

2025



RACING  
SA

# RACING TOGETHER

ANNUAL REPORT 2025

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# RACING SA



# ANNUAL REPORT

# 2025

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# CHAIRMAN'S REPORT



**Robert A Rorrison**

## THE RECENTLY RELEASED 2023/24 INDEPENDENT ECONOMIC REVIEW (IER) HIGHLIGHTED THE SIGNIFICANT SOCIAL & ECONOMIC IMPACT OF THE THOROUGHBRED RACING INDUSTRY IN SOUTH AUSTRALIA.

As I move around the State and speak to our participants, I am most proud of the fact that they understand not only what Racing SA is trying to achieve but also why. Our focus on horse population and field sizes has been supported by all areas of the industry as we have been open and shared the importance of that in ensuring our long term viability.

The 2025 financial year has seen Racing SA deliver a budgeted loss, as anticipated in our 2024 Annual Report after 5 consecutive years of profits, noting that \$2.5 million of the "loss" is made up of infrastructure grants to our Racing Clubs across the State.

The fact that our average field size has increased from 8.7 per race 5 years ago to the best in Australia for the second year running at 10.8 this

year, has sheltered us from the turnover and thus financial downturn seen across the rest of the nation.

It is this understanding of what we are doing and its impact that means we are able to continue our work "Racing Together" as we endeavour to create the industry we all want to be a part of. For this sharing of understanding I commend our management team and broader staff whose willingness to live and share our vision and values is paramount to our success.

I referred previously to the funding of infrastructure for our clubs across the State, this remains a cornerstone of Racing SA's long-term visions. Our 10-year Infrastructure Plan and Capital Grants Program are fundamental to the sustainability of racing across the State; the Board of Racing SA has endorsed this long term commitment.

The recently released 2023/24 Independent Economic Review (IER) highlighted the significant economic impact of the Thoroughbred Racing Industry in South Australia, contributing \$515.4 million of value to the State's economy - an increase of \$64.2 million from the previous year. Notably, \$196.4 million of this contribution was shared across the States regional communities, highlighting the reach beyond metropolitan areas. Racing is not only part of the social fabric of many regional communities, it continues to be a powerful driver of regional tourism, with race meeting attendance contributing to accommodation bookings, dining and local business activity.

At the heart of our industry are the thoroughbreds themselves. Racing SA's highly respected Thorough Care program continues to set a benchmark in equine welfare. In June, the Racing SA Board approved the

# AT THE HEART OF OUR INDUSTRY ARE THE THOROUGHBREDS THEMSELVES. RACING SA'S HIGHLY RESPECTED THOROUGH CARE PROGRAM CONTINUES TO SET A BENCHMARK IN EQUINE WELFARE.



launch of the Drought Relief Assistance Package to support licensed participants and sanctuaries caring for retired thoroughbreds during the devastating drought earlier this year. This initiative was funded through our Equine Welfare Fund, which is sustained by a 1% deduction of prizemoney. This model is strongly supported by owners, breeders, trainers and jockeys throughout South Australia.

Again, thank you to all the participant groups that make up our industry, and I look forward to our continued success through "Racing Together".

**Robert A Rorrison**  
Chair



# CHIEF EXECUTIVE OFFICER'S REPORT



Nick Bawden

WORKING TOGETHER IS ONE OF OUR INDUSTRY'S GREATEST STRENGTHS AND THIS IS AN AREA THAT I AM ESPECIALLY KEEN TO BUILD ON AS WE CONTINUE THROUGH OUR 2024-2026 STRATEGIC PLAN RACING TOGETHER

On behalf of the entire team at Racing SA, I am privileged to deliver my first CEO's Report for the 2024/25 Financial Year. It would be remiss of me not to firstly acknowledge and thank former CEO Vaughn Lynch for his significant contributions to our great industry prior to his return to Victoria.

In undertaking a role of such significance, a true measure of success is leaving the industry in a more progressive and better position than when you commenced; Vaughn undoubtedly achieved this.

One of the key strengths of our industry is through its unification, and this is an area that I am especially keen to build on as we continue through our 2024-2026 Strategic Plan "Racing Together".

I feel racing in South Australia is very much on an upward trajectory as we seek to put ourselves on the national stage, like many of our participants do day-in day-out, growing our share of national turnover, creating a thriving, sustainable industry, and a great place to participate.



## IER Economic Impact Report

The 2023/24 Economic Impact Report compiled by IER was delivered, which details the size and scope of the racing industry in South Australia.

Pleasingly, and not surprisingly, the report confirms what we have known about our industry; it is a key contributor to the economic and social fabric of our State.

The report details that the social and economic value provided by the thoroughbred racing industry to the State is:

- Over \$515M in economic contribution to the State's economy
- Approximately 3,500 FTE jobs
- And critically, when the Government doubled the passthrough of the Point of Consumption Tax from 10% to 20%, the additional \$8M provided to the industry resulted in an increase of direct value added to the economy of \$24M and \$64M of indirect value, indicating that investing in this state's racing industry is good for the economy.

## Financial Overview

The overall result for the year was a deficit of \$3.256 million, broadly in line with the budgeted deficit of \$2.94 million. This outcome was planned for in the five-year forecast, with strong cash reserves built up over previous profitable years allowing Racing SA to withstand the pressures of this FY and remain in a fundamentally sound financial position.

## Revenue

Wagering turnover on Racing SA product compared favourably to the national trend, being down only 1.3% year on year. This result reflects the strong confidence punters continue to have in South Australian product underpinned by nation-leading field sizes.

The year-on-year movement in results was due to several key factors:

- A reduction in the total Point of Consumption (POC) tax return from the State Government due to a one-off audit undertaken by the Government on wagering service providers in FY24.
- The first-year payment under our exclusivity agreement with Sportsbet, which contributed an extra \$1 million in FY24.
- The expiry of historical race field fee agreements with wagering service providers at 30 June.

## Expenses

Total cost base reduced by 1.4%, however excluding depreciation (which included a one-off asset write-down in FY24), expenses rose by 2.1%.

Pleasingly, the majority of this increase was direct funding to the industry, through prizemoney, club funding and capital grant programs all increasing year on year.

In total \$2.5M was provided to Clubs in the form of capital grants (\$500k up year-on-year) and jockey Workcover premiums rose by \$650k year-on-year up to \$2.9M.

More than 67% of total revenue was returned as prizemoney, which continues to demonstrate efficient operations while delivering strong returns to participants.

## Future Outlook

With a new race field fee model implemented with all wagering service providers for FY26, and a continued focus on tightening discretionary costs, Racing SA has budgeted for a \$1 million deficit in FY26 before returning to surplus in FY27.

Achieving this will largely rely on maintaining our focus on the key drivers of growth and engagement in our product, being field sizes, race date and program optimisation, and ongoing investment in areas that sustain wagering confidence and industry participation.

## Sportsbet Partnership

The Sportsbet partnership continues to go from strength to strength with Country Racing SA, Racing SA and SAJC. There were some fantastic Sportsbet activations across our race clubs over the last financial year including the popular 'Putt for Dough' over the Adelaide Racing Carnival at Morphettville. Sportsbet have some exciting new initiatives to come so stay tuned.

## Racing Clubs

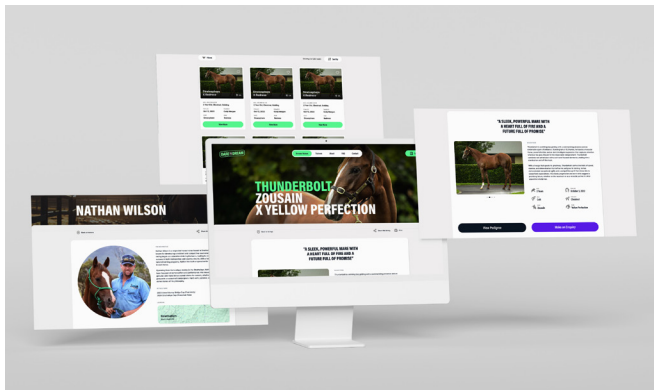
- SAJC won Club of the Year at the 2024/25 Sportsbet SA Racing Awards and Hall of Fame evening.
- We saw the return of the two-day Port Lincoln Cup carnival in February 2025 which was a great success bringing strong tourism numbers to the Eyre Peninsula.

Racing SA also entered into a contract of sale for a parcel of land adjacent to the Strathalbyn racecourse providing an opportunity to rebuild the racetrack in stage 1 and then develop a new training hub in stage 2.



## New Initiatives | Highlights

- Nationally, thoroughbred racing in South Australia had the largest field sizes again and as a result was able to buck the national downturn trend in wagering, increasing our percentage share of national turnover.
- Increasing our share of national turnover must remain a key focus for Racing SA, and to compliment the full and competitive fields on offer in South Australia, we launched a new brand campaign, titled “Racing Lives Here” which promotes and showcases South Australian racing to a national audience.
- The Racing SA ‘Dare to Dream’ platform launched, providing an online hub where trainers and owners can connect; enhancing participation and growth within the industry.



## SA Government

Racing SA continues to forge a strong relationship with both sides of Parliament in South Australia, and early in 2025 welcomed a new Racing Minister to our community with the Hon Emily Bourke MLC taking the reins from the Hon Katrina Hildyard MP. Katrina was a great and keen supporter of racing. Emily immersed herself in our industry and embraced the hard-working culture and inclusive environment. Emily fought to get South Australian Clubs included in the State Government’s Drought Relief Program for which we were extremely grateful. At the time of writing this, we welcome another new Minister in the Hon Rhiannon Pearce MP, who I am sure will value our industry as did her predecessors. We look forward to working with Rhiannon into the future.



Our great industry is made up of hard-working participants, across the entire State and country, and whether you choose to participate or consume racing in South Australia through attendance at race days, training, riding, caring for our horses, administration, governance, ownership or wagering, thank you.

Thank you also to the Board’s, management and staff of our two shareholders – the South Australian Jockey Club and Country Racing SA for your support, and for providing the stage for our participants.

I would like to thank everyone at Racing SA: The Board for their direction and leadership for the betterment of our industry.

Thank you to the Executive Team for their support and dedication to our industry, namely Ryan Stanaway, Leonie Fitzgerald, Johan Petzer, Matt Santoro and Andy Adams.

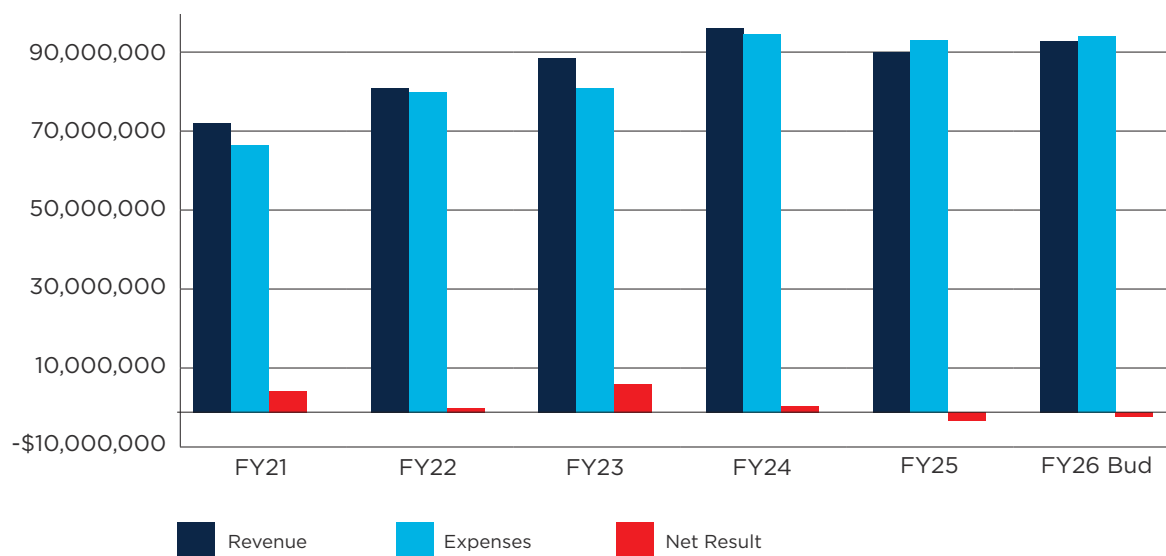
Lastly but certainly not least, the entire team of permanent staff that make Racing SA what it is, including Stewards, Veterinary, Compliance, Racing Department, Marketing & Communications, Finance, Administration, Welfare and Education (including the Apprentices Academy), Tracks, Events, Country Racing, Infrastructure, IT and Ownership and the many race day and casual staff that work tirelessly in ensuring all facets of racing in South Australia function as smooth and safe as possible.

**Nick Bawden**  
CEO



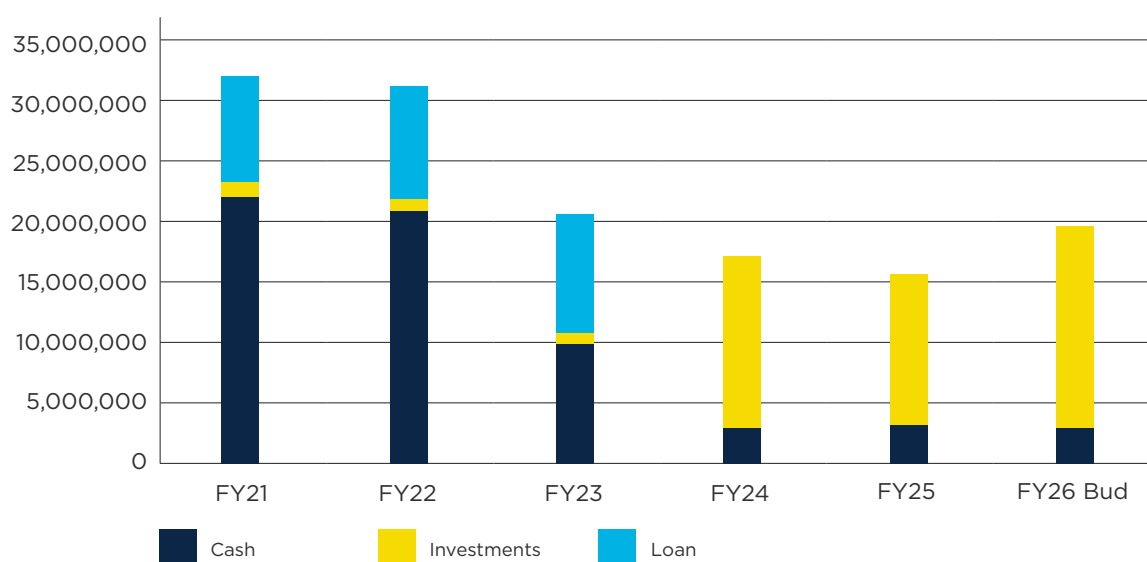
## Overall Company Profitability and Reserves

The chart below shows the Company's operating results for FY21 through to FY25 and the FY26 Budget.



	FY21	FY22	FY23	FY24	FY25	FY26 Bud
<b>Revenue</b>	72,482,647	82,121,359	88,738,267	96,735,868	90,716,175	93,595,640
<b>Expenses</b>	67,579,303	81,041,519	81,600,896	95,330,532	93,972,187	94,754,116
<b>Net Result</b>	4,903,344	1,079,840	7,137,371	1,405,336	(3,256,013)	(1,158,476)

The chart below shows the Company's cash reserves and value of share holdings for FY21 through FY25 and the FY26 Budget.



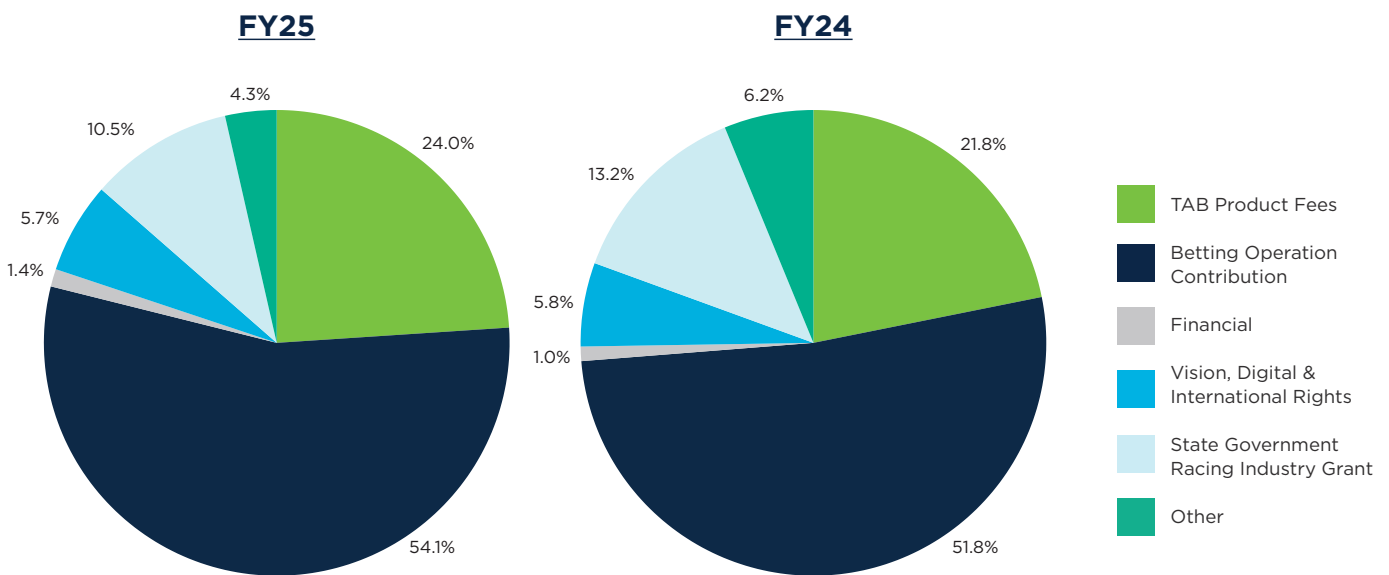
	FY21	FY22	FY23	FY24	FY25	FY26 Bud
<b>Cash</b>	22,790,876	21,465,053	10,220,904	3,174,683	3,340,132	3,000,000
<b>Investments</b>	1,129,542	1,003,429	1,080,283	14,313,197	12,771,385	17,000,000
<b>Loan</b>	8,883,245	9,425,690	9,789,064	-	-	-
<b>Total</b>	<b>32,803,663</b>	<b>31,894,172</b>	<b>21,090,251</b>	<b>17,487,880</b>	<b>16,111,517</b>	<b>20,000,000</b>

# CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

## Revenue

The Charts below show the proportion of revenue for each class of operational revenue for the last two financial years



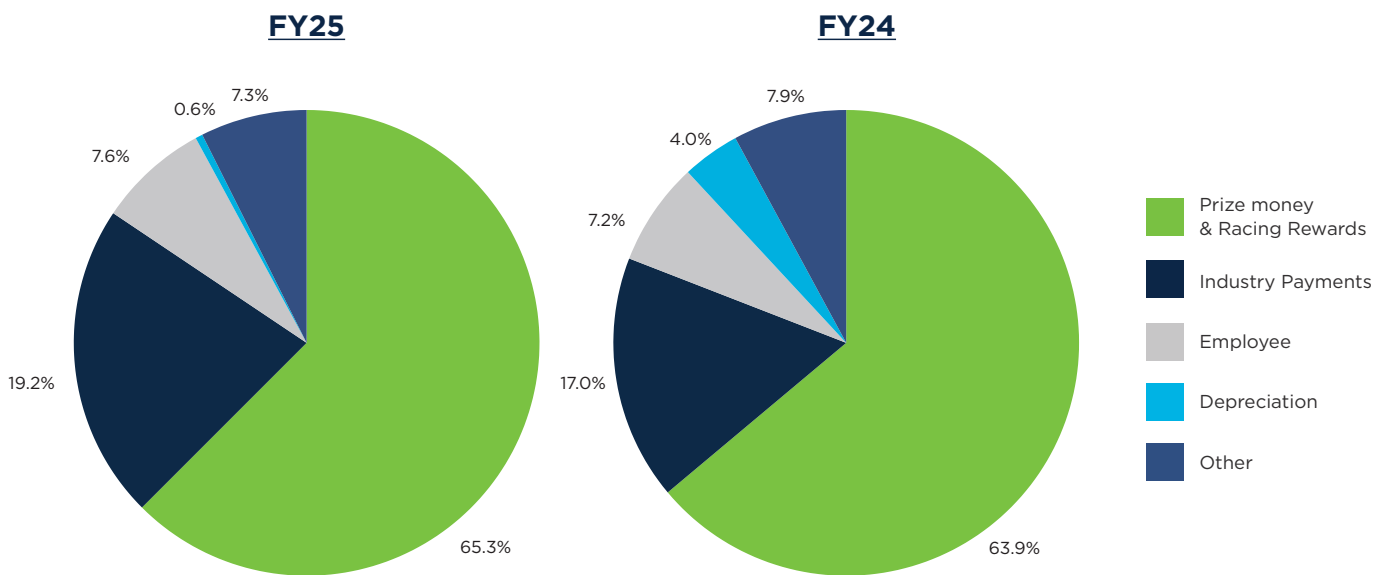
	FY25		FY24		Change	
<b>TAB Product Fees</b>	21,786,153	24.0%	21,096,989	21.8%	689,164	3.3%
<b>Betting Operation Contribution</b>	49,049,231	54.1%	50,135,519	51.8%	(1,086,288)	-2.2%
<b>Financial</b>	1,296,171	1.4%	1,010,167	1.0%	286,004	28.3%
<b>Vision, Digital &amp; International Rights</b>	5,177,531	5.7%	5,634,865	5.8%	(457,334)	-8.1%
<b>State Government Racing Industry Grant</b>	9,489,869	10.5%	12,814,250	13.2%	(3,324,381)	-25.9%
<b>Other</b>	3,917,221	4.3%	6,044,078	6.2%	(2,126,857)	-35.2%
<b>TOTAL</b>	90,716,175		<b>96,735,868</b>		(6,019,693)	-6.2%

Other revenue includes; Racing Rewards SA registration fees, industry participants registration fees, calendar advertising and subscriptions together with other sundry revenue items.

(CONTINUED)

## Expenses

The Charts below show the proportion of expenses for each department for the last two financial years



	FY25		FY24		Change	
<b>Prizemoney &amp; Racing Rewards</b>	61,373,280	65.3%	60,896,608	63.9%	476,672	0.8%
<b>Industry Payments</b>	18,078,124	19.2%	16,166,075	17.0%	1,912,051	11.8%
<b>Employee</b>	7,114,251	7.6%	6,856,790	7.2%	257,461	3.8%
<b>Depreciation</b>	549,797	0.6%	3,838,500	4.0%	(3,288,703)	-85.7%
<b>Other</b>	6,856,735	7.3%	7,572,560	7.9%	(715,826)	-9.5%
<b>TOTAL</b>	93,972,187		<b>95,330,533</b>		(1,358,345)	-1.4%

# RACING HIGHLIGHTS



**Ryan Stanaway**  
Chief Operating Officer

The 2024/25 racing season again demonstrated the health and competitiveness of South Australian racing, with 14,727 starters across 1,358 races – an increase of 530 total starters on last season.

This has translated to a statewide average field size of 10.84 for the 2024/2025 season, an increase of 0.43 on prior season. This average field size is once again expected to lead all states and territories.

These strong racing metrics have certainly helped sustain SA thoroughbred wagering turnover in the context of a challenging wagering environment nationally.

The revamped three week Sportsbet Adelaide Racing Carnival, featuring four \$1 million Group One events, was again a highlight of the racing season.

Glen Thompson scored his first Group 1 success, following the sad passing of training partner Mike Moroney, with Benagil taking out the Sportsbet Australasian Oaks.

Talented mare Charm Stone took out the Sportsbet Robert Sangster Stakes for Price & Kent Jnr, beating a quality field of fillies and mares.

The Phillip Stokes trained filly Femminile flew the flag for the locals, winning the Thomas Farms South Australian Derby with Lachie Neindorf in the saddle.

Meanwhile the Price & Kent Jnr trained entire Reserve Bank showed his love for the Morphettville circuit, with a victory in The Sportsbet Goodwood – his third win in succession at the venue.



**GROUP ONE WINNERS FOR THE CARNIVAL WERE:**

**SPORTSBET AUSTRALASIAN OAKS BENAGIL**



**SPORTSBET ROBERT SANGSTER STAKES CHARM STONE**



**THOMAS FARMS SOUTH AUSTRALIAN DERBY FEMMINILE**



**THE SPORTSBET GOODWOOD RESERVE BANK**



Furthermore, Derby Day become the first SA meeting to be covered by the World Pool, powered by the Hong Kong Jockey Club. This partnership saw punters from over 28 countries and jurisdictions betting into co-mingled pari-mutuel pools across a range of bet types, adding another dimension to what was an outstanding carnival.

In the Sportsbet Adelaide Cup, the **Will Clarken and Niki O'Shea** trained mare **Silent Surrente** outstayed her rivals, aided by a brilliant front running ride from star apprentice **Rochelle Milnes**.

Rochelle's season was recognized at the 2025 Sportsbet SA Racing Awards & Hall of Fame evening where she was crowned the prestigious **John Letts Medal winner** - one of six awards she took home on the night, including the 2024-25 South Australian Jockey Premiership and the Glennon-Johnson Metropolitan Jockey Premiership.

The event also recognised multiple Group 1 winning trainer **Tony McEvoy's** wonderful contribution to South Australian racing with his worthy induction into the South Australian Thoroughbred Racing Hall of Fame, alongside the 1963 Caulfield Cup winner **Sometime**.



**Goldrush Guru** was crowned Festival Hire Champion Racehorse of the Year after winning the Group 1 Victoria Derby for Macdonald Gluyas Racing.



The Evright.com Best Performed Horse Award went to the Sue and Jason Jaensch trained **Sir Sway** who finished second in the Group 1 Goodwood after taking out the Manihi Classic in March.



**Phillip Stokes** won the Metropolitan Trainer Premiership. **Garrett Lynch** claimed his first CS Hayes South Australian Trainer Premiership for the most wins across the state. Lynch also secured the Country Trainer Premiership. And in his return to training, **Stephen Theodore** won the Sportsbet Provincial Trainer Premiership.

**Jake Toeroek** claimed the Provincial Jockey Premiership, **Sairyn Fawke** won the Sportsbet Country Premiership, and **Brooke King** secured the Country Apprentice Premiership.

The formerly unsung heroes of the racing industry were recognised with **Giahn Pierpoint** named the South Australian Stablehand/Strapper of the Year and **Jess Squires** named the South Australian Trackwork Rider of the Year.



**Ryan Stanaway**  
Chief Operating Officer

# MARKETING & COMMUNICATIONS



**Maddie Hassett**  
Marketing & Brand Manager

The 2024/2025 racing season marked a transformative year for the Marketing and Communication Department, with notable advancements in our strategic vision and substantial increases in content production and placements.

Our focus centred on elevating South Australian Thoroughbred Racing and its sub-brands through digital innovation, expanded national reach, and fostering positive industry sentiment.

## Key Achievements and Strategic Initiatives

### National “Always On” Marketing Strategy

A milestone of Racing SA’s enhanced strategic vision was the launch of our national “Always On” marketing strategy, led by the campaign “Racing Lives Here”. This ensures a consistent, positive presence for thoroughbred racing across various media channels and ingrains our sport in the South Australian identity. This launch included:

- TVC (30”, 15” and 6”)
- Radio/audio advertising
- Targeted digital advertising and parallax creatives
- Out-of-home



**Digital Channel Activation and Audience Engagement**

This year saw an uplift in audience growth and engagement through our sub-brand digital channel activations. Having launched dedicated channels to represent welfare initiatives and education, ownership, and wagering insights has resulted in an increase in overall platform audiences and target demographic growth.

**Industry Events**

Brand and communication support for events through design, PR and media coverage, content package production.

**Country Racing Support**

Our support for Country Racing SA is in good health, with the rollout of digital ticketing, refreshed TVCs, and social media campaigning.

**Market Research and Insights**

In addition to the annually conducted comprehensive economic impact studies for major racing events (IER), which provide crucial data for stakeholders, we have integrated regular research and reporting for audience engagement and growth within Racing SA channels.

**Enhanced Content Output**

Our content production saw a substantial increase through variations to enhance placements per platform and to tailor distribution to media:

- 30+ monthly video content pieces, including VNR packages, studio recordings (podcast), and social media reels
- 10+ radio/podcast interviews per month
- Monthly magazine
- 15+ monthly articles for race previews, human interest stories, industry updates and media releases

**Looking Forward**

As we progress into the 2025/2026 season, our focus is on comprehensive stakeholder engagement. We are committed to strengthening relationships across multiple sectors, including media, club partnerships, wagering partner collaborations, and government communications.

With further market research efforts planned, we are well-positioned to achieve the strategic plan, by engaging stakeholders at all levels, we are working to secure the industry’s position as an integral part of South Australia’s cultural and economic landscape.

This strategic focus on stakeholder engagement will be fundamental in advancing our industry’s future and ensuring its continued growth and relevance.



**Maddie Hassett**

Marketing & Brand Manager



# WELFARE & EDUCATION



**John Cornell**  
Industry Operations Manager

The 2024/2025 racing season was another year of continued growth for the Welfare and Education Department, with several significant highlights and new incentives.

The Racing SA Welfare and Education Department consists of three of the Racing SA sub brands: Thorough Care SA, Racing Careers SA, and SA Apprentice Academy. Within these teams are the highly skilled team members, Clare Lindop, Ruby Mayers, Dean Pettit, and Keely Rayson



Thorough Care SA this year, through its achievements, has demonstrated the strength of collaboration, the importance of proactive welfare programs, and the essential role the industry plays in ensuring the well-being of thoroughbreds across South Australia.

### KEY HIGHLIGHTS

**Industry Drought Relief Program:** Supported 526 horses and distributed \$157,800 in funding to participants.

**Record Thorough Care Packs** for recently retired racehorses: 337 packs delivered, promoting best-practice horse management, education, and welfare.

**Event Sponsorships:** Sponsored 65+ equestrian events across South Australia, engaging directly with thoroughbred owners and the wider equestrian community.

**New Partnerships:** Established partnerships with Johnson's Natural Formula, Iron Horse Equine Nutrition, and the well-being company Pure Steed to expand resources and support.

**Facility Support:** Strengthened support for partner facilities, Windamere Horse Haven, and Lincoln Park Horse and Human Rehabilitation.

**Collaboration:** Continued a strong and enduring relationship with RSPCA South Australia.



Racing Careers this year has continued to be proactive by working with other training organizations, creating pathways through initiatives and training for individuals seeking a career in the racing industry.

### KEY HIGHLIGHTS

#### School Careers & Employment Expo's – Trade Stall Set Up

Delivered engaging expo stalls with demos and info that boosted racing career visibility and generated school and student follow-ups, leading to training interest.

**Total Events:** 9 **Reach:** 250 plus

#### Race Day and Morning Racecourse/Stable/Farm & Magic Millions Yearling Sales Tours – “Career Exploration Activities”

Provided behind-the-scenes tours and race day immersions that showcased diverse racing careers and prepared candidates for work experience, employment, or training programs with a realistic view of the industry. Support Racehorse trainers/employers by preparing better-informed candidates for work experience or employment.

**Total Explorations:** 29 with over 50 people attending



**Guest Speaking** – Racing Careers/Equine Welfare Industry Awareness & Education Talks- Presented racing career pathways and equine welfare insights to schools and training groups, raising awareness and industry understanding.

**Total Events:** 7 **Reach:** over 200 students

#### Pony Club/Equestrian Events/Rider Engagement

Connected Racing SA with grassroots equestrian communities, hosting riding events at race clubs, inspiring young riders, and promoting retired racehorse ownership opportunities.

**Total Activities:** 8 Multiple pony clubs, camps, and festivals across SA - over 60 riders/families

**Thoroughbred Industry Careers National Pony Race Series-** Engaged young riders in pony racing experiences from local practice days to a national final, highlighting pathways into the thoroughbred industry.

**Total Events:** 4 Taster Day (50+ attendees), Murray Bridge Races (14 riders), National Final (2 SA participants, one winner)



**Professional Pathways Program** - skill-building workshops covering fitness, racing knowledge, and media skills, boosting confidence and retention for industry workers.

**Total Development Workshops:** 7 Avg. 10 people per session (stable hands & track riders)

**Horse Handling Workshops** - Focused on safe and practical horse-handling training to prepare new entrants, potential stable hands, Cert II applicants, and racecourse staff

**Total Workshops:** 7 (10 Participants)

**Cert II Racing VET-in-School Program-** Racing SA provides delivery support for classroom, five academy days, 4 weeks practical, excursions, facilitated guest speakers; comprehensive racing education blending theory, practical stable work, and industry exposure, with direct employment outcomes for students.

**Participants:** 11 students (2025 cohort)



# WELFARE & EDUCATION

(CONTINUED)



APPRENTICE  
ACADEMY SA

Racing SA Apprentice Academy again showed significant growth this year, with South Australia once again showcasing its strength on the national stage by winning the National Apprentice Race Series (NARS) for the ninth time, maintaining its status as the most successful state in the competition's history. Capping off an outstanding season, the Academy proudly launched the High-Performance Apprentice Program in partnership with Quantum Performance, ensuring apprentices have access to enhanced coaching, allied health, and development resources to support their long-term success.

## KEY HIGHLIGHTS

### Scholarship & Awards

**Polly Brewster** won the 2025 Carbine Club Scholarship.



**Rochelle Milnes** had an outstanding year, claiming the Group 2 Adelaide Cup, 24/25 Metropolitan, Provincial, and State-wide Apprentice Premierships, the overall Metropolitan and State-wide Premierships, and the 24/25 John Letts Medal.

**Brooke King** secured the 24/25 Country Apprentice Premiership.

**Rochelle Milnes** was also awarded Dux of the Apprentice Academy.

### Graduates & Inductions

**3 new riders inducted** via the Professional Pathway Program and Intake.

**3 graduates** – Maggie Collett, Zoe Lloyd, and Rochelle Milnes completed their apprenticeship journey.

**4 Apprentices** gained permission to ride in races.

**4 Apprentices** upgraded to Metropolitan licenses.



### Racing Success

**Apprentice riders** recorded 6,140 rides, achieving 520 wins and 1,127 placings.

**Apprentices won** 10 Country Cups and 4 Black-type races.

**7 Apprentices ranked in the Top 20** of the State-wide Premiership, 8 in the Metropolitan Premiership, 7 in the Provincial Premiership, and 11 in the Country Premiership.

### Programs & Partnerships

**Welcomed interstate riders** Taylor Johnstone and Matthew Chadwick to South Australia.

Hosted 3 Hong Kong riders, continuing international exchange and development.

**John Cornell**

Industry Operations Manager



# INTEGRITY REPORT



**Johan Petzer**  
General Manager Integrity Services

## THE INTEGRITY DEPARTMENT CONTINUED ITS FOCUS ON BUILDING STRATEGIC REGULATORY ENGAGEMENT TO ASSIST WITH ITS OBJECTIVES.

During the period under review Racing SA’s Integrity department focussed on a number of new strategic initiatives, particularly in areas relating to Out-of-Competition (OOC) sampling (Equines), Banned substance sampling (Participants) and non-raceday stable engagement.

Management of integrity in the industry remains the core responsibility of the department. The functionalities associated with the maintenance of integrity in the industry ranged from non-raceday to raceday engagements and relevant statistics relating to those engagements are reflected in this report. We also welcomed Ms. Kirsty Marnane to the role of Compliance Officer which increased our full-time resource allocation in this area of our work to two staff members.

The department’s full-time staff complement included 9 Stewards, 2 Compliance Officers, 1 Veterinarian and 2 Administration staff members. The assistance of an experienced cohort of casual staff members was also of great assistance and benefit to the department.

## Key Data

### Sampling (Equine)

While the routine sampling of horses remains a key focus, a new strategic focus in respect of OOC testing resulted in the department not only increasing the number of OOC samples taken but also ensured that the sample locations covered a wider geographic in our industry. A rigid and focussed sampling strategy assists in ensuring a level playing field for all participants.

While the total number of samples taken in the 24/25 racing season reflected a slight decrease of 2% on the previous 5 year average, the OOC samples for the same period of reference reflected a significant increase of 160%.

Prohibited substances were detected in 17 samples (0.44%) – up from 7 (0.16%) in the previous season. The sampling activity for the past three racing seasons, are detailed in the table below;

Sample Type	2024/25	2023/24	2022/23
Post-race urine/ blood samples	1236	1307	1280
Pre-race blood Samples (TCO <sub>2</sub> )	1201	1413	1278
Post-race blood Samples (TCO <sub>2</sub> )	0	1	0
Pre-race blood/ urine samples	1201	1414	1239
Post-trial samples	9	2	5
Non-Race Day samples/OOC	234	200	64
No. of positive tests	17	7	6
<b>Total Samples</b>	<b>3891</b>	<b>4340</b>	<b>3866</b>

## Sampling (Participants)

Sampling of racing participants to ensure the safety of all riders, other participants and horses participating in the industry continued and was increased significantly.

The total number of samples taken in the 24/25 racing season reflects a significant increase of 69% on the previous season.

The sampling activity for the past three racing seasons are detailed in the table below;

Sample Type	2024/25	2023/24	2022/23
Number of samples (Urine)	77	41	19
Number of samples (Breathalyser)	491	300	40
Number of samples (Saliva)	491	287	82
Number of samples (Hair)	14	8	0
No. of Positive tests	2	0	0
<b>Total Samples</b>	<b>1073</b>	<b>636</b>	<b>141</b>

## Disciplinary and Related Matters

The department conducted raceday inquiries which included matters such as careless riding, and whip related breaches, and non-raceday inquiries which included prohibited substance, banned substance, welfare and conduct cases – noting that at the time of reporting some of the non-raceday matters are still pending. A summary of these matters is tabled below;

Inquiry Subject Matter	Number of Inquiries Conducted	Percentage of Total
Riders - Careless Riding & Other Riding Related Matters	56	
Riders - Whip Related Matters	32	
<b>Total Raceday</b>	<b>88</b>	<b>78%</b>
<b>Total Non-Raceday</b>	<b>25</b>	<b>22%</b>
<b>Total Inquiries</b>	<b>113</b>	

The department also dealt with a number of TOR (Trainer & Owner Reforms) matters involving training debts in respect of which an EAA (Enforcement Action Application) was applied, and ownership disputes.

## Racing Appeals Tribunal | South Australia

The Table below details the number of cases dealt with by the Racing Appeals Tribunal in South Australia (Period - Financial Year 24/25);

Appeals to Racing Appeals Tribunal	Total	Withdrawn	Allowed in Full	Penalty Varied	Dismissed
<b>Number</b>	7	2	1	2	2

## Licensing & Registration

The department continued to perform the functionalities associated with the licensing of participants under delegated authority from the Racing SA Board.

In addition, the department, acting as Deputy Registrar of Racehorses, also processed the registration of horse ownerships, leases, syndicates and matters submitted for consideration by Syndicators and/or Authorised Representatives dealing with the syndication of horses. The total number of transactions processed were **2229** – (**639** processed “online” and **1590** processed by internal staff engaged in the department).

## Liaisons & Contacts

The department continued to liaise with a number of organisations and/or stakeholders on relevant matters, including various State and National bodies and Racing Australia. We also actively participated on the Racing Australia National Chairmen of Stewards Committee and the Veterinary and Analysts Advisory Group. In addition, the close working relationship with the Hong Kong Jockey Club, in respect of the training of apprentice jockeys, continued during the season under review.

## Appreciation

Managing any work environment invariably relies on all those engaged working collaboratively and applying their skillsets in a professional manner, and I express my sincere appreciation to the department’s staff for giving effect to their tasks and duties in this manner. I also again thank Racing SA executive management and the Board of Racing SA for their support. Their continued commitment and support to ensure adequate resources are allocated to the integrity functions performed by the department is appreciated and valued.



**Johan Petzer**  
General Manager  
Integrity Services

# FINANCIAL REPORT



# 2025

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# DIRECTORS' REPORT

## RACING S.A. LIMITED

The Directors present their report together with the financial report of Racing SA Limited ("the Company") for the year ended 30th June 2025 and the Auditor's Report thereon.

## Directors

The directors of the Company during the financial year were:



**Mr Robert Rorrison**

B.Ec (Adel); FCA

**Chair**



**Mr Grant Harrison**

Bachelor of Business (Mktg)  
Ass. Diploma Management (Mktg)

**Deputy Chair**



**Mr Stephen Watts**

### Current Positions:

- Partner  
*Tillbrook Rasheed*
- Chairman  
*ESR Australia Pty.Ltd.*
- Chairman  
*Hully Group of Companies*
- Chairman  
*Crane Services Pty.Ltd.*
- Director  
*Altima Energy Inc*
- Director  
*ABS Inc.*

### Racing SA Committees

- Chair  
*Finance & Audit Committee*
- Member  
*Racing Committee*
- Member  
*Management Performance & Remuneration Committee*

### Previous Positions

- Chairman  
*Powertrans Pty.Ltd.*
- Chairman  
*Marion Energy Ltd.*



**Mr Cos Cardone**

### Current Positions:

- Chief Executive Officer  
*JAM TV Australia*
- Director  
*Port Adelaide Football Club*

### Racing SA Committees

- Member  
*Marketing Committee*
- Member  
*Management Performance & Remuneration Committee*

### Previous Positions

- Director of Sport  
*Nine Network*
- Head of Entertainment  
*Nine Network*

### Current Positions:

- Senior Consultant ECM and M&A Advisory  
*Taylor Collison Limited*
- Executive Chair  
*Climate Capital Pty Ltd*
- Director  
*Racing Australia Limited*
- Chairman  
*Racing and Wagering SA Ltd*
- Member, Executive Council  
*International Federation of Horseracing Authorities*
- Member, Executive Council  
*Asian Racing Federation*

### Racing SA Committees

- Chair  
*Management Performance & Remuneration Committee*
- Member  
*Finance & Audit Committee*
- Member  
*Racing Committee*

### Previous Positions

- Non Executive Director  
*Baiyin International Investments Limited*
- Chairman Resources Asia  
*Macquarie Capital Limited*
- Executive Director  
*Macquarie Capital Limited*

### Current Positions:

- Vice President/Director  
*Commonwealth Games Australia*
- Vice President/Director  
*Australian Commonwealth Games Foundation*
- Chair  
*Commonwealth Games Australia - Investment Committee*
- Commonwealth Games Australia  
*Finance & Audit Committee*
- Table Tennis Australia  
*Nominations Committee*

### Racing SA Committees

- Chair  
*Racing Committee*
- Member  
*Governance Committee*
- Member  
*Finance & Audit Committee*

### Previous Positions

- General Manager  
*SA TAB*
- Chair  
*Gymnastics Australia Board*
- Australian Olympic Committee
- Chair  
*Gymnastics South Australia*
- Director/Commissioner  
*Southern Football League Board*



## Ms Penelope Lion



## Ms Julie Ryan

Bachelor of Laws and Legal Practice (Hons)  
Bachelor of Commerce



## Mr David Reynolds PSM

Bachelor of Economics (Hons)  
Fellow Australian Institute of Company Directors  
Fellow Institute of Public Administration



## Mr Matt Lloyd

Retired October 2024

### Current Positions:

- Managing Director  
*Bourke & Travers*
- Non-executive Director  
*Adelaide Venue Management Corporation*
- Non-executive Director  
*Australian Business Events Association*

### Racing SA Committees

- Chair  
*Marketing Committee*
- Member  
*Racing Committee*

### Previous Positions

- Executive General Manager  
*EventsTourism Australia*

### Current Positions:

- Director/Principal  
*JR Consult*
- General Counsel  
*Rail First*

### Racing SA Committees:

- Chair  
*Governance Committee*
- Member  
*Marketing Committee*

### Previous Positions:

- Chief Legal, Risk & Corporate Affairs Officer  
*Sportsbet*
- Director of Sustainability & Corporate Affairs  
*Endeavour Group Limited*
- CEO  
*Retail Drinks Australia Limited*
- General Counsel and Company Secretary  
*Accolade Wines*

### Current Positions:

- Chief Executive  
*Department for Housing and Urban Development*
- Director  
*Infrastructure SA*
- Chair  
*Pulteney Grammar School*
- Vice-President  
*Institute of Public Administration (SA)*

### Racing SA Committees:

- Member  
*Governance Committee*
- Member  
*Finance & Audit Committee*

### Previous Positions:

- Chief Executive  
*Department for Trade and Investment*
- Chief Executive  
*Department of Treasury and Finance*
- Commonwealth and State Government roles

### Current Positions:

- National Manager of Sales, Marketing & Innovation  
*Bluescope Steel*

### Racing SA Committees:

- Member  
*Marketing Committee*
- Member  
*Governance Committee*

### Previous Positions:

- Director  
*Community Business Bureau (CBB) (2015 - 2019)*
- Director  
*Netball South Australia (2012 - 2014)*
- Director  
*World Tennis Challenge Tournament (2011-2016)*

# DIRECTORS' REPORT

## Company Secretary

The secretary of the Company at the end of the financial year was Mr Nicholas Bawden. Nicholas is the CEO of Racing SA.

## Principal Activities

The Company is a company limited by guarantee.

The Company is the Controlling Authority for thoroughbred racing in South Australia. The principal activities of the Company during the course of the financial year were to:

- (a) Regulate and control all aspects of thoroughbred horse racing including funding distribution, licensing, ownership, employment and participation;
- (b) Employ the personnel required to conduct race meetings and horse races;
- (c) Ensure the integrity of thoroughbred horse racing;
- (d) Effectively market and manage the South Australian Thoroughbred Racing brand; and
- (e) Prepare and implement plans and strategies for the management of the financial affairs of the thoroughbred horse racing code and for the development, promotion and marketing of the code in the state of South Australia.

## General Operations

The general operations of the Company are to:

- (a) Receive distributions from UBET SA Pty Ltd from wagering on thoroughbreds in South Australia;
- (b) Negotiate arrangements with and receive payments from both intrastate and interstate wagering operators, other than the UBET SA Pty Ltd, that take bets on thoroughbred races conducted in this State;
- (c) Employ the personnel required to regulate the industry, plan and programme race meetings, conduct race meetings and remunerate participants in thoroughbred horse racing and to provide Work Health and Safety assistance to Clubs;
- (d) Determine the allocation of industry funding from revenue received including Club infrastructure works and capital expenditure;
- (e) Make payments of prize money to owners, trainers and jockeys;
- (f) Market South Australian thoroughbred racing both inter and intra state;
- (g) Provide financial support and management assistance to thoroughbred racing clubs throughout South Australia;
- (h) Negotiate vision rights, both domestic and international, with broadcasters for thoroughbred races;
- (i) Represent the South Australian industry's relationship with the Racing Australia Board and other controlling authorities throughout Australia;
- (j) Manage the industry's relationship with the State Government, primarily through the appropriate Ministers;
- (k) Conduct the operations of the South Australian Apprentice Jockeys Academy and;
- (l) Manage and administer the work cover claims for all injured licensed jockeys and apprentices.

There were no significant changes in the nature of the activities of the Company during the year.

(CONTINUED)

## Review and Results of Operations

### Review of Operations

The Company's operating deficit for the year was \$3,256,013. Total comprehensive income was a deficit of \$3,147,475.

### Dividends

The Company's Constitution prohibits the payment of dividends.

### State Of Affairs

In the opinion of the Directors, no significant changes in the Company's State of Affairs occurred during the year.

### Likely Developments

The Company will continue to strive to improve the viability of thoroughbred racing in South Australia and the returns to industry participants. Whilst this will not alter the direction of the Company's activities, particular initiatives that are being pursued include the following:

- Ongoing discussion with major political parties on the size and importance of the Racing Industry in South Australia.
- An increased commitment from the South Australian Government for funding parity with other States from revenue raised by the Betting Operations Tax.
- Continued development of race programs and handicapping practices aimed at growing field sizes and driving an increase in wagering revenue.
- Deliver initiatives aimed at increasing the number of owners in SA.
- Work with Syndicators to increase the number of horses racing in SA.
- Continue to work with Clubs to ensure there is efficiency across the administration, marketing and track management functions including the further provision of financial management and reporting and assistance with work, health and safety matters and infrastructure projects.
- Continued welfare education and support for retired thoroughbred racehorses.
- Raise awareness of the career pathways in racing and work to increase the number of enrolments in the various courses for stable hands and track riders.



# DIRECTORS' REPORT

(CONTINUED)

## Directors' Meetings

The number of meetings of the Board and Board Committees and the attendances of each Director are set out in the following table:

Director	Board	Finance & Audit	Racing	Marketing	Governance	Performance & Remuneration
Mr R Rorrison	9	10	2			5
Mr G Harrison	9	10	2		3	
Mr C Cardone	8			2		5
Mr S Watts	8	10	2			5
Mr M Lloyde*	4*				1*	
Ms P Lion	9		2	2		
Mrs J Ryan	8			1	3	
Mr D Reynolds*	5*	7*			2*	
<b>Total Meetings Held</b>	<b>9</b>	<b>11</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>5</b>

\*Mr D Reynolds was appointed in November 2024 and was eligible to attend 5 Board meetings, 7 Finance & Audit Committee meetings & 2 Governance Committee meetings.

\*Mr M Lloyde retired by rotation in October 2024 and was eligible to attend 4 Board Meetings & 1 Governance Committee Meeting

## Other Matters

### Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 29 and forms part of the directors' report for the financial year ended 30th June 2025.

### Insurance of Officers

The Company has paid insurance premiums in respect of directors' and officers' liability insurance contracts for current directors and officers.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability contract as such disclosure is prohibited under the terms of the contract.

Dated at Adelaide this 10th October 2025

Signed in accordance with a resolution of directors:



**Robert A Rorrison**

Director

# AUDITOR'S INDEPENDENCE DECLARATION

**WilliamBuck**  
ACCOUNTANTS & ADVISORS

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF RACING SA LIMITED**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2025, 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.

*William Buck*

**William Buck (SA)**  
ABN: 38 280 203 274

*G.W. Martinella*

**G.W. Martinella**  
Partner

Dated this 10<sup>th</sup> day of October 2025.

Level 6, 211 Victoria Square, Adelaide SA 5000  
GPO Box 11050, Adelaide SA 5001

+61 8 8409 4333

sa.info@williambuck.com  
williambuck.com

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# FINANCIAL STATEMENTS

Racing SA Limited  
ABN 25 094 475 939  
For the year ended  
30 June 2025

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	2.	79,930,134	82,911,451
Finance Income	4.	1,296,171	1,010,167
State Government 2019/23 Racing Industry Grant	3.	9,489,869	12,814,250
Prizemoney & Unplaced Subsidies		(58,406,198)	(58,156,463)
Racing Rewards SA Bonuses		(2,967,082)	(2,740,145)
Industry Payments	5.(a)	18,078,124	(16,166,073)
Employee Benefits Expense		(7,114,251)	(6,856,790)
Depreciation Expense		(549,797)	(3,838,500)
Legal & Professional Fees		(574,274)	(413,038)
Finance Costs	5.(b)	(30,333)	(168,741)
Other Expenses	5.(c)	(6,252,128)	(6,990,782)
<b>NET SURPLUS / (DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>(3,256,013)</b>	<b>1,405,336</b>
<b>OTHER COMPREHENSIVE INCOME:</b>			
Net fair value gain or loss on re-measurement of in equity securities investments in equity securities		-	13,647
Revaluation of Investment in Racing Australia Ltd		108,538	(20,903)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(3,147,475)</b>	<b>1,398,080</b>

The accompanying notes form part of these financial statements.

## Statement of Financial Position

	Note	2025 \$	2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6.	3,340,132	3,174,683
Trade and other receivables	7.	16,201,151	18,268,911
Other assets	8.	505,465	847,266
<b>TOTAL CURRENT ASSETS</b>		<b>20,046,748</b>	<b>22,290,860</b>
<b>Non-current assets</b>			
Plant and equipment	9.	7,594,438	6,904,260
Financial assets - Investments	10.	14,677,535	16,110,809
Right of use asset	11.	528,955	776,535
Intangible Assets	12	305,462	262,308
<b>TOTAL NON-CURRENT ASSETS</b>		<b>23,106,390</b>	<b>24,053,912</b>
<b>TOTAL ASSETS</b>		<b>43,153,138</b>	<b>46,344,772</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13.	5,030,925	4,557,802
Provisions	14.	723,899	848,198
Other liabilities	15.	493,604	623,814
Lease liabilities	16.	211,454	194,076
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,459,884</b>	<b>6,223,888</b>
<b>Non-current liabilities</b>			
Provisions	14.	179,230	155,849
Other liabilities	15.	275,515	304,200
Lease liabilities	16.	474,392	749,243
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>929,137</b>	<b>1,209,292</b>
<b>TOTAL LIABILITIES</b>		<b>7,389,021</b>	<b>7,433,181</b>
<b>NET ASSETS</b>		<b>35,764,117</b>	<b>38,911,592</b>
<b>Equity</b>			
Reserve	17.	1,967,425	1,858,887
Retained profits		33,796,692	37,052,705
<b>TOTAL EQUITY</b>		<b>35,764,117</b>	<b>38,911,592</b>

The accompanying notes form part of these financial statements.

# FINANCIAL STATEMENTS

Racing SA Limited  
 ABN 25 094 475 939  
 For the year ended  
 30 June 2025

## Statement of Changes in Equity

For the year ended 30 June 2025

	Financial Asset Reserve	Retained Profits	Total
	\$	\$	\$
<b>BALANCE AS AT 30 JUNE 2023</b>	<b>1,866,143</b>	<b>35,647,369</b>	<b>37,513,512</b>
Net Surplus for the year	-	1,405,336	1,405,336
Other Comprehensive Income for the year	(7,256)	-	(7,256)
<b>BALANCE AS AT 30 JUNE 2024</b>	<b>1,858,887</b>	<b>37,052,705</b>	<b>38,911,592</b>
Net Surplus for the year	-	3,256,013	(3,256,013)
Other Comprehensive Income for the year	108,538	-	108,538
<b>BALANCE AS AT 30 JUNE 2025</b>	<b>1,967,425</b>	<b>33,796,692</b>	<b>35,764,117</b>

*The accompanying notes form part of these financial statements.*

(CONTINUED)

**Statement of Cash Flows**

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>Cash flows from operating activities</b>			
Receipts in the course of operations		90,358,446	82,723,318
Receipt from government grants		10,438,856	14,095,675
Payments in the course of operations		(102,115,413)	(102,710,166)
Interest received		1,296,171	971,825
Dividends received		-	38,342
Repayments from Clubs		(28,317)	(374,729)
Borrowing costs		(30,333)	(168,741)
<b>NET CASH (USED IN)/ PROVIDED BY OPERATING ACTIVITIES</b>	18.	<b>(80,591)</b>	<b>(5,424,475)</b>
<b>Cash flows from investing activities</b>			
Proceeds on disposal of plant and equipment		15,000	20,163
Payments for plant and equipment		(1,022,184)	(1,594,257)
Payments for Intangibles		(90,074)	-
Proceeds from Investments		1,541,812	-
Loans to external parties		-	134,263
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>444,554</b>	<b>(1,439,831)</b>
<b>Cash flows from financing activities</b>			
Principal repayments of leased liabilities under AASB16		(198,516)	(181,915)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(198,516)</b>	<b>(181,915)</b>
<b>NET DECREASE IN CASH HELD</b>		<b>165,447</b>	<b>(7,046,222)</b>
Cash and cash equivalents at the beginning of the financial year		3,174,684	10,220,904
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	6.	<b>3,340,132</b>	<b>3,174,684</b>

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. Summary of material accounting policies

### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 (Cth). The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are prepared on a going concern basis.

The financial report was authorised for issue by the Directors of the Company on 10th October 2025.

### a) Adoption of new and revised accounting standards

The company has adopted all standards which became effective from 30 June 2024. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the company *Conceptual Framework for Financial Reporting (Conceptual Framework)*.

The entity has adopted the revised Conceptual Framework from 1 July 2021.

The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the entity's financial statements.

*AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The entity has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. The adoption of this accounting standard has not had a material impact on the entity's financial statements.

### (b) Revenue & Other Income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations. All revenue is stated net of the amount of goods and services tax (GST).

The revenue recognition policies for the principal revenue streams of the Company are:

#### **TAB product fee revenue**

Revenue from TAB product fees is recognised as it accrues.

#### **Betting Operations Contribution**

Revenue from Betting Operations Contribution is recognised as it accrues.

#### **Racing Rewards SA revenue**

Racing Rewards SA subscriptions are not recognised as revenue until horses are two years old, when one third is recognised as revenue and the balance is recognised when the horses are three year olds.

#### **Sale of Goods**

Revenue from the sale of goods is recognised when control of the goods passes to the customer.

#### **Finance Income**

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of financial assets and changes in the fair value of financial assets through profit or loss. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

#### **Operating Grant Revenue**

When the Company receives operating grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer);
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies

its obligations under the contract.

#### **Capital Grant Revenue**

When the Company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards. The Company offsets the grant against the value of capital expenditure in the balance sheet when or as the Company recognises the capital expenditure under the terms of the grant.

All revenue is stated net of goods and service tax (GST).

### **(c) Finance Costs**

Finance costs comprise interest expense on borrowings, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

### **(d) Taxation**

No provision for income tax has been raised as Racing SA Limited is exempt from income tax under the Income Tax Assessment Act 1997.

### **(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

### **(f) Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in the Statement of Profit or Loss and Other Comprehensive Income or as a revaluation decrease if the impairment losses relate to a revalued asset.

A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (i) for details of impairment).

# NOTES TO THE FINANCIAL STATEMENTS

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is available for use.

The estimated useful lives for each class of depreciable asset are:

- Plant and equipment      3 - 15 years
- Motor Vehicles            5 - 7 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

## (g) Financial Instruments

### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income immediately.

### Classification and subsequent measurement

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties.

Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

- (i) Financial assets at fair value through profit or loss  
Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where

they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains or losses) being recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income through the amortisation process and when the financial asset is derecognised.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income through the amortisation process and when the financial liability is derecognised.

(v) Impairment

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income, lease receivables, contract assets, loan commitments not measured at fair value through profit or loss and financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for financial assets measured at fair value through profit or loss or equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability

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weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the simplified approaches to impairment, as applicable under AASB 9: Financial Instruments.

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to trade receivables and lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

#### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

#### **(h) Impairment of Assets**

At the end of each reporting period, the Company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the Statement of Profit or Loss and Other Comprehensive Income. Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the

depreciated replacement cost of an asset. Where it is not possible to estimate the recoverable amount of an assets class, the Company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

#### **(i) Employee Provisions**

##### **Short term employee provisions**

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefit

##### **Other long term employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions. Contributions are made by the Company to employees superannuation funds and are charged as expenses when incurred.

#### **(j) Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

## (k) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

## (l) Leases

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right of use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right of use asset

reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

### Options to Extend or Terminate property lease

The options to extend or terminate are contained in the property lease of the Company. This clause provides the Company opportunities to manage leases in order to align with its strategies.

All of the extension or termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right of use asset.

## (m) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments which are incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

### Key estimates | Leases

The lease term is defined as a non cancellable period of lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise the option. The decisions on whether to exercise the option to extend are reasonably going to be exercised is a key management judgement that the entity will make. The company determines the likeliness to exercise on a lease by lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the company.

### Key estimates - Impairment: General

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may be indicative of impairment triggers. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions.

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<b>2. Revenue</b>	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
TAB Product Fees and Wagering Tax Relief	29,040,930	28,089,283
Less: Interstate Race Field Fees Paid Net TAB Product Fees	(7,254,777)	(6,992,294)
<b>NET TAB PRODUCT FEES</b>	<b>21,786,153</b>	<b>21,096,989</b>
Betting Operations Contributions	49,049,231	50,135,519
Screening & International Rights	5,177,531	5,634,865
Racing Rewards SA Subscriptions	521,433	579,483
Exclusivity Sponsorship	1,489,000	2,659,797
Registration Fees	283,733	272,243
Publications	66,384	64,259
Marketing revenue received	157,185	939,084
Equine Welfare received	573,017	560,433
Other	826,468	968,778
	58,143,981	61,814,462
<b>TOTAL REVENUE</b>	<b>79,930,134</b>	<b>82,911,451</b>

### 3. Government Grants

During the course of the year, the Company received grants from the SA Government totalling \$9,489,869 (2024: \$12,814,250) to compensate the thoroughbred racing industry for the impact of the Betting Operations Tax (BOT) introduced by the State Government and effective from 1 July 2017.

### 4. Finance Income

Interest income	43,250	677,343
Investment income	1,252,921	332,824
<b>TOTAL FINANCE INCOME</b>	<b>1,296,171</b>	<b>1,010,167</b>

# NOTES TO THE FINANCIAL STATEMENTS

<b>5. Expenditure</b>	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Industry Payments</b>		
Training Grants and Raceday Usage payments	2,266,694	2,091,230
Race Day Payments & Costs	4,719,944	4,419,528
Club Promotion and Operational purposes	4,619,447	4,401,794
Club Capital Expenditure	2,476,468	1,943,539
Workcover & Insurance - Jockeys	2,894,362	2,231,321
Industry Staff Costs	1,101,208	1,078,663
<b>TOTAL INDUSTRY PAYMENTS</b>	<b>18,078,124</b>	<b>16,166,073</b>
<b>(b) Finance Costs</b>		
Interest expense	30,333	168,741
<b>TOTAL FINANCIAL EXPENSES</b>	<b>30,333</b>	<b>168,741</b>
<b>(c) Other Expenses</b>		
Advertising & Marketing	1,486,613	2,372,797
Marketing Professional Fees	98,386	108,177
Publication Expenses	249,729	246,539
Swab & Veterinary Supplies	710,948	684,175
Equine Welfare expenditure	444,594	436,946
Information & Technology	127,279	188,664
Insurance	584,965	487,591
Other	2,549,615	2,465,892
<b>TOTAL OTHER EXPENSES</b>	<b>6,252,128</b>	<b>6,990,782</b>

(CONTINUED)

<b>6. Cash and Cash Equivalents</b>	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Cash at bank and on hand	1,316,065	899,468
Morgan Stanley short-term investments	2,024,067	2,275,215
	<u>3,340,132</u>	<u>3,174,683</u>

The Company manages monies held on behalf of the Apprentices in the Apprentice Jockey's Trust Fund. The balance of these funds at 30 June 2025 is \$1,600,290 (2024: \$919,274). These funds are not included in the amounts at Note 6 above.

## 7. Trade and Other Receivables

<b>Current</b>		
Trade receivables	14,463,406	15,865,060
Less Provision for doubtful debts	(170,000)	(55,000)
Other receivables	945,576	1,525,000
Loans to Thoroughbred Racing Clubs - secured	962,168	933,851
	<u>16,201,151</u>	<u>18,268,911</u>

## 8. Other Assets

<b>Current</b>		
Prepayments	505,465	847,266
	<u>505,465</u>	<u>847,266</u>



# NOTES TO THE FINANCIAL STATEMENTS

9. Plant and Equipment	2025	2024
	\$	\$
<b>Non-current</b>		
Plant and equipment - at cost	4,083,120	3,985,798
Less: accumulated depreciation	(3,143,825)	(2,948,721)
Motor Vehicles - at cost	1,065,862	913,406
Less: accumulated depreciation	(662,142)	(598,606)
Murray Bridge Stables	8,940,874	8,940,874
Less: accumulated depreciation	(3,388,491)	(3,388,491)
WIP - Murray Bridge Sand Track	585,949	-
Land - Strathalbyn	113,091	-
<b>TOTAL</b>	<b>7,594,438</b>	<b>6,904,260</b>
The Company's plant and equipment includes assets purchased for the use of clubs generally and for industry wide purposes.		
<b>Movements in carrying amounts</b>		
Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the financial year:		
<i>Plant &amp; Equipment</i>		
Carrying amount at the beginning of the year	1,037,078	311,134
Additions at cost	132,793	871,818
Disposals at cost	-	(7,163)
Profit / (Loss) on Disposal	-	-
Depreciation expense	(230,577)	(138,711)
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>939,296</b>	<b>1,037,078</b>
<i>Motor Vehicles</i>		
Carrying amount at the beginning of the year	314,800	379,210
Additions at cost	190,351	30,768
Disposals at cost	(15,000)	(13,000)
Profit on Disposal	(2,755)	1,332
Depreciation expense	(83,677)	(83,511)
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>403,719</b>	<b>314,800</b>
<i>Murray Bridge Stables</i>		
Carrying amount at the beginning of the year	5,552,383	8,940,874
Depreciation expense	-	(3,388,491)
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>5,552,383</b>	<b>5,552,383</b>
<i>WIP - Murray Bridge Sand Track</i>		
Additions at cost	585,949	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>585,949</b>	<b>-</b>
<i>Land - Strathalbyn</i>		
Additions at cost	113,091	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>113,091</b>	<b>-</b>
	<b>7,594,438</b>	<b>6,904,260</b>

(CONTINUED)

10. Financial Assets - Investments	2025	2024
	\$	\$
<b>Non-current</b>		
- Investment in Racing Australia Limited	1,906,150	1,797,612
- Morgan Stanley long-term investments	12,771,385	14,313,197
	14,677,535	16,110,809

The investment in Racing Australia Limited has been revalued to reflect the Company's share of the net assets of Racing Australia Limited.

## Financial Instruments

### Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one time option on initial classification and is irrevocable until the financial asset is derecognised.

# NOTES TO THE FINANCIAL STATEMENTS

## Equity Instruments

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Company made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Company's accounting policy.

## Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

## General Approach

Under the general approach, at each reporting period, the Company assesses whether the financial instruments are credit impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

## Simplified Approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

**Purchased or Originated Credit Impaired Approach**  
For financial assets that are considered to be credit impaired (not on acquisition or originations), the Company measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;

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- a breach of contract (e.g. default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

#### Low Credit Risk Operational Simplification Approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Company assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12 months expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Company applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

#### Recognition of Expected Credit Losses in Financial Statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

#### Derecognition

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. On derecognition of an investment in equity which the Company elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

# NOTES TO THE FINANCIAL STATEMENTS

## 11. Rights-of-use-Assets

	2025 \$	2024 \$
The Company's lease portfolio includes buildings and photocopier machine. The building leases have an average of 10 years as their lease term. The photocopier machine has an average of 3 years as their lease term remaining.		
Leased Building	1,298,015	1,298,015
Revaluation	(58,956)	-
Accumulated depreciation	(843,227)	(685,925)
Leased printer	348,726	348,726
Accumulated depreciation	(215,603)	(184,281)
	528,955	776,535

AASB 16 related amounts recognised in the statement of profit or loss:

Depreciation related to right-of-use assets	188,623	232,991
Interest expense on lease liabilities	30,333	39,823

## 12. Intangible Assets

### Non-Current

Racing SA Website	352,382	262,308
Less: accumulated depreciation	(46,920)	-
<b>TOTAL</b>	305,462	262,308

## 13. Trade and Other Payables

### Current

Trade payables	2,944,737	2,751,209
Other payables and accruals	2,086,189	1,806,593
<b>TOTAL</b>	5,030,925	4,557,802

(CONTINUED)

14. Provisions	2025 \$	2024 \$
<b>Current</b>		
Employee benefits - annual leave	386,628	460,768
Employee benefits - long service leave	337,271	387,429
	723,899	848,198
<b>Non-current</b>		
Employee benefits - long service leave	179,230	155,849
	179,230	155,849
<b>TOTAL PROVISIONS</b>	903,129	1,004,046
Opening balance at 1 July	1,004,046	947,659
Net provision movement during the year	426,383	510,382
Amounts used	(527,301)	(453,995)
<b>BALANCE AT 30 JUNE</b>	903,129	1,004,046

**Provision for Long-term Employee Benefits**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(k) to these financial statements.

The amount of Long Service Leave shown in Current Liabilities has been calculated in accordance with AASB119. It does not necessarily represent the amount that will be taken by employees as Long Service Leave during the course of the 2025/26 Financial Year and as such is not a true representation. Historically, approximately \$80,000 of Long Service Leave in total has been taken by employees in any one year.



# NOTES TO THE FINANCIAL STATEMENTS

<b>15. Other Liabilities</b>	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Income received in advance - general	493,604	623,814
	493,604	623,814
<b>Non-current</b>		
Income received in advance - general	275,515	304,200
	275,515	304,200
<b>TOTAL OTHER LIABILITIES</b>	<b>769,120</b>	<b>928,014</b>

## 16. Lease Liabilities

<b>Current</b>		
Lease liabilities	211,454	194,076
	211,454	194,076
<b>Non-current</b>		
Lease liabilities	474,392	749,243
	474,392	749,243
<b>TOTAL LEASE LIABILITY</b>	<b>685,846</b>	<b>943,319</b>

### a) Commitments Lease

Minimum lease payments:		
- Not later than one year	233,976	226,737
- Between one year and five years	498,337	804,777
- Later than five years	-	-
Minimum lease payments	732,313	1,031,514
- Less: finance changes	(46,467)	(88,194)
- Present value of minimum lease payments	685,846	943,321

### b) Lease Liabilities

The lease liabilities were measured at the present value of the remaining lease payments, discounted using an estimate of the Company's incremental borrowing rate at the Lease commencement date. The weighted average incremental borrowing rate applied to the lease liabilities was 3.82%

(CONTINUED)

	2025	2024
	\$	\$

**Financial Asset Reserve**

The financial asset reserve includes the cumulative net change in the fair value of investments until the investment is derecognised.

**18. Cash Flow Information****Reconciliation of net surplus for the year to net cash provided by operating activities**

Net surplus for the year	(3,256,013)	1,405,336
Less items classified as investing/financing:		
- Loss / (Profit) on sale of investments	2,755	(1,332)
Add/(less) non-cash items:		
- Depreciation expense	549,797	3,843,624
Net cash from operating activities before change in assets and liabilities	(2,703,461)	5,247,628
Change in assets and liabilities during the period:		
Increase in provisions	(100,918)	56,387
(Increase) / Decrease in trade receivables	1,516,654	(7,755,203)
(Increase) / Decrease in other receivables	579,424	(45,056)
(Increase) / Decrease in loans to Thoroughbred Racing Clubs	(28,317)	(374,729)
Decrease / (Increase) in other assets	341,801	(500,816)
(Decrease) / Increase in trade payables	193,528	826,412
(Decrease) / Increase in other payables and accruals	279,596	1,088,785
(Decrease) in Financial Liabilities	-	(3,564,467)
Increase in income received in advance	(158,894)	(403,416)
<b>NET CASH (USED IN) / PROVIDED BY OPERATING ACTIVITIES</b>	<b>(80,591)</b>	<b>(5,424,476)</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 19. Related Party Transactions

	2025	2024
	\$	\$

### Key Management Personnel Compensation

The key management personnel compensation included in employee expenses are as follows:

Short-term employee benefits	950,107	867,696
Post-employment benefits	102,827	79,622
	1,052,934	947,318

### Auditor Remuneration

Remuneration of the auditor of the Company for:

- Audit of the financial report	24,300	23,200
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### Directors

The names of each person holding the position of Director of Racing SA Limited during the financial year are G Harrison, C Cardone, R Rorrison, M Loyde (resigned October 2024), S Watts, P Lion, J Ryan and D Reynolds.

### Directors Compensation

The Directors compensation included in employee expenses are as follows:

Short-term employee benefits - Directors remuneration	252,065	238,019
Post-employment benefits	28,987	26,182
	281,052	264,201

(CONTINUED)

**19. Related Party Transactions (continued)**

	2025	2024
	\$	\$

**Directors' Transactions with the Company**

The terms and conditions of the transactions with Directors and Director related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate amounts recognised during the year relating to Directors and Director related entities were as follows:

<u>Director</u>	<u>Transaction</u>	<u>Note</u>	
Mr C Cardone	TV Production Services	(i)	256,000      130,900

(i) The Company used the services of associated entities of Mr C Cardone in relation to the production of a TV Show.

**South Australian Jockey Club Inc.**

The South Australian Jockey Club Inc. (SAJC) is one of the two members of the Company and controls 50% of the voting power in general meeting and thereby has significant influence over the Company.

The following transactions occurred between the Company and the SAJC during the year:

- The Company allocated contra and made payments totalling \$2,896,580 (2024: \$3,133,150) direct to the SAJC during the year in line with the Industry's Club Funding models implemented by the Board for Training Grants and Race Day Usage of the Morphetville courses, race day costs, marketing, promotional and operational purposes and capital expenditure. These payments are included in the expense item Industry Payments in Statement of Profit or Loss and Other Comprehensive Income.

**Country Racing SA Inc.**

Country Racing SA Inc. (CRSA) is one of the two members of the Company and controls 50% of the voting power in general meeting and thereby has significant influence over the Company.

The Company made payments of \$88,160 (2024: \$109,392) to CRSA during the year for operational purposes. These payments are included in the expense item Industry Payments in Statement of Profit or Loss and Other Comprehensive Income.

The members of CRSA are the South Australian Racing Clubs (Clubs) other than the SAJC. The following transactions occurred between the company and Clubs during the year:

- The Company allocated contra and made payments totalling \$6,853,883 (2024: \$6,079,822) direct to Clubs during the year in line with the Industry's Club Funding models implemented by the Board for Training Grants and Race Day Usage of the various country race courses operated by member clubs of CRSA, race day costs, promotional and operational purposes and capital expenditure. These payments are included in the expense item Industry Payments in Statement of Profit or Loss and Other Comprehensive Income.
- The Company has entered into loan agreements with and made loans to Clubs to provide working capital and to facilitate capital projects, which amounted to \$962,163 at 30 June 2025 (2024: \$873,377). The loans are secured or capable of being secured. Interest earned by the Company amounted to \$24,513 (2024: \$27,089) and is included in Financial Income in the Statement of Profit or Loss and Other Comprehensive Income.

# NOTES TO THE FINANCIAL STATEMENTS

## 20. Contingent Liabilities

Estimates of the potential effect of contingent liabilities that may become payable:

### Racing Australia Jockey Insurance Policies

Racing Australia holds policies to cover Personal Accident & Public Liability claims for Jockeys participating in races. The cost of the premium and claims paid are invoiced to the States each year. An Aggregate Deductible exists under each policy and may become due and payable should claims arise.

Racing Australia has advised these are \$193,337 on the Personal Accident and \$54,518 on the Public Liability. This is the first year a deductible has been included as part of these policies.

### Racing Rewards SA (Formerly SABOIS)

Qualified yearling horses are nominated for the Racing Rewards SA scheme allowing them the opportunity to win bonuses in specified races.

No provision for future bonuses has been made in the statement of financial position as the requirement to pay a bonus does not arise until such time as the horse wins or is placed in a RRSA race.

An estimate has been made based on past experience of likely future bonuses payable for those horses nominated for the scheme that are yet to reach the age of four. At 30 June 2025 it is estimated that these future bonuses will be \$6.2M (2024: \$6.2M).

## 21. Risk Management Framework

Identification, measurement and management of risk is a priority for the Company. The provision of administration and management to the horse racing industry in South Australia carries a number of diverse risks which may have a material impact on the Company's financial position and performance. Consequently, the Board and Management have established a framework covering accountability, oversight, measurement and reporting to maintain high standards of risk management.

The Company allocates specific roles in the management of risk to Management. This is undertaken within an overall framework and strategy established by the Board.

## 22. Events After The Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Association in future financial years.

## 23. Company Details

The registered office and principal place of business of the Company is:

Racing SA Ltd  
Ground Floor  
240 Morphett Rd  
NORTH PLYMPTON SA 5037

## 24. Members' Guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2.00 each towards meeting any outstanding's and obligations of the Company. At 30 June 2025 the number of members was 2.

# DIRECTORS' DECLARATION

## RACING SA LIMITED

### DIRECTORS' DECLARATION

The directors have determined that the Company is a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 30 to 52, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards as stated in Note 1; and
  - (b) give a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Director .....

R. Rorrison

Dated at Adelaide this 10<sup>th</sup> day of October, 2025

# INDEPENDENT AUDITOR'S REPORT

**WilliamBuck**  
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Racing SA Limited

## Report on the audit of the financial report

### Our opinion on the financial report

In our opinion, the accompanying financial report of Racing SA Limited (the Company), is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### What was audited?

We have audited the financial report of the Company, which comprises:

- the statement of financial position as at 30 June 2025,
- the statement of profit or loss and other comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Level 6, 211 Victoria Square, Adelaide SA 5000  
GPO Box 11050, Adelaide SA 5001

+61 8 8409 4333

sa.info@williambuck.com  
williambuck.com

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# INDEPENDENT AUDITOR'S REPORT

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

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

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

## Responsibilities of the directors for the financial report

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

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

## Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.



**William Buck (SA)**  
ABN: 38 280 203 274



**G.W. Martinella**  
Partner

Dated this 10<sup>th</sup> day of October, 2025.

# 2025



RACING  
SA



RACING SA

# ANNUAL REPORT

GPO Box 2646, Adelaide SA 5001  
240 Morphett Road,  
North Plympton SA 5037

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