HARNESS RACING SA

# ANNUAL REPORT 2012

HARNESS RACING SA

In order to comply with the provisions of the Corporations Act 2001, The Directors of HRSA Ltd submit herewith, the annual financial report for the financial year ended 30 June 2012

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# Chairman's Report

The past 12 months have been another challenging year for Harness Racing in South Australia.

The year saw many highlights which are detailed in the Chief Executive's report. Our industry participants would be aware that, from our communications to the industry, that a potentially successful year was dampened by an unforeseeable drop in TAB turnover from March 2012 due to the withdrawal of SATAB's largest professional wagering syndicate. This significant downturn, still prevalent at the time of writing this report, has impacted on market share and wagering growth and continues to be a major issue for the industry, particularly given that the TAB is a significant revenue stream.

The Australian wagering landscape continues to evolve with the competition between the new wagering operators and traditional pari-mutuel operators increasing with a wealth of services and products for wagering customers to choose from. Advances in online technology now provide customers with access anytime anywhere. The consequence of this will mean that our future growth and revenue will come from different areas, and that reliance on traditional forms of wagering funding will remain static for the near future.

With the decline in wagering revenue from the TAB, the Board are implementing a range of strategic initiatives to address this loss of TAB revenue, and we appreciate the understanding and willingness from our industry in accepting the necessary changes. As the only State with the additional burden of a 'clawback' tax revenue stream back to government, each year until 2016, we will have to continue to be very prudent with our planning in the years ahead. The next two years alone will require a clawback payment of $800,000 to the state government by HRSA, on the industry's behalf. We have lobbied, and will continue to lobby, government for a reduction in the clawback impost.

Many will rightfully look to the HRSA Board and management for leadership but without Member Clubs and industry participants accepting their responsibility as part of the solution to a stronger industry, the same old issues will continue to hold us back. Together, we can build a better industry - we have the people with the talent, knowledge, experience and passion to make this happen.

The Board is conscious that any decision it makes must be made having regard to the overall interest of racing and not to make decisions which selectively might favour any vested interest. That has involved the Board consulting widely with clubs and other industry stakeholders. In particular there has been regular and ongoing meetings and consultation with our shareholders, the South Australian Harness Racing Club (SAHRC) and South Australian Country Harness Racing Club Association (SAHRCCA).

We have promoted industry forum information sessions to involve all representatives across the State. We are mindful that harness racing needs to maintain a profile at a regional level.

The Board has also recently updated its Strategic Plan to progress what we believe are the key Strategic Priorities for the harness racing industry through the next five years. The Code's mission is to grow a strong and vibrant harness racing industry by developing a compelling racing product for our target markets, increasing participation, promoting racing excellence and integrity, generating revenue growth from wagering, and maximising returns to its stakeholders.

The five strategic priorities are as follows:

1. **Consumer-Led Focus**
   HRSA will develop an approach that will attract, engage and retain consumers in harness racing.
2. Revenue and Financial Sustainability
   Delivering a sustainable financial base to ensure a racing code that is commercially attractive.
3. **Racing Model Optimisation**
   Developing a Blueprint for 2022 which delivers a racing schedule and focuses on ensuring competitive racing, underpinned by quality race programs.
4. **Venue and Racing Facilities Development**
   Upgrading of the venue and racing facilities of Member Clubs, aligned to the 2022 Blueprint, will ensure continuity of racing and engage and retain both participants and consumers.
5. **Increase and Improve Participation of Owners, Trainers and Breeders**
   HRSA will support ownership and breeding initiatives to ensure the supply of quality horses in South Australia.

At the Board Level, I would like to record the company's appreciation for the contribution of the outgoing Chairman Graham Taylor to SA Harness Racing during his term as Chairman. In particular, Graham's leadership in the establishment of a new strategic plan and improved governance procedures for the Board is very much appreciated.

# Chairman's Report

I also wish to acknowledge the contribution of Michael Deare, Adrian Edgar and Michael Giorgio who all made a positive and valuable contribution during their terms on the Board.

In July this year I was appointed Chair of the Board and the Board welcomed two new directors Chris Hartwig (Finance) and Peter Marshall (Business) who, in a short period of time have made highly valued contributions to the work of the Board.

Fellow Directors Joanne Polodiak, John Levy and Des Stanbury, have individually and collectively contributed to the progress of the industry and the work of the Board. I appreciate that they have, without exception, done more than was necessarily required of them in the roles that they have undertaken.

The Board could not function effectively without the dedication of Management and staff of Harness Racing SA. We are conscious of the contribution that they make not only to the work of the Board but to the industry generally.

I also thank the Member Clubs for their continued work, much of it voluntary, for the benefit of the Harness Industry and to the many stakeholders in the industry operating in an ever more challenging corporatised environment.

HRSA values the support it receives from its key stakeholders including the Government of South Australia, SATAB and Tatt's Group, Sky Channel, Harness Racing Australia as well as the numerous communities in which we conduct racing in South Australia.

In closing I would like to thank my fellow directors, the members of the company, industry participants, John Lewis our Chief Executive, the management and staff of harness racing for their support and assistance in my first year as Chairman.

**MARK J. CAREY**
Chairman

## RETIRED DURING 2011/12

**Mr Grant Goodall** (Chairman until 31 August 2011)
Commenced 1 December 2003
Retired 30 September 2011

**Mr Graham Taylor** BA(Acct) FCPA MAICD MAMI
Chairman 1 September - 30 June 2012
Commenced 30 June 2010
Term – two years
Retired 30 June 2012

**Mr Michael Deare** BA, JP
Commenced 30 June 2010
Term – two years
Retired 30 June 2012

**Mr Michael Giorgio** LLB (Hons)
Commenced 1 December 2003
Retired 30 September 2011

**Mr Adrian Edgar** GCert. Management
Commenced 1 October 2009
Retired 3 January 2012

The names and particulars of the Directors of the Company during or since the end of the financial year are as follows:

| | | Board meetings attended | Maximum possible to attend |
|---|---|---|---|
| Grant Goodall | Director | 1 | 3 |
| Michael Deare | Director | 11 | 11 |
| Adrian Edgar | Director | 5 | 6 |
| Michael Giorgio | Director | 3 | 3 |
| Des Stanbury | Director | 11 | 11 |
| Graham Taylor | Director | 11 | 11 |
| Jo Podoliak | Director | 8 | 8 |
| John Levy | Director | 8 | 8 |
| Mark Carey | Director | 2 | 2 |

## Board of Directors

**Mr Mark Carey** Assoc Dip Business, MAICD
Director nominated by SACHRCA
Commenced 9 May 2012

**Mr Des Stanbury**
Director nominated by SAHRC
Commenced 1 October 2007

**Ms Joanne Podoliak** BAdmin(Tourism) Hons, Company Directors Diploma (2008)
Independent Director (Marketing)
Commenced 1 October 2011

**Mr John Levy** LLB, Grad Dip Management, GDLP, FTIA
Independent Director (Legal)
Commenced 1 October 2011

**Mr Chris Hartwig** BA(Accountancy)
Independent Director (Finance)
Commenced 1 July 2012

**Mr Peter Marshall**
Independent Director (Business)
Commenced 1 July 2012

# HRSA Board Committees

## Committees

| **Racing** | |
|---|---|
| Mr Des Stanbury | Chairman |
| Mr John Levy | |
| Mr Mark Carey | |
| Mr Peter Smith | (Secretary, Ex-offico) |
| Mr John Lewis | (Ex-officio) |

| **Governance** | |
|---|---|
| Ms Jo Podoliak | Chairman |
| Mr Mark Carey | |
| Mr John Levy | |
| Mr John Lewis | (Secretary, Ex-Officio) |

| **Finance** | |
|---|---|
| Mr Chris Hartwig | Chairman |
| Mrs Jo Podoliak | |
| Mr Peter Marshall | |
| Mr Mark Carey | (Ex-Officio) |
| Mr Oliver Bott | (Secretary, Ex-Officio) |
| Mr John Lewis | (Ex-Officio) |

# HRSA Advisory Committee

| **Industry Advisory Committee (IAC)** | |
|---|---|
| Mr Bronte Giorgio | Chairman |
| Mr Peter Smith | Secretary |
| Ms Lyn Tester | |
| Mr Dennis Lyle | |
| Mr Glenn Steele | |
| Mr Peter Bain | |
| Mr Neville Thomson | |
| Mr Ray Holberton | |
| **Proxies:** | |
| Ms Kaye Harris | |
| Dr Toby Ryan | |
| Mr Stephen Norman | |
| Ms Leah Harvey | |
| Mr John Lewis | |
| Mr Stephen Mulcay | |

HARNESS RACING SA

# CEO'S REPORT 2012

# Chief Executive Officer's Report

**Racing Highlights**

The Southern Cross Series Finals for 2YO and 3YO horses held at Globe Derby on Saturday 30 July 2011 was an outstanding success. The racing on the night was of a high quality and featured competitive racing in front of a record crowd for a Southern Cross Carnival. There were many highlights on the night including the emotional win by 'Come on Frank' for the Billinger family.

In perfect conditions, the biggest crowd at Globe Derby Park since the 2007 Inter Dominion witnessed Smoken Up win its third SA Cup at Globe Derby Park on Saturday 14 January 2012. Over 5,000 patrons attended our biggest night of racing which also featured the SA Trotters Cup and the SA Derby. Notwithstanding a major electrical problem which resulted in a loss of power for just over an hour and a subsequent delay in the running of the Cup, the race meeting resumed, with the large crowd enjoying a thrilling night's racing.

We also experienced an outstanding Country Cups Carnival in the first half of 2012 with the Victor Harbor Cup (26 January), Mt Gambier Cup (27 January), Whyalla Cup (29 January), Kapunda Cup (26 February), Gawler Cup (10 March), Pt Pirie Cup (21 April) and the Strathalbyn Cup (11 June). The Country Cups confirmed the importance of country racing to local communities and the outstanding efforts of the Club Committees. We also express our thanks to owners, trainers and drivers for their continued support of country racing who make an enormous effort to support country racing.

**Harness Racing Crowds Increased**

In a very positive development, crowd attendances over the summer racing period in 2011/12 increased by up to 50% at both Globe Derby Park and country venues throughout the State. The attendances at both the SA Cup in January and the Gawler Cup in March at Globe Derby Park were up by 50% on last year's crowds. The same encouraging trend has also been seen at many of our country venues. The Mt Gambier Cup attracted the largest crowd in many years and was a 30% increase in attendance on the previous year, and Victor Harbor race meetings over the summer also attracted very large crowds, particularly at its Boxing Day race meeting.

**South Australia's Leading Reinsman**

South Australia's Leading Reinsman David Harding In August 2011, we also witnessed the outstanding milestone by David Harding to achieve 200 wins in a season for the third year in a row ranks David's feat as one of the State's leading sporting achievements, and attracted significant local media interest. It also reinforced South Australia's reputation in continuing to produce some of Australia's best reinsmen and reinswomen.

**Turnover and Market Share**

As at 30 June 2012, turnover on SA harness racing in FY 2011/12 had increased by 7.25% on the previous year. However this was offset by a reduction in national turnover by 12%. Local market share for harness racing in South Australia as at 30 June 2012 is 13.33%, which will be a decrease of 0.02 points on the previous year. In comparison, thoroughbred racing's market share fell by 0.42 points while greyhounds increased their share by 0.45 points.

Tuesday night race meetings at Globe Derby Park over the past 12 months contributed around $2.2m of total SA harness turnover. If Tuesday night racing not been conducted, our average market share at this time would be sitting around the 12.3% mark, a drop of over 1% (or in excess of $500,000 in revenue). The decision to commence Tuesday night racing at Globe Derby Park was a significant decision for our code and reflected our objective in our Strategic Plan to grow market share and turnover.

**Prizemoney**

In 2011/12, HRSA allocated total prize money of just over $5 million, which was an increase of $87,000 on the previous year. Despite pressures on our market share and other factors, HRSA has been determined to ensure that prizemoney levels are maintained at current levels. It is also important to note that harness racing in South Australia retains around 83% of its TAB distribution to be used for prize money, which is a higher percentage than both thoroughbred and greyhound racing in South Australia.

**Industry Survey**

The most comprehensive survey of the South Australian harness racing industry was undertaken in late 2011. The aim of the survey was to ascertain the industry's views on a wide ranging number of issues including racing

# Chief Executive Officer's Report

programming, field sizes, standing starts and handicapping. Much of the information in the survey was particularly valuable in assisting the HRSA Board with its deliberations on a number of issues.

**Harness Racing Funding Model**

HRSA is working towards seeking an improved funding model for harness racing in SA. The current funding model was established at the time of the sale of the TAB and corporatisation of the racing codes in 2001. It is an inadequate and unfair funding model for our code as it places emphasis on each code providing as much product into the market as possible in order to increase market share for the following year. For example this type of approach is unfair when you consider the significant cost of conducting harness racing, and also reduces our ability to invest in areas including prizemoney, racing infrastructure, and 'off course' marketing and retail initiatives to drive wagering growth in our code.

**Fibre Optic Link installed at Mt Gambier**

In FY 2011/12, and following negotiations with the State Government, we were delighted to establish a permanent fibre optic link at the Mt Gambier HRC to enable race meetings to be broadcast live on Sky Channel, and hence increase the number of TAB race meetings, which delivers increased financial benefits for the Club and the code generally. This was a significant investment that will benefit both racing in the South–East and across South Australia, and resulted in an additional eight TAB meetings. We were very appreciative of the significant financial support of the State Government towards the project, and also the pro-active approach taken by the Committee of the Mt Gambier HRC.

**Meetings with Government and the Opposition**

Throughout the year, we had several meetings with both the Minister for Recreation and Sport, Hon Tom Kenyon, and also the Shadow Minister for Racing, Mr Dan van Holst Pellekaan. The meetings included briefings on a range of matters including current challenges facing the industry, as well as prizemoney, turnover and market share updates and racing programs. Both the Minister and the Shadow Minister were made well aware that the current funding model for our code is inadequate and requires urgent review. In particular we continue to lobby the Government about our concerns in relation to the clawback payment which is paid annually to the State Government by all racing codes – in our case this amounts to around $400,000 annually. This payment commenced in 2001 as a consequence of the sale of the TAB and corporatisation of our code.

**Chariots on Fire' Syndication**

Another major strategic initiative by HRSA was the 'Chariots on Fire' Syndication which was formally launched on Saturday 2 June 2012. We were also delighted to secure racing legend and Melbourne Cup winning jockey John Letts, and the 5AA Sports team including Graham Cornes and Stephen Rowe as syndicate members. The syndicate provides a great opportunity to get new people involved in harness racing, and also provides an increased public profile for harness racing in South Australia. The media coverage in relation to the syndicate has been outstanding with the 5AA Sport Show providing regular updates on the progress of the syndicate. The first syndicate has already been fully subscribed, and work has commenced on establishing a second syndicate. The syndicate program is being managed by leading breeder and owner, Mr Bruce Cameron.

**Racing Infrastructure**

In 2012, the HRSA Board approved the purchase of a portable trailer mounted 265mm L.E.D Multi Colour Semaphore Board. The mobile semaphore board will be used for all country and regional harness race meetings, and will be an important piece of racing infrastructure for clubs. We expect to take delivery in November 2012. This new racing infrastructure purchase builds on the capital purchases in 2011 when harness racing took delivery of two new mobile vehicles, as well as a new mobile mechanism and a second upgraded mobile mechanism. These purchases also enabled the re-location of our third mobile vehicle to Pt Pirie.

**Advertising and Marketing**

HRSA continued to provide significant funding to all Clubs for advertising and promotion of feature race meetings throughout FY 2011/12. We established a regular media presence through advertising in major media outlets during the Summer Racing Season and also leading up to and during major race meetings during the course of the year.

In relation to the marketing of our code, we developed our 'Chariots On Fire' campaign which has received extremely

# Chief Executive Officer's Report

positive feedback. Our regular promotion of racing over the Summer included advertising in The Advertiser and on Radio Station 5AA and key regional radio stations over the Summer Racing Season and also leading up to major racing events during the course of the year.

**Sponsorship Services**

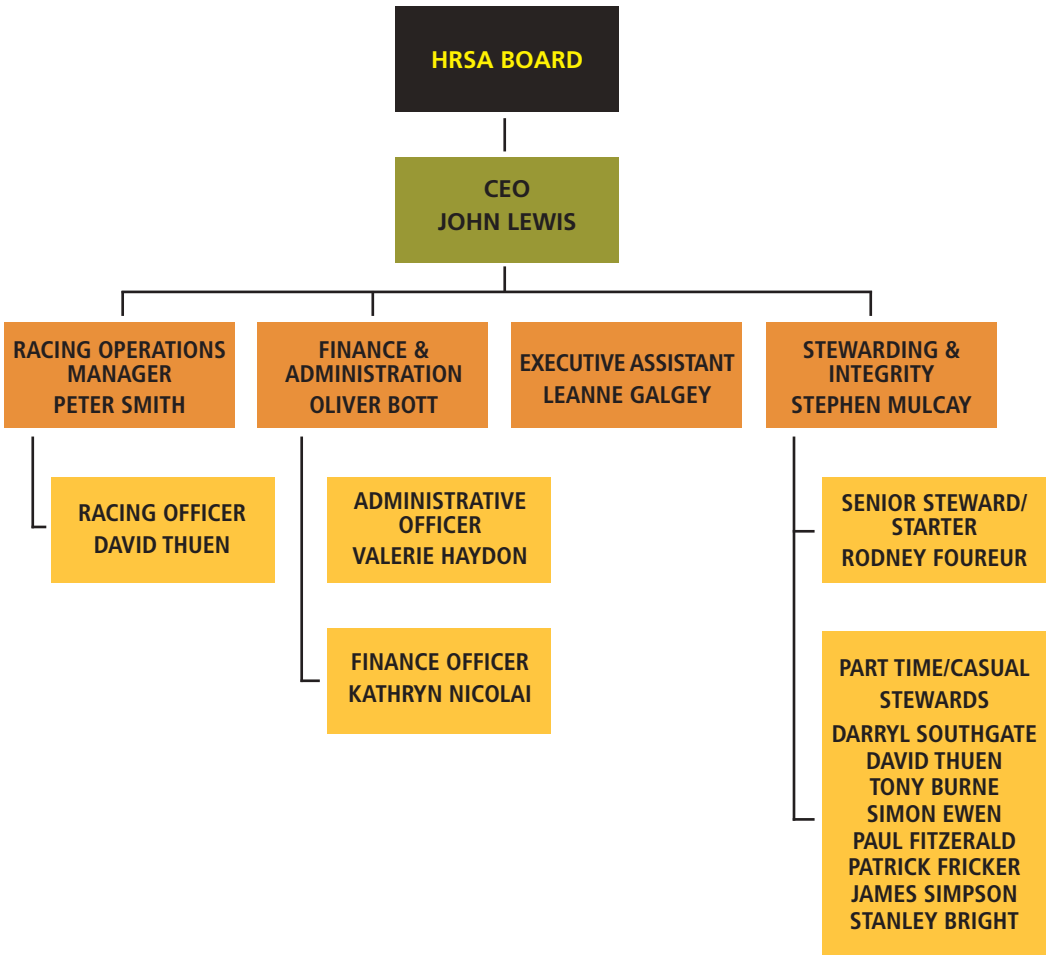
HRSA contracted with former SAJC Sponsorship Manager, Torrie Osborn, to grow and manage sponsorship for the harness racing industry in South Australia. Torrie has been tasked to increase sponsorship both collectively for the code and for individual member clubs. A priority will be to secure naming rights sponsors for the summer racing season including feature metropolitan and country race meetings. This is a major strategic initiative for our code, and is already delivering real benefits.

**Appreciation**

Finally, I would like to take this opportunity to thank the HRSA Board, staff and the harness racing industry generally for their continuing commitment to our great code, and in particular their efforts in re-energising and growing harness racing in South Australia.

**JOHN LEWIS**
Chief Executive Officer

# ORGANISATIONAL CHART




| | |
|---|---|
| Chief Executive Officer | Mr John Lewis |
| Finance Manager | Mr Oliver Bott |
| Chairman of Stewards | Mr Stephen Mulcay |
| Racing Operations Manager | Mr Peter Smith |
| Executive Assistant | Mrs Leanne Galgey |
| Senior Steward/Starter | Mr Rodney Foureur |
| Racing Officer | Mr David Thuen |
| Finance Officer | Mrs Kathryn Nicolai |
| Administrative Officer | Mrs Valerie Haydon |

# Member Clubs and Associations

## MEMBER CLUBS

South Australian Harness Racing Club
Port Pirie Harness Racing Club
Mount Gambier Harness Racing Club
Victor Harbor Harness Racing Club
Kapunda Harness Racing Club
Strathalbyn Harness Racing Club
Whyalla Harness Racing Club
Gawler Harness Racing Club
Yorke Peninsula Harness Racing Club
Port Augusta Harness Racing Club
Franklin Harbor Harness Racing Club

## AFFILIATES

SA Breeders Owners Trainers Reinspersons Association Inc (SA BOTRA)
SA Reinswomen's Association (SARA)
SA Square Trotters Association (STA)
SA Country Harness Racing Clubs Association (SACHRCA)
South Australian Harness Racing Pony Association (SA PONY TROTS)

HARNESS RACING SA

## GOLDEN GIRL RETURNS

## 2012

# GOLDEN GIRL RETURNS

On the 18th May 2010 the harness racing headline was this:

**Champion SA reinswoman Danielle Hill in Royal Adelaide Hospital after race crash.**

A terrible on course accident had occurred and Danielle Hill, the 2009 Australasian Young Driving Champion and the leading female driver in South Australia was seriously injured in a race fall at Globe Derby Park.

Danielle was taken to the RAH late afternoon after being treated at the track by Ambulance paramedics for serious head and facial injuries. The fall occurred as the field entered the home straight in the last race. Danielle's was driving Puaxtacy which crashed to the track after appearing to clip the sulky in front of her as she changed course. Il Sogno (Paul Cavallaro) was the only horse behind Puaxtacy and the driver could not avoid the fall. Danielle's family, including her mother Sue, father Gary and her reinsman brother Wayne, who drove in the same race were at her side immediately after the accident and at the hospital through the night. Gary said he watched the race on Sky and rushed to his daughter's side as soon as he saw the fall. Danielle was operated on that night and the family were told there would be many more operations ahead of her. The accident had taken the sight from one eye and left Dani with several shocking facial injuries.

During her recovery, Dani and her partner, leading driver David Harding, welcomed a beautiful daughter into the world. The little girl bought much need joy and focus to the Hill and Harding families during Dani's excruciatingly painful and long term recovery.

Nearly two years later, on the 11 May the headline was:

**She is Back! Dani Hill racing tonight!**

Many in the industry were sceptical and despite her highest hopes, even Danielle Hill herself wondered if the day would ever occur.

But indeed SA's golden girl did return to the track.

Harness Racing SA was thrilled to announce the comeback of its leading reinswomen after successful drives under the surveillance of stewards at registered time trials in the month prior. At the time of her accident Dani Hill had been the first women to drive 100 winners in local ranks and was ranked in the top four state drivers.

Hill's first drive aboard the Les Harding trained Winning Bet on May 11 results in a third placing. It did not take long for her to back on the big race scene though, having the drive on Jiliby Flippa in the Gramel Series Final the following night again for Les Harding.
Hill has been an inspiration to many on her road to recovery.

In just 14 weeks, by season 2011/12 end, Dani had competitively raced in 168 races, successfully driven 34 winners and 75 placings. The Golden Girl of SA Harness Racing was back, a survivor, a mum and a true harness racing champion.

HARNESS RACING SA

# INDUSTRY SNAPSHOT 2012

# Industry Statistics 2011/12

## LICENCEES

| | |
|---|---|
| Total Licence holders: | 702 |
| Trainers: | 325 |
| Drivers: | 210 |
| Stablehands: | 316 |
| Location: | 6 Interstate |
| | 322 Rural |
| | 380 Metropolitan |
| Active Owners: | 1980 |

## 11/12 Licencees for SA

| Age | Trainer | Driver | Trainer / Driver | Stablehand | Total |
|---|---|---|---|---|---|
| unknown | 0 | 0 | 0 | 3 | 3 |
| <26 | 3 | 13 | 5 | 35 | 56 |
| 26-40 | 26 | 24 | 30 | 55 | 135 |
| 41-50 | 27 | 10 | 29 | 49 | 115 |
| 51-65 | 61 | 7 | 57 | 97 | 222 |
| >65 | 57 | 1 | 20 | 52 | 130 |
| Total | 174 | 56 | 141 | 291 | 661 |

## BREEDING

| | |
|---|---|
| Breeders per season: | 195 |
| Foals notified in SA | 159 foals (70 fillies) |

## RACES

| | |
|---|---|
| Racing conducted at 7 tracks | |
| Prize money total: | $5,682,080 |

# Industry Statistics 2011/12

| RACE MEETING SUMMARY 11/12 | | RACE MEETING SUMMARY 10/11 | |
|---|---|---|---|
| Total Number of Race meetings: | 229 | Total Number of Race meetings: | 189 |
| Total Number of Races Run: | 1686 | Total Number of Races Run: | 1486 |
| Total Number of Programmed: | 2170 | Total Number of Programmed: | 1761 |
| Total Number of Nominations: | 18616 | Total Number of Nominations: | 18249 |
| Total Number of Starters: | 13981 | Total Number of Starters: | 13044 |
| Average Noms per Race: | 11.04 | Average Noms per Race: | 12.28 |
| Average Starters per Race: | 8.29 | Average Starters per Race: | 8.78 |
| Average Nominations per meeting: | 81.29 | Average Nominations per meeting: | 96.56 |
| Average Starters per meeting: | 61.05 | Average Starters per meeting: | 69.02 |
| Average Races per meeting: | 7.36 | Average Races per meeting: | 7.86 |

# Square Trotters Association

## Season 2011/12

The SASTA has been promoting the "TROTTER" in South Australia for many years by means of fundraising (including running Sunday morning trials), race programming, series co-ordination, sponsorship and local awards. Our aim is to ensure the square gaiter continues to thrive in this state and is moving forward with the times, enhancing the future of the "TROTTER" as much as possible for owners, trainers, drivers and square gaiting fans alike.

We believe the 2011/12 season has surely been a successful one, with our committee working efficiently alongside HRSA, with the trotter demonstrating a strong presence throughout the season. We identified the need to "revamp" the annual SA Trotters Carnival which included the 41st running of the Gramel Series. Including a move forward to May, the Gramel Series was changed to $6,000 heats and a highly sought $14,000 final. We introduced a "Living Legends" heats and final worth $6,000 for T0-T2 trotters which attracted over 30 nominations. The Trotters Derby attracted quality 3yo trotters and a local prevailed giving connections of Topnotch Jewel a joyous and special memory.

Prizemoney was also increased for other quality support trotters races – numbers were high and race qualities were strong – making this probably our best ever SA Trotters Carnival. Once again the carnival featured the crowd favored spectacle of the Trotters MONTE, with Mary Crosby doing it for the girls once again, riding local fast class trotter Likeaplayboy to a popular victory in the closest ever finish. This race really was one of the best overall harness racing events to watch for the whole season, with numbers out in force to witness the event live on track.

Even though the carnival was successful, we identified areas where we could promote the trotter even more and plan to implement further enhancements to the carnival in 2012/13 with the support of HRSA. HRSA has already announced increases to prizemoney for the Living Legends final to $8000 and the 2yo Parker Classic also increasing to $8000.

HRSA has also announced an increase to the final for our SA Country Trotters Cups Series to $10,000. This series will be changed to a T2ob discretionary, with 7 country cups: Port Pirie, Victor Harbor, Mt Gambier, Strathalbyn, Kapunda, Gawler (Hambeltonian), and Kadina. These races will all carry prizemoney of at least Saturday night prizemoney levels – A huge improvement on last season's event. In addition to the series, fast class trotters will also get the opportunity to contest the longest race in Australia in the Trotters Marathon to be held at Kapunda during February 2013.

Our Association is also in negotiations of programming a MONTE on SA Cup Night in January 2013. The Monte races have demonstrated high interest throughout Australia and our association would like to see 2 Monte races in season 2013 – one on Cup Night in January and the other as an important part of our 2013 SA Trotters Carnival in May. Strong interstate participation is anticipated for both events – we have had inquiries from trotting associations Australia wide on how we went about starting up MONTE races.

The season was also successful for the state's juvenile trotters, with enhancements made to 2yo & 3yo trotting series and races. We believe the future starts with the juveniles and it is imperative that we promote our young trotters as best we can, trying to attract more interest and improve on numbers. Once again we will work closely with HRSA and take the necessary steps, based on past experiences, to promote our baby trotters – being mindful of trying our best to avoid clashes with main interstate events.

We remind participants that it is only $10 each to join our Association. To be eligible for SASTA awards all owners must be financial members of our association before points are attributed to your trotter. More information can be found on our website: www.satrotters.org

We encourage industry participants to visit our site to keep up to date on what is happening in our association and Trotters in South Australia. Our secretary, Matthew Jacques can also be contacted on 0402 098 599.

# SA Harness Racing Pony Association

## Season 2011/12

We have had another successful year with 26 drivers competing from the age of 6 – 16 years of which 10 were first season drivers Mt Gambier, who come under our Association had a further 12 drivers and 4 of these were first year drivers.

During the year we participated in "Celebrating Women in Harness Racing" by supplying ponies for the Reinswomen's Challenge and also participated in the Salisbury Christmas Parade with approx. 12 of our young drivers in their racing colours and our Trotting Horse Float.

We raced at Kapunda on 3 occasions and Port Pirie once and held the Pony Gawler Cup at Globe Derby.
Much fundraising was done during the year with raffles, lucky squares and chocolate sales and also our wonderful sponsors to raise enough money to cover the pony stalls which we hope to have up by the commencement of our season.

At the end of the season Mt Gambier ponies come to Adelaide for the Easter Weekend and we held a Championship over two days. All had a great time and hopefully this will become an annual event.
Our aim is to produce the drivers of the future for SA Harness Racing.

# SA Reinswomen's Association

## Season 2011/12

The highlight for SARA in the 2011/12 season was the Ladies Driver Invitation Challenge held on October 29th 2011. Competing drivers were, Kerryn Manning, Kerry Green, Erin Holloway, Jodi Quinlan, Leah Harvey, Lisa Miles, Kate Gath, Chantal Turpin, Emma Turnbull and Angela Chapman. The winner of the challenge was Kate Gath who went home with a big smile and a new driver's bag as her trophy.

A set of pink colours was worn by Leah Harvey in the first challenge and then worn by different drivers throughout the night. This was done in conjunction with fundraising for Breast Cancer Research, which SARA and HRSA have supported every year.

A tribute was made to Sandra Hutchinson as the first licensed female driver in South Australia. It was a very special moment to see Sandra in her colours come onto the track in a double seated sulky (provided by BOTRA) driven by one of our newest female drivers, Lisa Ryan. Sandra was presented with a gift by SARA and acknowledged as one of the significant and amazing women who paved the way for females in harness racing today.

The most enjoyable part of the night was the pony race for the lady drivers. Ponies were provided by our youngest harness racing participants and their generosity is always greatly appreciated. From the laughter and smiles of the 'girls', we could see how much fun they had!

SARA would like to thank HRSA for their continued support in holding a Ladies Driver Challenge every year and making it a spectacular event in our SA calendar.

As an association we are proud to foster and encourage the involvement of females in harness racing and to promote and support harness racing in general.

# South Australian Breeders, Owners, Trainers and Reinspersons Association (SA BOTRA)

## Season 2011/12

With over 400 members registered and an industry-returning profit 25 times more than in 2009, BOTRA continues to grow from strength to strength. BOTRA's vision is to support all areas of the Harness Racing Industry by providing events and support to all involved.

One method of Industry support and communication is with the widely distributed BOTRA magazine. The monthly magazine provides all members with the latest news, profile stories about fabulous industry legends, supports the sponsors who support them, provides highly sought after advertising space, race programs and the opportunity to celebrate many remarkable racing achievements. In June 2012, the magazine underwent a facelift and editorial content change. This has been very well received by members.

In June, trainers enjoyed the opportunity to grab a bargain in the inaugural Annual Gear Sale which was held at Globe Derby Park. Enthusiastic bidding ensured that gear was quickly snapped up. This initiative for the 2011/12 season will be offered again in the 2012/13 season with even more great gear up for grabs and it is hoped, will continue to be well supported by the members.

Christmas in July was a massive event for BOTRA with the guest speaker being Mr Fred Kersley, well respected trainer from Western Australia. The event was attended by over 120 people who keenly bid on the 8 Stallion Servicings on offer. Each year BOTRA supports trainers and owners by providing an opportunity to grab a quality stallion service to enhance their stables and stakes in Harness Racing. BOTRA is very grateful to the fabulous Studs who continue to support this initiative.

Money raised by BOTRA is invested back into the South Australian Harness Racing industry. They do this with rugs, driver, owner and trainer race bonuses and its feature event, the annual Botra Golden Nursery Finals held in July. With five feature races and a great support card containing increased prizemoney for owners, trainers and reinspersons further enhancing their status as a backbone within the industry. Two $20,000 races for 2 year olds races, two $8000 3 year old races and a $10,000 mare race were on offer. Moment of Silence, Grinera, Aspiring Artist, Eljulio and Aitch Cue all enjoyed the BOTRA spoils for that night winning their races. BOTRA sincerely thank its sponsors for the night, without them, the generous prizemoney would not be on offer.

In a first for BOTRA, September saw a free breeding seminar offered with the support of Alabar Bloodstock and Botra. The event attracted over 50 industry participants, doubling the Victorian attendance. Members relished the opportunity to attend this important, informative free event.

Throughout the year, the BOTRA bonuses for drivers, trainers and owners continued along with the unique 'Spider Fund' which provides financial support for damaged sulkies. Financial support for the Spider Fund and other events was boosted when BOTRA fundraised by providing cold and hungry trainers with the delights of a hot bacon and egg sandwich at the Sunday morning trials. The BBQ, supported by the South Australian Harness Racing Club complimented the soothing hot tea and coffee provide by the Square Trotters Association. The smell of a hot breakfast roll at 7:30am on a Sunday morning was just irresistible to early morning participants.

Botra have a very small Committee of seven volunteers who work extremely hard to support the Harness Racing Industry. 2011/12 saw many new initiatives including the establishment of a new membership level for junior participants which has been well received. For the 2012/13 season, Botra will continue its mission including a new initiative, in conjunction with the country clubs, to provide 6 rugs to be used as trophies during a designated Botra supported race. They will also be continue to return its profits to the industry with its major feature race event by maintaining its worthy stake monies but will also include a new race category worth $8000 for 4 & 5 year old Mares and one for 4 & 5 year old Colts & Geldings.

The future is very exciting for this active association.

# Horse of the Year 2010/11 Season

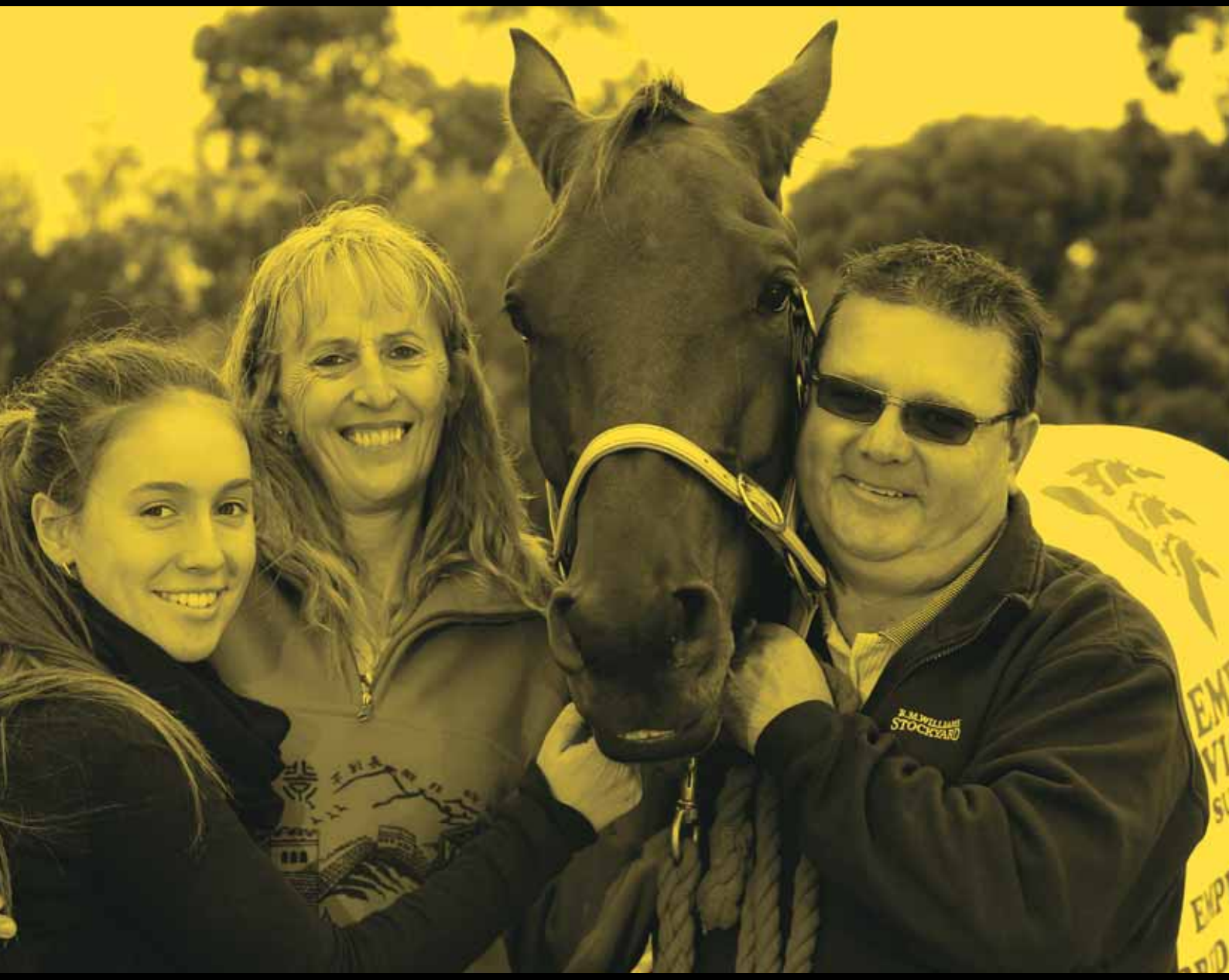
The 2010/11 Horse of the Year awards were held on Sunday 20 November 2011 at the Mawson Lakes Hotel

| | |
|---|---|
| LEADING YOUNG DRIVER (Under 25 years) | **JAKE WEBSTER** |
| LEADING METROPOLITAN DRIVER | **DAVID HARDING** |
| LEADING STATE DRIVER | **DAVID HARDING** |
| LEADING METROPOLITAN TRAINER | **JONATHAN KINGSTON-MAYNE** |
| LEADING STATE TRAINER | **JONATHAN KINGSTON-MAYNE** |
| LEADING STATE HORSE | **FOX STREET** |
| 2-YEAR-OLD PACER OF THE YEAR | **FISTFULLOFDOLLARS** |
| 3-YEAR-OLD PACER OF THE YEAR | **GLENGOWAN NZ** |
| 4-YEAR-OLD & OLDER PACER OF THE YEAR | **OHOKA NEVADA NZ** |
| 2-YEAR-OLD TROTTER OF THE YEAR | **MISTER FUJI** |
| 3-YEAR-OLD TROTTER OF THE YEAR | **MAJOR SEELSTER NZ** |
| 4-YEAR-OLD & OLDER TROTTER OF THE YEAR | **LIKEAPLAYBOY** |
| CLAIMER OF THE YEAR | **FOX STREET** |
| BROODMARE OF THE YEAR | **PERFECT LIGNUM** |
| HRSA HORSE OF THE YEAR | **OHOKA NEVADA** |

## Feature Races

| DATE | RACE | STAKE | Winning horse | Winning Driver | Winning Trainer |
|---|---|---|---|---|---|
| 30 Jul 11 Southern Cross Series | Southern Cross Finals 2YO fillies | $50,000 | Beauty Secret | David Harding | Emma Stewart |
| | Southern Cross Consolations 2YO fillies | $10,000 | Closure | Mark Webster | Ken Gully |
| | Southern Cross Finals 2YO Colts & Geldings | $50,000 | Fistfullofdollars | David Harding | Les Harding |
| | Southern Cross Consolations 2YO Colts and Geldings | $10,000 | Perfect Friends | Darren Billinger | Robert Stacey |
| | Southern Cross Finals 3YO Fillies | $50,000 | Repelem | Ryan Hryhorec | Jon Hryhorec |
| | Southern Cross Consolations 3YO Fillies | $10,000 | Tinted Pearl | Jayson Finnis | Barry Finnis |
| | Southern Cross Finals 3YO Colts & Geldings | $50,000 | Come on Frank | Darren Billinger | Darren Billinger |
| | Southern Cross Consolations 3YO Colts & Geldings | $10,000 | Heavenly Hall | Peter Borrelli | Peter Borrelli |
| 27-Aug-11 | SA BOTRA/Golden Nursery Final 2YO Fillies | $20,000 | Concorde Crest | David Harding | Toby Ryan |
| | SA BOTRA/Golden Nursery Final 2YO Colts & Geldings | $20,000 | Fistfullofdollars | David Harding | Les Harding |
| 07-Jan-12 Summer Carnival | Summer Carnival Cup | $12,500 | Ohoka Nevada | Mark Billinger | Jonathon Kingston-Mayne |
| | SA Oaks 3YO Fillies | $15,000 | Steam Washed NZ | Christopher Shinn | Ruth Shinn |
| | SA St Leger 3YO | $10,000 | Fistfullofdollars | David Harding | Les Harding |
| 14-Jan-12 Summer Carnival | SA Cup | $100,000 | Smoken Up | Greg Sugars | Lance Justice |
| | SA Pacers Derby | $30,000 | The Night Pearl | David Murphy | David Murphy |
| | SA Trotters Cup | $25,000 | Windinyasoup | Grant Campbell | Danny O'Brien |
| | Kindergarten Stks | $15,000 | Echeveria | Kate Gath | Andy Gath |
| | Dudley Justice Plate | $10,000 | Come on Frank | Darren Billinger | Darren Billinger |
| 26 Jan 12 | Victor Harbor Cup | $8,000 | Cullens Legacy | Mark Billinger | Jonathon Kingston-Mayne |
| 27-Jan-12 | Mount Gambier Cup Final | $10,000 | Come on Frank | Darren Billinger | Darren Billinger |
| 29-Jan-12 | Whyalla Pacing Cup | $10,000 | Ohoka Nevada | Mark Billinger | Jonathon Kingston-Mayne |

| | | | | | |
|---|---|---|---|---|---|
| 26 Feb 12 | Kapunda Cup | $5,000 | Fourmoore | Ryan Hryhorec | Aaron Brown |
| 10-Mar-12 | Gawler Cup | $25,000 | Ti Vogliobene | Jock Dunlop | Greg Norman |
| | Hambeltonian Trot | $10,000 | My Independence Day | Gary McMillan | Ryan McMillan |
| | Gawler Derby | $10,000 | Fistfullofdollars | David Harding | Les Harding |
| | Gawler Oaks | $10,000 | Moment of Silence | Mark Billinger | Joe Buttigieg |
| 24 March 12 | SA Graduate Pace | $20,000 | Wheres Jonny | David Smith | Peter Borrelli |
| 30 March 12 | Kadina Pacing Cup | $8,000 | Fourmoore | Ryan Hryhorec | Aaron Brown |
| 7 Apr 12 | Country Graduation Final | $8,000 | Heza Showman | Mark Billinger | Michael Norman |
| 14 Apr 12 | Country Trotters Cup Final | $8,000 | Bargain Basement | Mark Webster | Lance Holberton |
| 21-Apr-12 | Port Pirie Cup | $10,000 | Rockets Gem | Jock Dunlop | Greg Norman |
| 5 May 12 Gramel Series | Jack Roberts Mem.Gramel Series Heat | $6,000 | Knapdale Girl | Chris Lewis | Peter Manning |
| | Frank Jones Mem Gramel Series Heat | $6,000 | Herecomes The Cat | Matthew Jacques | Marcus Hearl |
| 12 May 12 Gramel Series | SA Trotters Derby | $15,000 | Topnotch Jewel | Ricky Frearson | Ryan McMillan |
| | Caltex Boliver Trot.Gramel Series | $14,000 | Biggies | Ryan Hryhorec | Aaron Brown |
| | SA Monte Trot | $6,000 | Likeaplayboy | Mary Crosby | Lance Holberton |
| | SA Living Legends | $6,000 | Rejuventation | Ryan Hryhorec | Ray Goble |
| 2 June 12 Southern Cross 2YO | 2YO Southern Cross 2YO Fillies | $54,000 | Phyl Crocker | Greg Sugars | Greg Sugars |
| | 2YO Southern Cross 2YO Colts & Geldings | $54,000 | Aspiring Artist | Mark Billinger | Val Billinger |
| 11 June 12 | Strathalbyn Cup | $5,000 | Sound Ssytem | Ricky Frearson | Rick Frearson |
| 16 June 12 | SA Trotters Classic Final | $10,000 | Siegfried | Barry Preston | Barry Preston |
| 18 june 12 Gramel seris | Trotters Classic | $10,000 | No Renege | Barry Preston | Barry Preston |




HARNESS RACING SA

# COME ON FRANK 2012

# COME ON FRANK

(Excerpts from Lincoln Moore, The Advertiser)

SOME athletes live for the big stage, the moment in a game that can define a season.
South Australian pacer Come On Frank is proving beyond doubt he possesses precisely those attributes.

And he further underlined his ability to lift when it counts with an emphatic $100,000 Group 1 Vicbred win at Melton in May this year.

Frank, as he's affectionately known, did as only Frank knows, upstaging some big-name Victorian rivals on harness racing's centre stage in Melbourne.

The Come On Frank story has captured the imagination of racing fans throughout Australia - and the world largely - due to his social network status.

For a little horse from Adelaide he has touched a lot of people.

Rewind 12 months and the Billinger family faced the moment no parent or sibling should ever have to encounter when Darren and wife Julie's eldest daughter Kelly was killed in a motor vehicle accident.
It's widely acknowledged Come On Frank was an equine shining light and point of focus through the family's darkest days. He was the lone horse with which Kelly had an affinity.

A slow-maturing two-year-old and family favourite, Come On Frank was showing promise on the eve of the Southern Cross Series - but what unfolded at Globe Derby last winter was scripted from above.

With a sea of pink cheering him on, (pink was the colour worn during Kelly's celebration of life ceremony), the pacer overcame a horror barrier draw to win the $50,000 feature and left everyone on track fighting back tears after one of the most emotional wins in memory.

"Since he was a foal we used to dream of him winning the Southern Cross, so to win that race three months to the day that Kelly died was the most emotional night of my life - it was all for her," owner/trainer and driver Darren Billinger said.

Come On Frank did it again on SA harness racing's biggest night - stepping up against seasoned open-class performers for a dominating win in the Dudley Justice Plate on SA Cup night in January.

The plan to sit behind and let his rivals work was thrown out window en route to Globe Derby and Come On Frank roared around the field early, racing in the breeze before scoring a huge win in front of his legion of staunch supporters.

Aaron Bain, regular writer for HRSA takes up the story:

Come On Frank quickly made his mark on South Australia with cult hero status and a rapidly increasing fan base on and off the track via his Facebook Page with no wonder after his performance in the 2012 Dudley Justice Plate.

It was the first real test in Season 2011/12 for the Darren Billinger trained and driven four year old star and when he put pay to favourite and proven top level performer Our Hillview Gold (Daryl Douglas) off the back straight it was a moment that all local harness racing fans rose in their seats and cheered their favourite pacer home.

"I thought he had been track working very well but I put him in the race to see where he was at and if he would be up to a start in the upcoming Vicbred Series" expressed Billinger "On paper it looked as if Our Hillview Gold would have been too good but I was confident turning off the back that Frank had plenty to offer".

After a quicker lead time than the actual SA Cup of 78.4 seconds, Billinger made a mid-race move to resume control outside the leader and short priced favourite Our Hillview Gold just over a lap out. A first half of 62.9 had Come On Frank working out wide on his forward move but known for his staying traits, Billinger drove with confidence.

A third quarter in 29.2 had Douglas searching for answers aboard Our Hillview Gold off the back as Come On Frank just clicked into second gear. Billinger said 'go' turning for home and it was another moment that had the crowd stand in appreciation of the local star and the story behind the horse and family as Come On Frank went away to win by 2m on the line over Our Hillview Gold while Same Old Macray (Anthony Robinson) ran into third position at odds.

"We got to the death easy and travelled very well down the back then coming to the 400m I was confident I was driving the winner. Frank never wins by more than he has to but he had them covered all the way up the straight".

"The Southern Cross (in 2011) was certainly a better thrill but he has returned a lot better horse this time in and realistically is probably a couple runs from his peak"

On overall times, Come On Frank would have won the 2012 SA Pacing Cup by 1.7 seconds over Smoken Up. With a building resume, Come On Frank continues to build upon his 2000+ followers on his Facebook page.

In the words of Frank after his Dudley Justice Plate win, his post to his fans on Facebook 'I feel terrific... I just love being the hero...thanks so much for all your support both on Facebook and at the track...Go Meeeee!!!!!!'.

After the Dudley Justice plate, Frank added the Mount Gambier Pacing Cup from a 20m handicap to his impressive resume in late January before he claimed the biggest win of his progressive career in May, the Group 1 Vicbred Series..

The performance against the proven horses in Our Hillview Gold, Pure Jasper and Bold Cruiser certainly have Come On Frank ranked as the brightest talent in South Australia and a 2013 SA Cup starter prospect.

HARNESS RACING SA

# RACING OPERATIONS 2012

# Racing Operations

It was a challenging year in the Racing Office, as we were required to fill our normal number of meetings, plus an extra 52 Tuesday nights. This certainly had us working hard to get fields and while we had some small fields on occasions, we managed to cover every one of the TAB fixtures programmed. I would like to acknowledge the efforts of David Thuen, in what were sometimes trying times. I would also like to thank both Kathryn Nicolai and Valerie Haydon for the support they have provided to the Racing Office.

The strategy that HRSA pursued with the additional Tuesday nights worked on the local market share. However that increase was offset by a decrease in national share and we were only able to effectively maintain our average market share. Unfortunately this has meant that HRSA won't continue with the Tuesday nights in the short term, though it will continue to monitor this

A positive on our race meetings has been the strength of both Port Pirie and Mount Gambier. The horse population at Port Pirie has been quite strong and this has been a real plus for SA harness racing. While for the first time, Mount Gambier had all their meetings covered on Sky Racing, including the Mount Gambier Cup which was run on the last Friday in January. This followed the installation of DVN communications at the track.

While HRSA continued to base its programming around 'C' class and non-penalty racing, it was becoming quite clear that local trainers wanted more 'R' penalty opportunities. This has resulted in a decision by HRSA to change its prizemoney breakdowns and programming to include more 'R' penalty races from the start of the 2012-13 racing season. This also includes a change to the handling of 'R' penalties to the previous handicapping system.

HRSA continues to have a close relationship with Sky Racing and is liaising with them on a regular basis. Pressure on availability for spots on Sky Racing 1 is causing problems for HRSA, but we are trying to achieve the best results we can; and we thank Stephen Robinson and Brad Clark at Sky Racing for their efforts in this area.

**RACING**

The Summer Carnival at Globe Derby was again the highlight of racing for the season. Smoken Up, trained & driven by former local boy Lance Justice, returned to again win the $100,000 Sky Racing SA Cup for the third time. Lance had been laid up with a leg injury prior to the race, so another formal local in Greg Sugars took the drive. The other main races in the carnival were the $30,000 SEW Eurodrive SA Derby, won by The Night Pearl for Victorian trainer & driver David Murphy. While the Seelite Windows & Doors SA Trotters Cup was won by Windinyasoup, another Victorian trained by Danny O'Brien and driven by Grant Campbell

**Tattsbett.com Southern Cross Racing**

The Tattsbet.com Southern Cross Series is always a highlight, with the Final nights producing great racing. A decision was made to run each series separately in 2012, following consultation with the industry. It was designed to give juvenile horses more opportunities in the Vic Bred & Australasian Breeders Crown. This will continue in 2013. Winners for 2012 were:

**2YO Fillies – Phyl Crocker**, trained & driven by Greg Sugars.

**2YO Colts & Geldings – Aspiring Artist**, trained by Val Billinger & driven by Mark Billinger.

**3YO Fillies** – **Beauty Secret**, trained by Emma Stewart, driven by Greg Sugars.

**3YO Colts & Geldings** - **Forty Seven Flash**, trained by Barry Finnis and driven by Jayson Finnis.

During the year, a review of the Southern Cross series was conducted by the HRSA Board, in consultation with the Industry Advisory Committee. This resulted in some adjustments made to the 2012-13 Conditions, but there remains strong support for the Southern Cross scceme.

**BOTRA Golden Nursery**

For the second time BOTRA combined with HRSA to promote the 2YO Golden Nursery series. Over 120 horses made the one off payment to be eligible for the series, an increase of 40% on the first edition in 2011. The series was also brought forward one month, following the changes to the Southern Cross dates. The winners of the $20,000 Finals were Grinera (fillies) and Aspiring Artist (colts & geldings). BOTRA also supported races for 3 Year Olds & 4Year Older Mares as part of a major night of harness racing.

**Country Cups**

Country Clubs ran their individual Cup meetings, with support from HRSA. All Country Cup meetings in 2012 had Sky Racing and SA TAB coverage, including an historic Cup meeting at Whyalla. The winners were:

**Mount Gambier – Come On Frank**; trainer & driven by Darren Billinger.
**Whyalla – Ohoka Nevada NZ**; trained by Jon Kingston-Mayne & driven by Mark Billinger.
**Victor Harbor – Cullens Legacy NZ**; trained by Jon Kingston-Mayne & driven by Mark Billinger.
**Kapunda – Fourmoore**; trained by Aaron Brown, driven Ryan Hryhorec.
**Gawler @ Globe Derby – Ti Vogliobene**; trained by Greg Norman & driven by Jock Dunlop.
**Kadina @ Port Pirie – Fourmoore**; trained by Aaron Brown, driven Ryan Hryhorec.
**Port Pirie – Rockets Gem**; trained by Greg Norman & driven by Jock Dunlop.
**Strathalbyn – Sound System**; trained by Rick Frearson, driven by Ricky Frearson.

**Square Trotters**
The Gramel Series has been run for over 40 years and in 2012 underwent an overhaul to the format. The previous three races over eight days, after consultation with the SA Square Trotters Association, was replaced by a heat and final series, with the Gramel Series Final worth $14,000, Biggies was successful in the Final. The timing of the Gramel Series week was also moved to early May as part of the Southern Cross restructure. An additional series was added for T0 – T2 trotters called the SA Square Trotters Living Legends; it resulted in three heats being run, with Rejuvenation winning the Final. The other major series for Trotters were the Country Trotters Cups. The SASTA Country Trotters Cup was run at Globe Derby in April and won by Bargain Basement, horses qualify for this race by running in the country cups. The SA Trotters Derby was won by Topnotch Jewel for local trainer Ryan McMillan, driven by Ricky Freason. While the Monte (ridden trotters) on Gramel night provided another highlight, with Likeaplayboy winning for trainer Lance Justice and rider Mary Crosby. HRSA has approved an additional Monte be run during the 2013 summer carnival

**Young Drivers**
The Australasian Young Drivers Championships were held in Perth during the Interdominion carnival in March. HRSA changed the selection criteria in 2012, to ensure that as many Young Drivers as possible will get chances to compete in the Championships in future years. Ken Rogers was selected, following his second placing in last year's Young Drivers title behind Jake Webster. Jake represented HRSA in 2011, so the privilege was awarded to Ken in his last year of eligibility. Ken eventually finished third and was very consistent through the series. Ken also went on to be the state's leading Young Driver in 2011/12.

**Drivers Invitation Series**
The reinswomen were to the fore at Globe Derby in late October 2011. The Reinswomens Challenge meeting featured seven interstate drivers taking on 3 leading local drivers. The list featured Chantal Turpin (Qld), Emma Turnbull (NSW), Erin Hollaway (Tas) and Jodi Quinlan, Lisa Miles, Kerryn Manning and Kate Gath (Vic). The locals were Angela Chapman, Leah Harvey and Kerry Green. Erin Hollaway and Kate Gath tied for the most points from the five races , with Kate winning the series on a countback.

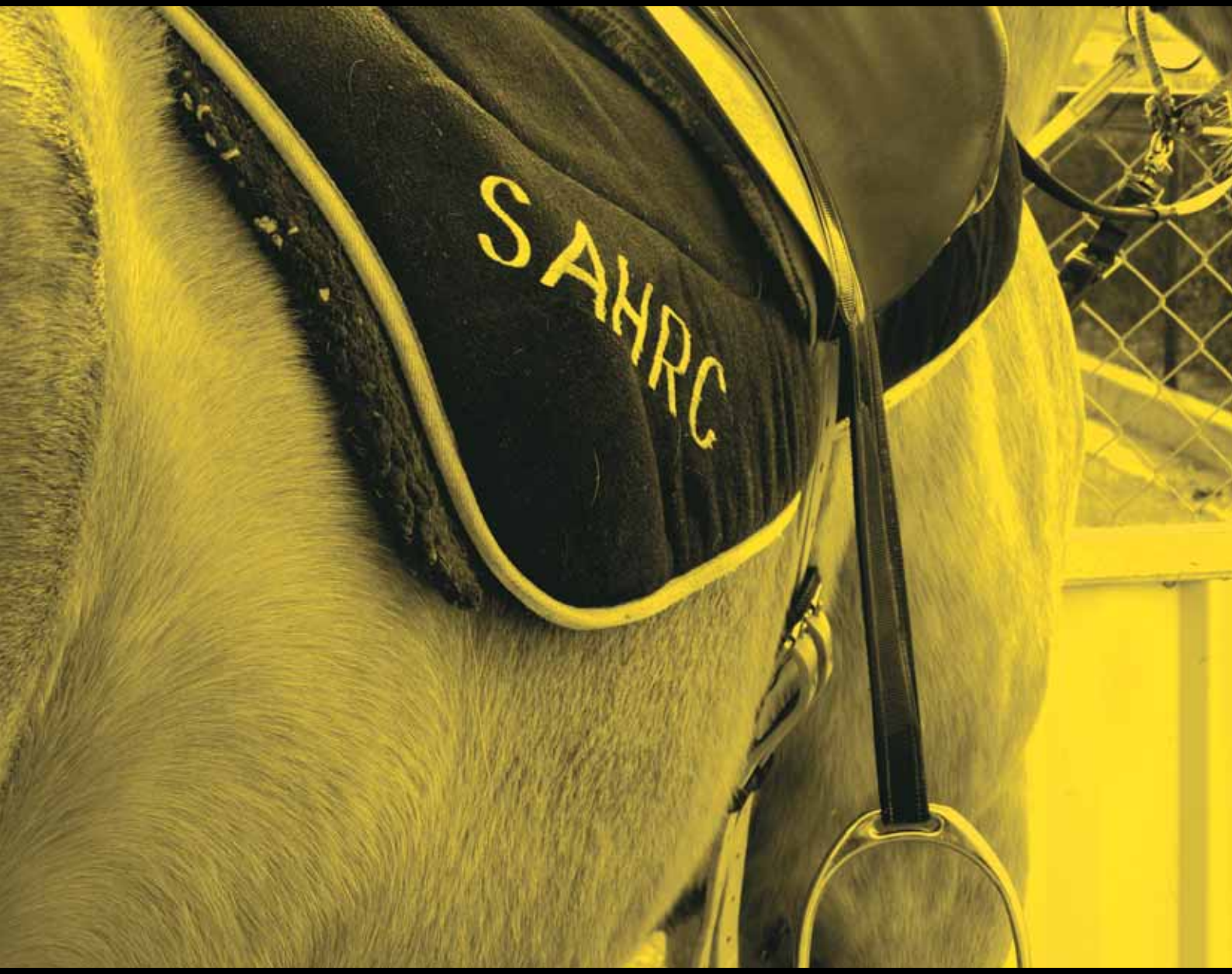
Port Pirie also conducted their annual drivers invitation night in February. Invited drivers to compete were John Caldow, Kate Gath, John Justice, Lisa Miles and David Murphy from Victoria and the locals, Leah Harvey, Ken Rogers, Jake Webster, Mark Billinger, Ryan Hryhorec and David Harding. The series has been going for 36 years and for the first time there was a tie on points from the four races run between Ryan Hryhorec & John Caldow.

**SAMOS Scheme**
The South Australian Mares Owners Scheme (SAMOS) has been underway for two years now. Mares receive Bonus Certificates for wins, that can be used for stallion services with participating studs. The number of certificates being used is starting to increase and it is hoped it will encourage more foals to be bred in South Australia. During the year a review of the scheme was completed in consultation with the HRSA Board and the Industry Advisory Committee. This has resulted in some changes, which offer mares a chance to win an additional certificate and also encourages them to race longer. This was introduced for the 2012-13 racing season.

**PREMIERSHIP WINNERS**
Congratulations to the winners of SA Premierships for 2011/12

State Driver - David Harding 170 wins
State Trainer – Les Harding 103 wins
Female Driver – Leah Harvey 42 wins
Female Trainer – Jill Neilson 43 wins
Young Driver – Ken Rogers 61 wins
State Horse – Aitch Cue & Sir Swanky 13 wins

**PETER SMITH**
Racing Operations Manager




HARNESS RACING SA

# SUMMER CANIVAL 2012

# SUMMER CARNIVAL 2012

The 2012 SA Summer Carnival was a highlight on the local racing calendar, and although overshadowed by heavy downpours of rain on the opening night of the carnival, and a power outage only moments before the feature race on the crowd still rolled out in record numbers.

**Cup night**
An unseasonal severe storm front swept upon Globe Derby Park only moments before the first race on Saturday 7 January 2012, first night of the Summer Carnival. Renowned on-course commentator, Jim Jacques described the deluge as "the heaviest rains seen in his fifty years" making the crowd a little reticent to come out to the Globe Derby track. However those that did brave the weather were to witness a star in action in "Steam Washed" in the SA Oaks.

**SA OAKS**
Steam Washed deserved her short priced favouritism in the 2012 Nevele R Stud Group 1 Oaks on Saturday night when driver Christopher Shinn unleashed her devastating burst of speed five wide around the final bend to sink her rivals.

Race danger and second favourite Overthorns (Karen Kendall) speared to the front from barrier two while Kate Gath was on the forward move early with Our Molly Finn. Shinn eased Steam Washed into clear running 400m out after trailing up three wide, and no sooner had he released her devastating sprint, did she have the leader's measure exciting all in attendance on track. Shinn surged on and washed his rivals away to win by 3.3m over race leader Overthorns, while Caulonia Babe (Luke Watson) was a further half metre away in third position.

Labelled by interstate trainers and drivers as impressive, explosive and versatile, Steam Washed took her record to six wins and one minor placings from only seven lifetime starts for $33,982 in prizemoney after her exhilarating performance.

The best of the local runners was Moment Of Silence who ran into fourth position after leading up the three wide line, while Modernism closed out along the fence into fifth position for her connections.

**ST LEGER**
Fistfullofdollars started his 3YO season as he left off from his debut 2010/11 2YO Horse of the Year preparation in winning the 2012 Cape Devine/Dassa Motorcycles SA St Leger.

Sired by Elsu and out of smart local race mare Perfect Lignum, the power beckons from the Les Harding trained colt and there is no questioning his ability and bright future on the back of his four feature race wins in the last twelve months.

Fistfullofdollars had to overcome the wide draw in barrier five but leading driver David Harding allowed his charge to balance up out the Maughan Thiem mobile and then press on to race outside the leader Artichoke (Wayne Hill).

Harding urged Fistfullofdollars to pressure the leader, and going through the second quarter in 30.5, the race was turned into a genuine staying match for the 3YO's in their first test over the 2230m journey.
Dangers Antigua and Fearless Leader were both poised on the leader's back and the three-fence respectively, while Hilltop Raider was afforded an ideal run one out one back behind Fistfullofdollars. As the speed increased significantly down the back to a 28.5 sectional the opportunity was presented for Fearless Leader to angle off the fence to commence his three wide run and charge towards the leading brigade.

Hilltop Raider charged late into second position while Fearless Leader continued to close out his challenge but it was all too late. In a thrilling feature race finish, Fistfullofdollars, determined to secure victory, made it his further feature race from as many feature race starts.

**SA CUP**
For the final night of a sensational summer of harness racing carnival, in perfect conditions, the biggest crowd at Globe Derby Park since the 2007 Inter Dominion witnessed Smoken Up win its third SA Cup at Globe Derby Park. Over 5,000 patrons attended the biggest night of racing which also featured the SA Trotters Cup and the SA Derby.

The crowd stood in awe of Australasia's best pacer, Smoken Up, as he came on to the track for his warm up for the great race. Regrettably electrical problems meant the 5,000 strong crowd had to wait an extra hour for the most anticipated race on the local racing calendar, the $100,000 Sky Racing SA Pacing Cup. The crowd remained patient and there were no disappointed fans leaving the course as they witnessed the "Black Caviar" of the harness racing world add his name to the feature race honour roll once again.

# SUMMER CARNIVAL 2012

Home grown legend, Greg Sugars was fortunate enough to land the drive on the undisputed king of the sport. Eleven days prior to the Grand Circuit feature when trainer and regular driver Lance Justice was sidelined with a broken leg and ankle after a nasty race fall. Sugars led from the start to finish over the 2645m event and never let the $1.05 favourite down. A blistering 55.7 second last half on the back of a leisurely 82.3 second lead time and 62.6 first half.

Sugars nursed the favourite until straightening and then allowed Smoke Up or "Trigger" as he is known around the stable to hit top gear and power home in 27.7 second last quarter.

The crowd was left waiting for the Sugars salute as he put his name on the honour roll alongside his father Ross Sugars who won the race back in 1981 aboard Murdock Miss.

Local star, Ohoka Nevada (Mark Billinger) ran a solid second, following Smoken Up from start to finish after drawing the prime alley in gate one and got within 3m on the line, while rising star Heza Trick (Daryl Douglas) flashed home late to finish third a further 3m away.

Veteran Ti Vogliobene was courageous in defeat when making a three wide move a lap out, and loomed up off the back straight to hold his own in the run home to finish fourth beaten only 8m in the 55.7 last half.

Smoken Up made it three SA Cups scalps from four attempts putting him one win behind legendary pacer Gammalite who was the SA Cup King between 1982 – 1985. With his best racing still in front of him, Smoken Up heads towards another tough season on the Grand Circuit but no doubt, Justice will have the 2013 SA Cup on his radar for the following season to equal the SA Cup record.

**DUDLEY JUSTICE PLATE**

Leading into the 2012 Sky Channel SA Cup, emotional favourite Come On Frank further made his mark in South Australia with a breathtaking performance in the 2012 Dudley Justice Plate.

It was the first real test for the Darren Billinger trained and driven four year old star, and when he put pay to favourite and proven top level performer Our Hillview Gold (Daryl Douglas) off the back straight, it was a moment that all local harness racing fans rose in their seats and cheered their favourite pacer home.

After a quicker lead time than the actual SA Cup of 78.4 seconds, Billinger made a mid-race move to resume control outside the leader and short priced favourite Our Hillview Gold just over a lap out. A first half of 62.9 had Come on Frank working out wide on his forward move but known for his staying traits, Billinger drove with confidence. Windinyasoup made a significant boost to his Inter Dominion rankings after a blistering performance and race winning drive by Grant Campbell in the 2012 Group 3 Seelite Windows & Doors SA Trotters Cup. In an action packed, somewhat chaotic Trotters Cup, Campbell surged forward through the middle stages and was able to cross to the lead two laps out.

With a good 50m covering the field of twelve throughout the majority of the 2645m event, action was an understatement as the drivers back in the field tried their best to position themselves to fill a placing. Campbell had the field running along once finding the front giving little hope for the dangers caught back in the field to get into the race.

Lord Of The Gym (John Caldow) was forced to chase the whole race and going past the post with a lap to go was a solid 15m from the leading two and had a task ahead to chase Windinyasoup down. Campbell breezed down the back straight in another sub 30 quarter of 29.7 seconds and began to gradually extend his lead as Crescent Glory was giving in to the speed set throughout.

Windinyasoup turned for home with a 15m lead over Lord Of The Gym and Barneys Invasion who were still chasing but it was to be one act affair as the winning margin extended to 28m on the line for Campbell and his charge. Lord of The Gym finished a gallant second while Barneys Invasion battled into third position beaten a further 3m. With a recorded last mile of 2.01 for the 2645m feature, the winning performance of Windinyasoup was as impressive as any in recent years and warranted his jump in the Inter Dominion rankings of 29 positions.

**SA DERBY**

The Night Pearl proved he is no doubt one of the brightest three year old talents on Australian soil after his devastating performance to claim the 2012 Group 1 SEW-Eurodrive SA Derby. The Night Pearl did some work early, but ultimately landed a dream position out-out-one-back, enabling Murphy to save him for a final dash at the Group 1 prize.

Best local hope Fistfullofdollars was never left alone in the front, with a 45.1 second lead time followed by 61.8 first half which would see the field of nine juveniles tested over the staying distance of 2230m.

With a 29.5 split down the back, Top Tamba began to weaken outside the leader and with The Night Pearl sitting on his back searching for a run and mark Dennis making the three wide run it looked for a moment it was going to be a hard luck story for the favourite.

Murphy was able to angle into clear running turning for home and from then on, the true class of The Night Pearl shone through.

**BE ACTIVE 2YO KINDERGARTEN STAKES**

The Be Active 2YO Kindergarten Stakes saw another rising talent in Echeveria for trainer Andy Gath. He improved on his debut second in the prelude of the prestigious series a week prior to sit outside the leader and run away a convincing victor. Jaxon Fella and Linvel Buffy filled the minor placings in the first feature race for the two year olds.

Along with a sensational night of on-course racing, patrons enjoyed fine foods, live band, free kids rides and promotions making it a truly family friendly night for all to come and enjoy.

The Summer Carnival for South Australian Harness Racing will continue to be the premier event for harness racing in South Australia.

For 2013, Summer Carnival starts on Saturday 5 January 2013 with the SA CUP on the final night Saturday the 12 January 2013.

These Chariots are on Fire!

HARNESS RACING SA

# STEWARDING & INTEGRITY 2012

# Stewarding & Integrity

I would like to thank the HRSA Ltd Board for the opportunity to provide this report and also for their continuing support during the 2011/12 season.

On behalf of my Panel I extend our best wishes to recently departed Directors Graham Taylor and Mike Deare and thank them for their efforts during their time in office. I would also like to thank CEO John Lewis and the other members of the HRSA Ltd management team and staff for their support over the past 12 months and I look forward to working closely with them in the future.

**2011/12 Season**

There were various policies that were introduced or amendments made during the season that impacted on racing. These include

- Standing starts – the reintroduction of traditional standing starts was implemented on 30 March.
- Sectional time standards for all Port Pirie meetings – this was introduced 1 January and I believe that it has been beneficial given that it ensures that races are run at a true tempo thereby not greatly advantaging or disadvantaging the various runners that are either forward or back in the field.
- 2nd row in mobiles – as from 1 September the practice of leaving barrier one vacant on the 2nd row was discontinued with the number 7 horse starting immediately behind the pole horse on the front row.
- Late scratching policy – in the event of a late scratching of a horse drawn on the front row all runners will move in to fill the vacancy. If the late scratching involves a horse on the second row all the remaining second row runners retain their allotted positions.
- Penalty deferment – as from May 11 drivers facing a period of suspension are afforded the opportunity to defer the commencement of such suspension for up to a maximum period of 8 days. This I believe has seen a reduction in the number of appeals being lodged as it enables drivers to fulfil their immediate commitment.

A total of 230 meetings were held during the season but with the discontinuation of Tuesday night racing at Globe Derby Park, the figure will return to the previous level of approx. 180 meetings.

I can confirm the following statistics that resulted from this season's meetings:

**Fines**

- 188 Fines were issued totalling $28,900
- 99 Fines were for Whip offences
- 44 Section time offences
- 86 individual licence holders

**Suspensions**

- 76 suspensions
- 52 individual licence holders

**Appeals**

- 6 appeals were lodged & heard by the Racing Appeals Tribunal.
- 5 appeals were dismissed with one penalty being varied.
- 1 appeal was upheld with the penalty quashed.
- 1 appeal was withdrawn with the appeal deposit being forfeited.

**Stewards**

Rodney Foureur
Darryl Southgate
Tony Burne
Simon Ewen
David Thuen
Paul Fitzgerald
Patrick Fricker
Jim Simpson
Stan Bright

I would like to express my appreciation to all of the Panel shown above for their efforts during the season and I would also like to extend our condolences to the family of Ray Skeyhill who passed away earlier in the year. Ray was a long time Casual Steward from Mt Gambier and he will be sadly missed.

Finally on behalf of the Stewards I would like to congratulate Mark Carey on his appointment as Chairman and welcome the new Directors Chris Hartwig and Peter Marshall to the Board.

To all South Australian participants, I wish you good luck for the 2012/13 season.

**STEPHEN MULCAY**
Chairman of Stewards

# Racing Appeals Tribunal

Registrar, Mr Des Milne, on behalf of Racing SA Ltd, co-ordinates the Racing Appeals Tribunal from the offices of HRSA Ltd.

For period 1 July 2011 to 30 June 2012

| | Carried over from 2010/2011 | Appeals Lodged | Heard | Days | Hours |
|---|---|---|---|---|---|
| TRSA | Nil | 1 | 1 | 1 | 2 |
| HRSA | 1 | 9 | 8 | 6 | 12 |
| GRSA | Nil | 0 | 1 (Carried over from 09/10) | 1 | 3 |
| **TOTAL** | **1** | **10** | **10** | **8** | **17** |

| The Results of Appeals July 2011 to June 2012 | TRSA | HRSA | GRSA |
|---|---|---|---|
| Allowed in Full (Conviction quashed) | Nil | 1 | Nil |
| Allowed in Part (Penalty varied) | Nil | 1 | Nil |
| Dismissed | 1 | 5 | 1 |
| Referred back to Stewards | Nil | Nil | NIl |
| Withdrawn | Nil | 1 | Nil |
| Appeal by Stewards | Nil | Nil | Nil |
| Yet to be heard/completed | Nil | 1 | Nil |
| **TOTAL** | **1** | **9** | **1** |

| Charge | TRSA | HRSA | GRSA |
|---|---|---|---|
| Present a horse/dog to race when not free of Prohibited Substance | Nil | Nil | 1 (carried over) |
| Causing Inference/ Careless Riding | 1 | 7 | Nil |
| Failing to take all Reasonable steps to allow horse to win | Nil | 2 | Nil |
| **TOTAL** | **1** | **9** | **1** |

HARNESS RACING SA

## SA YOUNG DRIVER 2012

# Australasian Young Drivers Championship

Harness Racing SA announced on 30th December 2011 that Ken Rogers (24 years old) had been selected to represent South Australian in the 2012 Australasian Young Drivers Championships to be held in Perth at the end of February 2012 during the Inter Dominion Series.

Rogers became one of the states leading young drivers in the last couple of seasons. During 2010/11, Rogers had a close battle with Jake Webster (SA Australasian Young Drivers Championship representative in 2011), for the Leading Young Driver in SA with Webster narrowly winning the title by just one win.

In this third season of driving, Rogers was sought after to drive for numerous stables taking advantage of his concession claim. Rogers had driven 85 winners since September 2009 with a further 193 placings from 695 drives.

During the Australasian Young Drivers Series in Western Australia, Rogers made the most of each drive despite failing to drive a winner in the series. His consistent placings had him going into the final heat of the seven-race battle equal leader and a realistic chance of taking the top honours.

Aboard Hilarious Life NZ in the final heat of the series, Rogers elected position himself three back the fence, and with a the speed kept genuine up front throughout it looked to be an ideal drive. Wowever Hilarious Life NZ finished fifth and Ken was placed a very admirable 3rd in the series with Ellen Tormey from Victoria winning the series and Bart Cockburn from Queensland placing second.

Rogers has certainly become one of the state's leading young drivers over the last couple of season, coupled with the experience of the Australasian Young Drivers Championship, provides Ken with a solid foundation in which to build a long, long and successful future in Harness Racing in South Australia.

HARNESS RACING SA

# FINANCE 2012

# Finance

## FINANCE MANAGER'S REPORT

Wagering turnover and market share were again at the forefront of a somewhat challenging year for Harness Racing SA (HRSA) in 2011/2012.

The strategic initiative of conducting Tuesday night meetings at Globe Derby Park from July 2011 resulted in local (SA) TAB turnover increasing by 7.25% from the previous year. Tuesday night Globe Derby Park turnover through the SA TAB accounted for 16% of total South Australian harness racing wagering. However, due to factors outside of local control, interstate wagering on the SA TAB declined by over 12%. Under the market share formula contained within the Inter Code Deed, this resulted in the harness average market share being finalised at 13.33% as at 30 June 2012, a decrease of 0.02% from the previous year.

Furthermore, total wagering on the SA TAB suffered a major setback, with the well-publicised withdrawal of Australia's largest punter's activities in March 2012. The magnitude of his share of total wagering in SA was felt immediately, as TAB revenues to the racing industry declined as a result of the lost turnover.

As the landscape changes in the wagering marketplace towards the corporate bookmakers' sector, revenue from betting operations contributions (race field fees) increased by 65% on the previous year. The three codes, through Racing SA Pty Ltd, have exercised powers under State legislation to increase the betting operations contribution rate as from 1 August 2013, in order to maintain parity with what jurisdictions in other States are proposing to charge in future.

Prizemoney paid during the 2011/2012 year fell just short of a record $5.7 million, which represents 83% of combined TAB distribution and wagering tax relief revenue. Over $540,000 in prizemoney was distributed through the "new" Tuesday night Globe Derby Park meetings, which essentially incorporated the major component of the reported operating loss for the 2011/2012 financial year.

During the course of the year of report, the implementation of the Technology One finance system commenced at HRSA. This system is integrated with the HARVEY race management system, and is similarly aligned to Harness Racing Victoria's operations. Completion of the project is anticipated towards the end of 2012.

The installation of the Digital Video Network (DVN) link at the Mount Gambier harness racing venue was completed in November 2011, with financial assistance being gratefully provided by the South Australian Government towards the project. This enabled the Mount Gambier club to conduct 12 TAB meetings during their summer season, resulting in excellent wagering and financial returns. The Friday 27 January 2012 Cup meeting turnover, both on and off course, was on par with either a Globe Derby or Port Pirie meeting in the same timeslot.

Work continues between the South Australian Harness Racing Club (SAHRC) and HRSA in respect of improved financial budgeting and reporting services being provided to the SAHRC Committee. I appreciate the committee's enthusiasm and co-operation in embracing the initiatives being undertaken in improving the Club's financial performance.

Finally, I wish to thank the Board of HRSA and Chief Executive Officer, John Lewis, for their support throughout the year. Also, I acknowledge the assistance of Peter Hailes and Kathryn Nicolai from the Finance department. Peter retired in January 2012 after a long and distinguished career with HRSA, and I extend best wishes to him and his family in the future.

**OLIVER BOTT,** FIPA, MBA, CPMgr, FAIM, JP
Finance Manager

# CORPORATE GOVERNANCE STATEMENT

## 1 Introduction

The Board of Harness Racing SA is committed to best practice corporate governance. This Corporate Governance Statement has been produced by the Board as an acknowledgement of its responsibility towards the ongoing maintenance of best practice corporate governance. This Statement is intended to supplement other general documents on the duties and responsibilities of Directors being implemented by HRSA.

This Statement is subject to annual review. This version was adopted by the Board of Directors on 19 September 2012.

## 2 Board of Directors

### 2.1 Composition of the Board

The Constitution of HRSA provides for the appointment of six non-executive Directors. Four Directors are appointed on the basis of their qualifications and experience in the competency areas of marketing, law, accounting and commerce, and business management. In addition, one Director is nominated by each of the South Australian Harness Racing Club Incorporated (SAHRC) and the South Australian County Harness Racing Clubs Association Incorporated (SACHRCA).

### 2.2 Board Responsibilities

The Board of Directors is responsible for monitoring the business and affairs of HRSA, setting of strategic direction, and overseeing the financial position, reporting systems and controls of HRSA. Directors observe conformity with their duties under Corporations law, HRSA's Constitution, and other relevant legislation.

### 2.3 Tenure

Board members are appointed for a term of up to three years. Retiring Directors are eligible to stand for re-appointment at the end of their term.

### 2.4 Director Independence

The Board has adopted the principle that all Directors are independent of Management and free of any business or other relationship with Clubs that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unencumbered and independent judgment.

## 3 Board Processes

### 3.1 Directors' Role

Directors understand and acknowledge the division of responsibility between Management and the Board, based on the belief that it is the role of the Board to be strategic and review and for Management to manage and deliver the organisation's objectives. They have also agreed the delegation of authorities to Management, as well as the goals of HRSA, Key Performance Indicators and the Financial Budget. Directors receive reports on a monthly basis of progress against the Financial Budget and Key Performance Indicators, as well as other management reports and regular control reports.

### 3.2 Directors' Commitment

Directors are required to understand the principles and standards of the harness racing industry generally and are expected to acquire the appropriate information and expertise to understand the general nature of the industry for which they are responsible.

All Directors must contribute to the establishment of clear strategic direction for HRSA and are expected to act consistently with these objectives and policies within that strategic direction once adopted.

Directors are required to exercise care and diligence in carrying out their duties, and to make judgements in good faith, and in what they believe to be in the best interests of HRSA and the harness racing industry in South Australia.

Directors are expected to serve on Board Committees. They are also expected to be willing to serve in areas where their expertise is of value in the decision making process.

Regular monthly reports are presented to Directors by Management. In addition to understanding and critically evaluating the contents of these reports, it is an obligation on Directors to enquire about any areas where they may have concerns and seek clarification until such concerns are satisfactorily resolved.

### 3.3 Board Meetings

The Board meets monthly or more regularly if required. Board papers are made available in advance of meetings and Directors are encouraged to seek additional information from the Chief Executive Officer, if further clarification is needed prior to the meeting. Notwithstanding, as a rule, the appropriate place for all discussions of Board matters to take place is in the scheduled Board or Committee meetings. It is the obligation of the Chairman to ensure that Board

meetings are conducted in such a way that all questions can be put and satisfactorily resolved and points of view can be discussed and documented.

## 4 Board Committees

The Board has established formal Committees to advise and guide the Board, and to assist in decision-making, oversight and control. Board Committee members are elected at the first Board meeting following the Annual General Meeting. Representatives of Management attend Committee meetings as required and Committees have written Terms of Reference. The minutes of all Board Committee meetings are tabled at the next Board meeting and any recommendations are considered therein.

The Board may establish further ad hoc committees as the need arises.

The Board Committees that currently exist are:

### 4.1 Governance Committee

The Governance Committee has the responsibility to ensure good corporate governance practices are adhered to and to monitor the respective roles of the Board and the Chief Executive Officer, including their performance in these roles. The Governance Committee will also develop and maintain succession planning, remuneration and recruitment strategies for Board and Chief Executive Officer functions, risk management and reporting practices of Harness Racing SA.

### 4.2 Finance Committee

The Finance Committee has the responsibility of assisting the Board in fulfilling its responsibilities relating to the accounting, auditing and statutory practices of HRSA.

### 4.3 Racing Committee

A Racing Committee has been established including detailed Terms of Reference which have been ratified by the Board. The general responsibilities of the Racing Committee will be the development and monitoring of strategy in relation to the optimisation of race dates, allocation of race meetings and programming of races.

## 5 Risk Management

The Board monitors the operational and financial performance of HRSA through regular reporting against budget and key performance measures. Policies and controls are being developed to minimise operational, financial, health and safety, and other areas of risk, and to ensure compliance with regulatory and community standards. In addition, risks are identified and managed through the audit program and by Management, and monitored by the Finance Committee. Insurance coverage of key operational risks is a necessary element of risk management. A Risk Management Register is currently being prepared to Board approval.

## 6 Business Conduct

### 6.1 Ethical Standards

The Board plays a key role in upholding the core values of HRSA and the harness racing industry and promoting high standards of corporate and business ethics, maintaining the highest standards of conduct and confidentiality in relation to all its dealings. These are reflected in the Board's Code of Conduct and its strict conformance to all relevant external regulations and legislation.

### 6.2 Conflicts of Interest

Part 2D of Corporations Law obliges Directors to disclose to the Board any actual or potential conflicts of interest. Further, in most instances, it restricts the voting rights of the affected Director in relation to matters in which there is an actual or potential conflict.

## 7 Communication

The Board aims to ensure Member Clubs and key stakeholders are kept informed of all developments impacting the affairs of HRSA and the harness racing industry and to provide appropriate information to assess the performance of the organisation and the industry. Information is provided in the Annual Report, regular newsletters, HRSA's website and specific letters as required when it is deemed information should be notified.

## 8 Corporate Social Responsibility

HRSA supports environmental initiatives in its daily activities with regard to waste management and energy conservation.

HARNESS RACING SA

## WOMEN IN HARNESS RACING 2012

# WOMEN IN HARNESS RACING

If successful race mares Repelem, Tasy Miss, Riverboat Rosie and Concorde Crest are synonymous with harness racing in South Australia, then so should the names Julie Billinger, Lorraine Hryhorec, Jill Neilson, Lisa Ryan, Danielle Hill and Janet Cox. These women are just a small cross section of the sensational, hard working, dedicated, competitive and supportive women involved in the harness racing industry. On Saturday 29th October at Globe Derby Park, Harness Racing SA in collaboration with South Australian Reinswomen Association and the South Australian Harness Racing Club celebrated these women, and all women in harness racing at the 2011 SA Reinswomen Challenge. On the eve of the annual attraction, Driver and HRSA writer Aaron Bain got in touch with his feminine side and joined a round table discussion with Julie Billinger (Stablehand), Lisa Ryan (Driver), Lorraine Hryhorec (Owner), Janet Cox (Long time supporter) and Jill Neilson (Trainer and President, South Australian Reinswomen Association) .

**Q: How did your involvement in Harness Racing begin?**

A: **Julie** – I was born into the sport with both parents being involved, my dad was a leading trainer/driver in Western Australia during the 70's. I married Darren 20 years ago and together we continue to train horses on a professional basis.

**Lisa** – I have a family background in horses then I met Toby 13 years ago and went along for the ride and have enjoyed every moment. I'm in my third season of driving now and I love it! I wish I had of started driving earlier.

**Jill** – My grandparents were heavily involved, then my own parents and it was just passed down through the generations to now where I train my own team.

**Janet** – I began back in the days when racing was at Wayville getting to know a number of trainers and drivers. I ended up marrying a driver in Ron Cox and have supported the industry ever since.

**Lorraine** – I was originally in the Thoroughbred game and decided to change to Harness Racing 45 years ago when it became too financially demanding. Harness Racing looked a viable option to venture into and we have had some good success since.

**Q: What do you think the challenges are for women in harness racing?**

A: **Jill** – When I took over as S.A.R.A. President the group seemed to be struggling at the time and I wanted to take the opportunity to get it back in the right direction. It is important to try and get the focus of women out there within the sport especially young women. Young women find it hard to get a fair go at trials especially when starting out as a very minute number of the blokes do not give them a fair go which there has been a number of girls in the sport which cannot hack that. I also wanted to raise the profile to attract more women into the sport and containing them as trainers, drivers and even stablehands. If you are not mixed up with a stable or within your family it is extremely hard for any young person to get into the sport.

**Julie** – I don't believe as a stablehand or trainer there is any difference as both genders are capable, however when it comes to race driving there seems to be more of a divide. Men can be more domineering and women find it hard to find their feet.

**Q: Is your involvement in Harness Racing a 'family affair'? What challenges does that present to you?**

A: **Jill** – The biggest positive is the 'family affair' aspect within the industry as the friendships that are made in the sport lasts a lifetime but one disadvantage is that women are forced to take a break in the sport when they are starting a family and therefore they are off the racing scene (reluctantly).

**Julie** – Harness Racing is a family sport and keeps the family together as we all seem to work together which makes it more enjoyable than most other hobbies.

**Lisa** – It is difficult especially introducing Tuesday night racing and although I'm not out there a lot, I am picking up one or two drives here and there so most times I have to whip home and get the kids fed while Toby is down here at the races and if I'm in the last race driving for someone else we have to swap over so the kids are not there all night. It is a time juggle but it is our occupation so we just manage it.

**Lorraine** – My children have all grown up now and have their own kids so I go around to Ryan's and look after his children so he can drive. Living close to the track does help to be able to juggle the two.

**Q: Are women in harness racing just as competitive as the blokes?**

A: All – Definitely!
**Lisa** – Women are for sure just as competitive out on

the track as winning is still everything to most people involved in the industry no matter your gender.

**Jill** –It is often said that Reinswomen seem to have a natural connection with some Standardbreds, even a softer touch which some horses certainly respond better too. This can give them a competitive edge. On saying that, you can see the competitive nature of a reinswomen on her face. She is there to win..

**Q: Do you have a female icon/mentor in harness racing? If so, who?**

A: Janet – Natalie Rasmussen, she has made the industry look up as a trainer/driver to be able to train the number of Interdominion winners she has and work as hard as she does is a credit to the female values. Julie –Kerryn Manning, to drive as many winners as she has and more importantly remaining down to earth and always having time for everyone highlights her professionalism.

**Q: What is your biggest achievement to date?**

A: **Lorraine** –Owning Repelem. We were offered a yearling that seemed problematic but we decided to take it and give it a go as we had a spare stable at the time. Jon worked it the day it arrived and came home knowing the ability was there but never did we think we would be blessed with a horse of her calibre.

**Lisa** – I promised Toby (Trainer & Vet Toby Ryan) I would say marrying him so yes 'Saying I Do' and also proud of just getting out there and experiencing the driving side. Winning the Monte (Ridden Trotters Race) was a great thrill on Saw Foot.

**Julie** – In partnership with Darren winning the Southern Cross Final with Come On Frank.

**Q: What is the future of women in harness racing?**

A: **Jill** –If I was given an open cheque book I would open a harness racing school to encourage the younger generation especially to promote younger women educating them within the industry and getting their careers started like they do in the thoroughbreds. There seems to be a big gap between the pony racing and big time as if you are not connected to a stable you do not have a lot of options to get involved. We need to try and bridge that pathway and offer a school for those young people to stay involved.

**Julie** – A number of the pony drivers have spoken to Dani Hill about her involvement as a trainer and driver and have learnt a lot from her and enjoy that interaction, even Dani likes sharing her story and helping the youngsters. On the pony website there is a driver profile for the pony drivers with a question "Favourite Racing Driver", one of the most popular answers was Dani Hill when she was race driving.

**Q: Do you have any advice to young women looking to make their mark in the industry?**

A: **Lisa** – Plain and Simple, 'Give it a go!' Harness Racing is family orientated and far more accessible to the public to be interactive on race nights with the trainers, drivers and horses.

**Jill** – Follow your dream, speak to the other women in the industry and immediately you will know it is a positive industry and will enjoy every step. I know for example with Leah Harvey and even Dani Hill, young children approach them and both of them are happy to have photos and help out. Leah has a number of youngsters help her out around home, hands on, working track work and getting involved around the stables which they thoroughly enjoy.

At a quieter point in the afternoon, the discussion is more intimate. The SA Reinswomen Challenge will be supporting Cancer Council SA's Pink Ribbon Appeal for Breast Cancer research. Our focus is on long-term supporter and Breast Cancer survivor Janet Cox.

Janet shares her personal battle with this insidious disease… A routine mammogram in January 2008 saved Janet's life. A 3cm lump was detected, biopsied, and categorised. Cancer. Janet's journey began. Surgery to remove the lump followed by 18 weeks of Chemotherapy and then six weeks of radiation therapy every day for five days a week.

"I had a very good surgeon in Dr. David Walsh while the breast care nurses and my husband Ron were also good support and responsible for getting me through the treatment" expressed Janet "I wanted to stop all treatment after the third round of chemotherapy but it was the Breast Care Nurses who showed me the light and helped me find my inner strength to keep going".

When asked about the support she received from the harness racing community Janet's response was reflective "I kept it very discreet at the start however I had some very close friends in the industry that really helped me through the process away from the hospital to just be there to talk to when I needed".

"I had no history of breast cancer in the family and I did the recommended checks but I honestly was never fully aware what I was looking for. It was just fortunate I got the mammogram to get on top of the tumour before it became out of control"

Questioned on how her family handled the diagnosis and treatment on their journey with her Janet found humour amongst the situation. "Ron just had just got out of hospital after a knee operation and the night I was in getting the cancer removed, Ron fell off the back step and broke his hip so we were both patients in the same hospital as it turned out".

As a breast cancer survivor, Janet's advice to all women, particularly in the harness racing industry is clear. "A lot of women are embarrassed about getting a mammogram done these days but I recommend all women go and have the test done as it is better to be safe than sorry, before it's too late'.

The 2011 SA Reinswomens Challenge bought together the female community within the industry and from the wider public to celebrate women in harness racing, and support the Cancer Council SA Pink Ribbon Appeal raising over $3000. They remembered those who they had lost, celebrated those who had conquered and supported those who are currently fighting the cancer battle.

For Reinswomen Kate Gath it was successful homecoming that night when she claimed the 2011 SA Reinswomen Challenge title at Globe Derby Park. Such was the quality of the reinswomen, seven drivers finished within eight points of each other after the five race series that saw five individual winners from five heats with Gath winning the night on countback.

Harness Racing SA thanks very much the contribution made to night by some of Australia's best reinswomen:

Kath Gath
Erin Holloway
Leah Harvey
Emma Turnbull
Kerryn Manning
Lisa Miles
Jodi Quinlan
Angela Chapman
Kerry Green
Chantal Turpin

HARNESS RACING SA

# 2012 **financial statements**

# Harness Racing SA Limited

ABN 68 094 559 930

## DIRECTORS' REPORT

**Principal Activities**
The principal activities of the company during the financial year, in accordance with the company's constitution, were:

- to encourage, promote and conduct the sport of harness racing
- to provide industry control and direction for the harness racing industry
- to effectively market harness racing

**Operating Result**
The consolidated loss of the company for the financial year amounted to $778,824.

**Review of Operations**
A review of operations is contained in the reports by the Chairman & Chief Executive Officer within the Annual Report.

**Financial Position**
The net assets of the company as at 30 June 2012 are $76,055.

**Corporate Governance**
Refer to the Corporate Governance Statement as contained within the Annual Report.

**Significant Changes in State of Affairs**
For the start of the year in report, the company allocated additional race meetings on Tuesday nights at the Globe Derby Park venue. This initiative targeted increasing TAB market share, with the objective of increasing TAB Product Fee revenue for the 2012/2013 financial year. The prizemoney and associated costs in conducting these meetings accounted for a major component of reported operating loss for the year.
In March 2012, a professional wagering syndicate withdrew their Australian operations following an on-going dispute with the Australian Taxation Office. Due to the magnitude of the amount the syndicate wagered through the SA TAB, revenues to the racing industry in South Australia were adversely impacted following the drop in turnover.

The company's operating budget for the forthcoming year reflects the adjusted levels of anticipated TAB Product Fee revenue.

**After Balance Date Events**
No significant events have occurred after 30 June 2012.

**Future Developments**
The company will continue to operate in the interests of the industry and its shareholders.

**Dividends**
As the company has been formed as a company limited by guarantee, for the benefit of the harness racing industry in South Australia, no dividend is payable to members.

**Indemnities and Insurance Premiums for Directors & Officers**
During the financial year, the company paid an insurance premium in respect of a contract insuring the Directors of the company, Company Secretary, Mr John Lewis, and all Executive Officers of the company and of any related body corporate against a liability incurred as such a Director, Secretary or Executive Officer to the extent permitted by the Corporations Law. The contract of insurance prohibits disclosure to the nature of the liability and the amount of the premium.
The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an Officer or Auditor of the company or of any related body corporate against a liability incurred as such an Officer or Auditor.

**Proceedings on Behalf of Company**
No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.
The company was not a party to any such proceedings during the year.

**Auditor's Independence Declaration**
The auditor has performed no other services during the year.
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in the Audit Report.

Signed in accordance with the resolution of the Board of Directors

Mark Carey
CHAIRMAN

Chris Hartwig
DIRECTOR

Dated this 19th day of September 2012

# Harness Racing SA Limited

ABN 68 094 559 930

## DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Harness Racing SA Ltd, we state that, in the opinion of Directors:

- The attached financial statements and notes thereto give a true and fair view of the financial position;
- The attached financial statements and notes thereto are in accordance with the Corporations Act 2001, and comply with Accounting Standards;
- And there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

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

Mark Carey
CHAIRMAN

Chris Hartwig
DIRECTOR

Dated this 19th day of September 2012

# Notes to the Financial Statements

For the financial year ended 30 June 2012

1. SUMMARY OF ACCOUNTING POLICIES

**Financial Reporting Framework**

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, applicable Accounting Standards and Urgent Issues Group Consensus Views, and complies with other requirements of the law.

The financial report has been prepared on the basis of historical cost, and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

**Going Concern Basis**

As at 30 June 2012, the Company has a deficit in net current assets of $107,300
The loss for the year of report totals $778,824

**Significant Accounting Policies**

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfied the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.
The following significant accounting policies have been adopted in the preparation and presentation of the financial report -

**Accounts Payable -** Trade payables and other accounts payable are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services.

**Acquisition of Assets** - Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

**Depreciation -** Depreciation is provided on property, plant & equipment, including freehold buildings but excluding land and investment properties. Depreciation is calculated on a diminishing value basis so as to write off the net cost or other revalued amount of each asset over its expected useful life.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, which ever is the shorter, using the straight line method.
The following estimated useful lives are used in the calculation of depreciation:

| | |
|---|---|
| Motor Vehicles | 4 years |
| Plant & Equipment | 2-5 years |

**Employee Entitlements -** Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and on-costs when it is probable that settlement will be required and when they are capable of being measured reliably.

Provisions made in respect of wages and salaries, annual leave and on-costs, and other employee entitlements expected to be settled within 12 months, are measured at their nominal values.

Provisions made in respect of other employee entitlements 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 the Company in respect of services provided by employees up to the reporting date.
**Goods & Services Tax -** Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- 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
- For receivables and payables which are recognised inclusive of GST

The net amount of GST recoverable from, or payable to, the taxation authority, is included as part of receivables or payables.

**Income Tax -** In accordance with Section 50 - 45 of the Income Tax Assessment Act 1997, the Company is exempt from paying Income Tax.

**Interest Bearing Liabilities -** Debentures, bank loans and other loans are recorded at an amount equal to the net proceeds received. Interest expense is recognised on an accrual basis.

Ancillary costs incurred in connection with the arrangement of borrowings are deferred and amortised over the period of the borrowing.

**Recoverable Amount of Non-current Assets -** Non-current assets are written down to recoverable amounts where the carrying value of any non-current asset exceeds recoverable amount. In determining the recoverable amount of non-current assets, the expected net cash flows have not been discounted to their present value.

**Revenue Recognition (Sale of Goods and Disposal of Assets)** - Revenue from the sale of goods and disposal of other assets is recognised when the Company has passed control of the goods or other assets to the buyer.

**Rendering of Services -** Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

**Receivables -** Trade receivables and other receivables are recorded at amounts due, less any provision for doubtful debts.

## 2. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities included the following items of revenue and expenditure -

| **a) Revenue from Ordinary Activitiesww** | **2012 $** | **2011 $** |
|---|---|---|
| **Rendering of Services** | | |
| TAB Distribution paid to harness racing code | 5 945 660 | 6 424 559 |
| Government Tax Relief | 947 889 | 892 804 |
| General | 446 194 | 398 708 |
| Race Field Fees (Net) | 1 223 192 | 856 986 |
| Southern Cross Series | 92 499 | 84 638 |
| Yearling Sale | 0 | 3 500 |
| **Interest Revenue** | | |
| Other Entities | 25 639 | 31 757 |
| **Total Revenue from Ordinary Activities** | **8 681 073** | **8 692 952** |
| **b) Operating Expenditure** | | |
| Stakemonies | 5 682 080 | 4 969 150 |
| Racing Expenses | 2 460 427 | 2 497 501 |
| Southern Cross Series | 255 022 | 239 000 |
| Administration Expenses | 962 406 | 922 110 |
| Depreciation Expense | 79 800 | 33 844 |
| Borrowing Cost Expense | 15 324 | 10 213 |
| Loss on disposal of assets | 0 | 1 760 |
| **Total Operating Expenses** | 9 455 060 | 8 673 578 |
| Profit/(Loss) from Ordinary Activities | ( 773 987) | 19 374 |
| Less non-operating expenses | 4 837 | 28 817 |
| **Net Profit/(Loss)** | **( 778 824)** | **( 9 443)** |

## 3. DIRECTORS' REMUNERATION

| | | |
|---|---|---|
| The aggregate of income paid or payable, or otherwise made available in respect of the financial year, to all Directors of the Company, directly or indirectly, by the Company or by any related party. | 92 646 | 92 500 |

The Directors of HRSA Ltd during the course of the year were:

| | | | |
|---|---|---|---|
| Grant Goodall | (until 30 September 2011) | Des Stanbury | |
| Michael Giorgio | (until 30 September 2011) | John Levy | (from 1 October 2011) |
| Adrian Edgar | (until 3 January 2012) | Joanne Podoliak | (from 1 October 2011) |
| Graham Taylor | | Mark Carey | (from 9 May 2012) |
| Michael Deare | | | |

| | 2012 $ | 2011 $ |
|---|---|---|
| **4. REMUNERATION OF AUDITORS** | | |
| Auditing the Financial Report | 8 500 | 8 000 |
| **5. CURRENT RECEIVABLES** | | |
| TAB Product Fee | 372 081 | 441 031 |
| Other Receivables | 54 716 | 26 007 |
| **Total Current Receivables** | **426 797** | **467 038** |
| **6. OTHER CURRENT ASSETS** | | |
| Accrued Income | 246 636 | 238 901 |
| Prepayments | 0 | 539 |
| **Total Other Current Assets** | **246 636** | **239 440** |
| **7. PROPERTY, PLANT & EQUIPMENT** | | |
| Gross Carrying Amount | | |
| Opening Balance | 427 279 | 491 018 |
| Additions | 284 835 | 11 306 |
| Disposals | | ( 75 045) |
| Closing Balance | **712 114** | **427 279** |
| Accumulated Depreciation | | |
| Opening Balance | 338 688 | 374 493 |
| Disposals | | ( 69 649) |
| Depreciation Expense | 79 800 | 33 844 |
| Closing Balance | **418 488** | **338 688** |
| **Written down value of Property, Plant & Equipment** | **293 626** | **88 591** |
| **8. CURRENT PAYABLES AND REVENUE RECEIVED IN ADVANCE** | | |
| Trade Payables | 414 928 | 272 377 |
| Other Payables | 69 171 | 0 |
| Accrued Expenses | 292 793 | 356 256 |
| Revenue Received in Advance | 15 375 | 23 342 |
| **Total Current Payables and Revenue Received in Advance** | **792 267** | **651 975** |
| **9. CURRENT INTEREST BEARING LIABILITIES** | | |
| Hire Purchase Liability | 0 | 15 505 |
| **10. BORROWINGS** | | |
| **Current** | | |
| Loan - Mobile Barrier | 27 525 | 0 |
| **Non-Current** | | |
| Loan - Mobile Barrier | 110 271 | 0 |
| **11. EMPLOYEE ENTITLEMENTS** | | |
| The aggregate employee entitlement liability recognised and included in the financial statements are as follows: | | |
| Current | 73 870 | 71 904 |
| Non-current | 0 | 0 |
| | **73 870** | **71 904** |
| Number of FTE (full time equivalent) employees at end of financial year | 9 | 10 |

| | 2012 $ | 2011 $ |
|---|---|---|
| **12. RETAINED PROFITS** | | |
| Balance at beginning of financial year | 854 879 | 864 322 |
| Net Profit/(Loss) | ( 778 824) | ( 9 443) |
| Balance of Retained Profits | **76 055** | **854 879** |

## 13. ECONOMIC DEPENDENCY

A significant volume of the Company's revenue is derived from Tattsbet Pty Ltd, as a monthly Product Fee under the current Racing Distribution Agreement.

## 14. CONTRIBUTED EQUITY

HRSA Ltd is a company limited by a guarantee of $2 per member. As at 30 June 2012, the number of members was eleven (11).

## 15. SEGMENT INFORMATION

HRSA Ltd is the controlling body for harness racing in South Australia. The primary object for which the Company is established is for the encouragement of harness racing in SA. This includes the regulation and control of the harness racing code, and conduct of harness racing meetings within SA.

## 16. CAPITAL COMMITMENTS

For the 2013 financial year, HRSA has a capital commitment earmarked in relation to the purchase of a mobile semaphore board, designed to service regional harness racing venues. The expected cost is $42,000.

## 17. RELATED PARTY DISCLOSURES

Details of Directors' remuneration are disclosed in Note 3. Members of the Company or Board of Directors, or their relatives, may from time to time receive prizemoney for successful horses owned or trained by them. This prizemoney is paid by HRSA Ltd on the same terms and conditions as apply to any other owner or trainer.

## 18. FINANCIAL INSTRUMENTS

Interest Rate Risk

The following table details HRSA Ltd's exposure to interest risk as at the date of report, all other financial assets and liabilities are non-interest bearing.

| | | |
|---|---|---|
| Bank overdraft - variable | 4,771 | 0 |

## 19. NOTES TO THE STATEMENT OF CASH FLOWS

| | | |
|---|---|---|
| a) Reconciliation of Cash | | |
| Cash | 117 700 | 826 854 |
| (Bank overdraft) | ( 4 771) | ( 27 661) |
| | **112 930** | **799 193** |
| b) Reconciliation of Net Profit/(Loss) to net cash flows | | |
| from operating activities - | | |
| Net Profit/(Loss) | ( 778 824) | ( 9 443) |
| Depreciation | 79 800 | 33 844 |
| Loss/(Profit) on sale of Fixed Assets | 0 | 1 760 |
| (Increase)/Decrease in Receivables | 40 241 | ( 15 090) |
| (Increase)/Decrease in Other Current Assets | ( 7 196) | 3 951 |
| Increase/(Decrease) in Payables | 140 292 | 171 244 |
| Increase/(Decrease) in Provisions | 1 966 | ( 755) |
| Increase/(Decrease) in Interest Bearing Liabilities | 0 | ( 6 611) |
| | **( 523 721)** | **178 900** |
| c) Financing Facilities | | |
| Bank overdraft - amount used | 4 771 | 27 662 |
| Bank overdraft - amount unused | 245 229 | 222 338 |

# Statement of Comprehensive Income

For the financial year ended 30 June 2012

| | Notes | 2012 $ | 2011 $ |
|---|---|---|---|
| **Revenues from Ordinary Activities** | | | |
| TAB Distribution | | 5 945 660 | 6 424 559 |
| Other Income | | 2 735 413 | 2 268 393 |
| **Total Revenues from Ordinary Activities** | | **8 681 073** | **8 692 952** |
| **Operating Expenses** | | | |
| Racing Expenses | | 8 397 530 | 7 705 651 |
| Administration Expenses | | 1 042 206 | 957 714 |
| Borrowing Costs | | 15 324 | 10 213 |
| **Total Operating Expenses** | | **9 455 060** | **8 673 578** |
| Net Profit/(Loss) from Ordinary Activities | 2 | ( 773 987) | 19 374 |
| Less Non-Operating Expenses | | 4 837 | 28 817 |
| **Net Profit/(Loss) after Non-Operating Expenses** | | **( 778 824)** | **( 9 443)** |

*The accompanying notes form part of these financial statements*

# Statement of Financial Position

For the financial year ended 30 June 2012

| | Notes | 2012 $ | 2011 $ |
|---|---|---|---|
| **Current Assets** | | | |
| Cash | | 112 930 | 799 193 |
| Receivables | 5 | 426 797 | 467 038 |
| Other | 6 | 246 636 | 239 440 |
| **Total Current Assets** | | **786 362** | **1 505 671** |
| **Non-current Assets** | | | |
| Property, Plant & Equipment | 7 | 293 626 | 88 592 |
| **Total Non-current Assets** | | **293 626** | **88 592** |
| **Total Assets** | | **1 079 988** | **1 594 263** |
| **Current Liabilities** | | | |
| Payables & Revenue Received in Advance | 8 | 792 267 | 651 975 |
| Borrowings | 10 | 27 525 | 0 |
| Interest Bearing Liabilities | 9 | 0 | 15 505 |
| Provisions | 11 | 73 870 | 71 904 |
| Total Current Liabilities | | **893 662** | **739 384** |
| Non-current Liabilities | | | |
| Borrowings | 10 | 110 271 | 0 |
| **Total Non-current Liabilities** | | **110 271** | **0** |
| **Total Liabilities** | | **1 003 933** | **739 384** |
| **Net Assets** | | **76 055** | **854 879** |
| **Equity** | | | |
| Retain Profits/(Accumulated Losses) | 12 | 76 055 | 854 879 |
| **Total Equity** | | **76 055** | **854 879** |

*The accompanying notes form part of these financial statements*

# Statement of Cash Flows

For the financial year ended 30 June 2012

| | Notes | 2012 $ | 2011 $ |
|---|---|---|---|
| **Cash Receipts from Operating Activities** | | | |
| Receipts in the course of operations | | 8 695 675 | 8 646 104 |
| Payments in the course of operations | | (9 245 035) | (8 498 961) |
| Interest received | | 25 639 | 31 757 |
| Interest paid | | | 0 |
| **Net cash provided by/(used in) Operating Activities** | 19(b) | **( 523 721)** | **178 900** |
| **Cash Flows from Investing Activities** | | | |
| Payment for Plant & Equipment | | ( 284 834) | ( 11 305) |
| Proceeds from sale Plant & Equipment | | 0 | 3 636 |
| **Net cash provided by/(used in) Investing Activities** | | **( 284 834)** | **( 7 669)** |
| Cash Flows from Financing Activities | | | |
| Proceeds from borrowings | | 170 284 | 0 |
| Repayment of borrowings | | ( 32 487) | 0 |
| Repayment of interest bearing liabilities | | ( 15 505) | 0 |
| **Net cash provided by/(used in) Financing Activities** | | **122 292** | **0** |
| Net increase/(decrease) in Cash held | | ( 686 263) | 171 231 |
| Cash at beginning of financial year | | 799 193 | 627 962 |
| **Cash at end of financial year** | 19(a) | **112 930** | **799 193** |

*The accompanying notes form part of these financial statements*

# Statement of Changes in Equity

For the financial year ended 30 June 2012

| | Retained Profits/ (Accumulated Losses) $ | Total $ |
|---|---|---|
| **Balance at 1 July 2010** | 864,322 | 864,322 |
| Loss attributable to members | (9,443) | (9,443) |
| **Balance at 30 June 2011** | 854,879 | 854,879 |
| Loss attributable to members | (778,824) | (778,824) |
| **Balance at 30 June 2012** | 76,055 | 76,055 |

*The accompanying notes form part of these financial statements*

HARNESS RACING SA LTD
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

Accru+
Harris Orchard

To the Directors of Harness Racing SA Ltd

**Report on the Financial Report**

We have audited the accompanying financial report of Harness Racing SA Ltd. This comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the Harness Racing SA Ltd are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001*, and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Harness Racing SA Ltd on 14th September 2012, would be in the same terms if given to the directors as at the time of the auditor's report.

*Opinion*

In our opinion the financial report of Harness Racing SA Ltd 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 2012 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

BEN WILLINGTON
Adelaide: 25th September, 2012

ACCRU+ HARRIS ORCHARD

172 Fullarton Road,
Dulwich, 5065
PO Box 2268, Kent Town, 5071
South Australia, Australia

Telephone + 61 8 8431 1488
Facsimile + 61 8 8431 1441
Email info@accruadel.com.au
Web www.accru.com

Chartered Accountants + Business Advisors
Sydney + Melbourne + Brisbane
Perth + Adelaide + Hobart + Auckland

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## AUDITOR'S INDEPENDENCE DECLARATION
## UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
## TO THE BOARD OF
## HARNESS RACING SA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there have been:

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

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

Accru Harris Orchard

**ACCRU⁺ HARRIS ORCHARD**

**BEN WILLINGTON**
**Partner**

Adelaide, SA
Dated: 14/9/2012

HARNESS RACING SA
ABN 68 094 559 930
1 Globe Derby Drive
Globe Derby Park SA 5110
P 08 8285 2899  F 08 8285 2961
saharness@saharness.org.au
www.saharnessracing.com