters per race which are key parameters. In conjunction with the volume of racing, track performance is included as the key indicator of the reliability and suitability of racing.

Workers compensation especially for Jockey injuries is a major source of financial risk to the organisation and industry as a whole. Key WHS KPIs have been included with segmentation of Jockey injuries between Raceday and Tasracing and private training facilities.

Improvements in animal welfare outcomes is a key focus of the entire Tasmanian racing industry. Greyhound euthanasia and rehoming rates as well as horses benefitting from the retraining and education clinics are important initial KPIs in what will be a constantly expanding program

Operations KPIs measure key Digital reach and asset suitability while also highlighting a focus on administrative efficiency.

Thoroughbred track performance is based on the industry standard track grading system as published by Racing Australia. Track performance targets have been set to accommodate some disruption from environmental factors however inclement weather remains an ongoing risk to the achievement of these targets.

Table 1 – Tasracing Performance Statement FY23-27

		2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
		\$ Million	\$ Million	\$ Million	\$ Million	\$ Million
Financial		Target	Target	Target	Target	Target
	NPAT	0.91	0.77	0.90	0.93	1.05
	Race Field Revenue	22.32	23.53	24.82	26.18	27.61
	Code Funding	34.48	35.85	37.29	38.78	40.33
	Capital Expenditure	23.90	9.52	4.38	6.50	8.85
	Animal Welfare Funding	1.66	1.71	1.76	1.81	1.86
	Workers Compensation	1.00	1.00	1.00	1.00	1.00
Capital Expenditure Segmentation						
	POCT Infrastructure Program	0.85	3.05	1.05	1.05	2.00
	NW Tracks Project	14.50	0.00	0.00	0.00	0.00
	Government Equity Contribution	2.10	0.00	0.00	0.00	0.00
	Other Projects	6.45	6.47	3.33	5.45	6.85
Wagering Turnover		772.75	814.61	858.89	905.74	955.30
Non-Financial		2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Racing Information						
Thoroughbred	Number of races	570	570	570	570	570
	Total Starters	5,526	5,726	5,926	6,126	6,326
	Av. Starters Per race	9.7	10.0	10.4	10.7	11.1
Harness	Number of races	720	720	720	720	720
	Total Starters	7,450	7,550	7,650	7,750	7,850
	Av. Starters Per race	10.3	10.5	10.6	10.8	10.9
Greyhound	Number of races	1,600	1,600	1,600	1,600	1,600
	Total Starters	12,389	12,439	12,489	12,539	12,539
	Av.e Starters Per race	7.7	7.8	7.8	7.8	7.8
Licensed Persons		1,574	1,653	1,735	1,822	1,913
Stakes Money Paid \$M		30.30	31.51	32.77	34.08	35.45
Breeder Bonuses paid		200	220	240	260	280

Table 1 – Tasracing Performance Statement FY23-27 (Cont.)

WHS	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Lost Hours (Employees)	450.0	450.0	450.0	450.0	450.0
Toolbox Meetings Held	48	48	48	48	48
Jockey Raceday Injury Claims	4.0	4.0	4.0	4.0	4.0
Jockey Training Injury Claims (External)	1.0	1.0	1.0	1.0	1.0
Jockey Training Injury Claims (Tasracing)	5.0	5.0	5.0	5.0	5.0
Welfare	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Greyhounds Euthanased (Non Injury/Safety)	0	0	0	0	0
Greyhounds Rehomed	150	175	200	200	200
Horse Attendance OTT Clinics	1,500	1,750	2,000	2,000	2,000
Operations	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Brand Awareness Growth	6%	6%	6%	6%	6%
Video Hours Consumption Growth	14%	14%	14%	14%	14%
Administration Costs	5.9%	5.8%	5.7%	5.6%	5.5%
Asset Life Percentage	60%	55%	50%	50%	50%
Assets Fit for purpose or better	93%	94%	95%	95%	95%
Thoroughbred Track Performance					
Summer (% of tracks presented good 3 to dead 5)	85%	85%	85%	85%	85%
Winter (% of tracks presented good 3 to slow 7)	85%	85%	85%	85%	85%

DIRECTORS STATEMENT AND AGREEMENT OF SHAREHOLDING MINISTERS

In signing this Performance Statement, the Board of Tasracing commits to the targets proposed for the 2023-24 financial year.

This Performance Statement has been agreed between:

A handwritten signature in blue ink, appearing to read "G Phair".

Mr Gene Phair
Chairman
Tasracing
On behalf of the Board

Date: **9 August 2022**

A handwritten signature in blue ink, appearing to read "M Ferguson".

Hon Michael Ferguson MP
Treasurer

A handwritten signature in blue ink, appearing to read "M Ogilvie".

Hon Madeleine Ogilvie MP
Minister for Racing

Date: **12 September 2022**

Date: **3 October 2022**