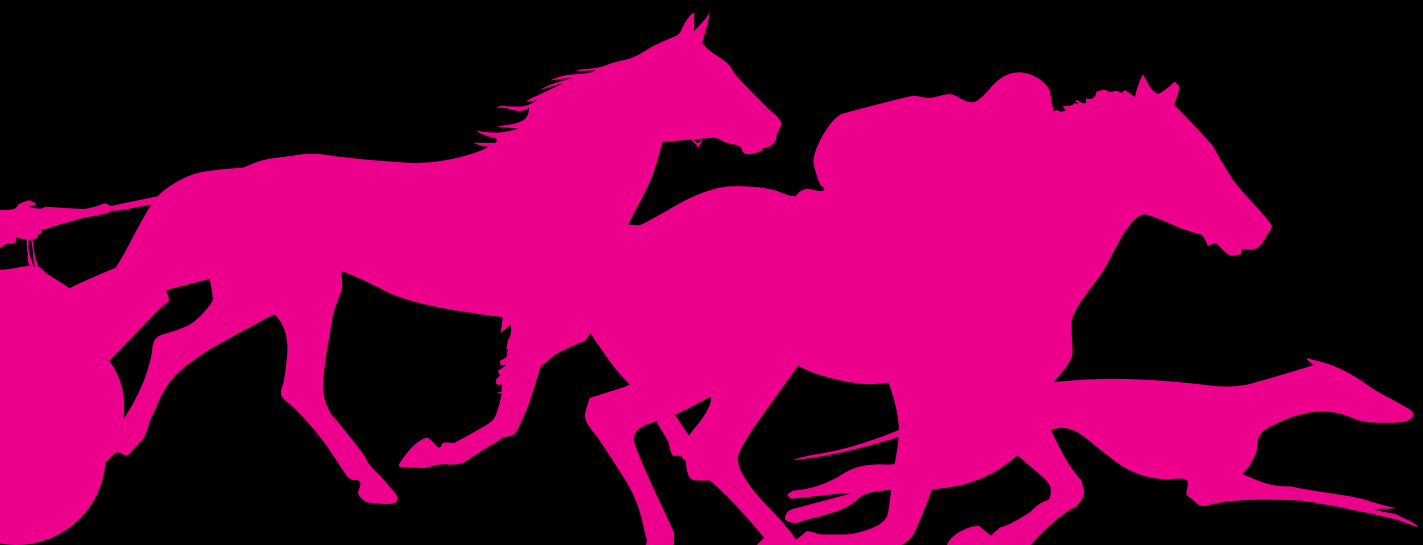




RACING AND WAGERING
WESTERN AUSTRALIA

2022

ANNUAL REPORT





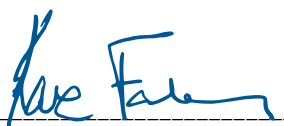
STATEMENT OF COMPLIANCE

For the year ended 31 July 2022

The Hon. Dr Tony Buti MLA; Minister for Finance; Racing and Gaming; Aboriginal Affairs; Citizenship and Multicultural Interests.

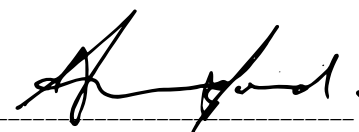
In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament the Annual Report of Racing and Wagering Western Australia for the financial year ended 31 July 2022.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006 and the Racing and Wagering Western Australia Act 2003.



Karen Farley SC
Chair RWWA Board
(appointed 1 August 2022)

19 October 2022



Stephen Langsford
Chair Audit & Risk Committee

19 October 2022

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CHAPTER 1 OVERVIEW



ABOUT US

Racing and Wagering Western Australia (RWVA) was established on 1 August 2003. RWVA's Charter under the *Racing and Wagering Western Australia Act 2003* is to foster the development, promote the welfare and ensure the integrity of metropolitan and country thoroughbred, harness and greyhound racing in the interests of the long-term viability of racing in Western Australia. RWVA also has responsibility for the off-course wagering functions trading as the TAB.

Our Brands



Image: GAP adoption week Ambassador Dr Garnett Hall

WHY WE EXIST

To provide a sustainable future for the Western Australian racing industry

1 Business Overview

2 Report on Operations

3 Disclosures and Legal Compliance

OUR VALUES

RESPECT

WE value and care for our people, embracing diversity and inclusion.

EXCELLENCE

WE have courage to try new things and strive to be our best.

ACCOUNTABILITY

WE take ownership and build trust by delivering on our commitments.

CONNECTION

WE build relationships and work collaboratively.

STRATEGIC PRIORITIES

- ✓ **People and Performance**
Develop a high performing and engaged workforce.
- ✓ **Customer**
Broaden our market share and increase advocacy for racing and wagering within WA.
- ✓ **Industry Stakeholders**
Increase ownership to support a viable population of racing animals.
- ✓ **Animal Welfare**
Ensure the highest standards of welfare for racing animals.
- ✓ **Governance and Risk**
Actively manage risk to ensure the ongoing sustainability of our business

FY2022 KEY PERFORMANCE HIGHLIGHTS

WAGERING

Strong blended fixed odds margin of 14.9%

Fixed odds turnover (racing and sport combined) increased by 1.4%

109K active customer accounts

13.5% of active customers using a responsible wagering tool (increase of 3.5%)

Further investment in user experience and navigation, including re-design of the TABtouch homepage

Popular new app features launched, including Share my Bet, Scan My Bet and Trending Bets

RACING

National wagering on WA racing increased by 10% to \$4.2B

WA Racing Bets Levy revenue reached record level of \$126.9M

\$202M in funding to WA racing industry

\$32.5M distributed in grants and club subsidies

Commencement of the redevelopment of Bunbury racecourse

Launch of WA's greyhound racing brand, The Dogs WA

880 race meetings and 8336 individual races

WELFARE

1% of prize money on WA races allocated to animal welfare initiatives from 1 August 2021

Investment in animal welfare of approximately \$6M across the three codes

Second GAP facility purchased to further enhance rehoming capacity for retired greyhounds

Safe Racing Committee established, reporting to the Board's Animal Welfare sub-committee

Grants provided to race clubs to enhance animal welfare

Recommendations from UTS review (commissioned by RWWA) implemented for Cannington and Northam racetracks, with Mandurah works scheduled for early 2023

Further rebates introduced for programs and procedures that support the health of racehorses and greyhounds

932 horses registered for an Off The Track WA (OTTWA) Passport

337 greyhounds adopted through Greyhounds as Pets (up from 335 in FY2021)

391 horses and 383 riders participated in OTTWA Clinics (up from 299 horses and 287 riders in FY2021)

191 equestrian events sponsored by OTTWA (up from 149 in FY2021)

INTEGRITY

More than \$1.3M invested in prohibited substance control

9059 individual horse and greyhound swabs collected

99.4% of swabs were negative

High levels of inspection across all codes of racing with 361 inspections of equine properties and 242 kennel inspections conducted

Strong record of inquiry and appeal proceedings evidencing robust and fair internal domestic tribunal functions with stringent penalties issued in reflection of commitment to fairness, integrity and welfare

CORPORATE SOCIAL RESPONSIBILITY

Continued partnership with HorsePower to support the activities and services of the organisation across 13 member-affiliated centres

Funding provided to not-for-profit organisations through the race club matching funds initiative

Continued partnership with Lifeline WA in support of the Lights for Lifeline campaign, the signature Black Diamond Gala event and Ladies Luncheon

Continued support of the harness racing community, with donations made to the Team Teal and Pacing for Pink campaigns

Funding provided to not-for-profit organisations through fundraising at RWWA supported events throughout the year

PEOPLE AND PERFORMANCE

Reset and launch of our new values, developed in collaboration with team members

Ready to RACE culture transformation program launched to reshape team member experience in alignment with new values and ensure delivery of our strategy into the future

Ensuring team member safety and wellbeing throughout the COVID-19 pandemic, and providing financial support through the introduction of paid pandemic leave



CHAIR AND CEO REPORT

Overview

The racing industry in Western Australia contributes close to \$1B to the State's economy, with half of the financial and social benefits flowing to regional areas. It involves 25,000 people as participants, employees and volunteers and creates around 8500 full-time equivalent jobs for Western Australians. *(Source: IER Report October 2021).*

FY2022 continued to present challenges due to the evolving nature of the COVID-19 pandemic. We congratulate the racing community, TAB agents and RWWA team members for their continued resilience and ability to adapt to new rules and regulations during the year. Most importantly, we were able to continue racing safely which was of great benefit to all those involved in the racing sector.

While the pandemic has been challenging over the last couple of years, it created some positive outcomes for racing, with increases in wagering activity being sustained since the onset of COVID. TAB turnover was up 13.7 per cent from pre-COVID levels and Racing Bets Levy revenue reached a record level of \$126.9M in FY2022. This enabled us to deliver record funding levels to the sector of more than \$202M during the FY2022 season, up from \$175M in FY2021.

There was also investment in a mix of infrastructure projects, with more than \$1.7M in minor grants and \$17.3M invested to date into the Bunbury racecourse redevelopment, which is expected to be completed early in calendar year 2023. Further infrastructure investment has already been announced for FY2023 and beyond.

FY2022 saw an increase in animal welfare initiatives, including a reallocation of one per cent of total advertised prize money on all Western Australian races towards animal welfare initiatives on top of our existing budget. This contributed to a total combined investment in animal welfare of approximately \$6M for the year.

Due to the strong financial position, from 1 February 2022, stakes increases that were intended to be introduced from FY2023 were brought forward by six months to deliver additional benefit of \$3.6M (\$7.2M annually) to racing participants.

Significantly, for the first time, the RWWA Board approved a three-year funding commitment to begin on 1 August 2022 that will deliver funding increases of approximately \$30M per year across all codes by 2025, providing greater confidence and certainty to participants.

The sale process for the WA TAB has continued to progress throughout the year, with a number of interested parties submitting bids. A sale will only go ahead if it is in the best interest of the WA racing industry.

While the sale process has continued in the background,

the TAB has performed strongly, supported by a significant marketing campaign launched in February 2022, fronted by KISS star Gene Simmons. For the first time, this campaign included an advert dedicated to responsible wagering to support the broader campaign. The campaign has already led to the TAB recording its highest-ever brand linkage score of more than 70 per cent.

The TAB took another positive step forward by bringing fixed odds racing in-house, while we changed provider of fixed odds sport to Kambi, a well-respected international B2B operator. This will lead to a wider range of products and markets in the future, allowing the TAB to strengthen its competitiveness with other corporate bookmakers.

Leadership Changes

During FY2022 we said farewell to Jeff Ovens, who served as Board Chair for 10 years before retiring in July. During his tenure, funding approximately doubled with more than \$200M of recurring funding announced for the FY2023 season. Jeff led this organisation through a period of considerable change in the wagering market, with the development of fixed odds betting and sports betting, as well as the growth in online betting which all challenged the traditional TAB model. It is a credit to Jeff that he leaves the racing sector and the TAB in such a strong position. Karen Farley SC was appointed as our new Chair by Racing and Gaming Minister, the Honourable Dr Tony Buti MLA for a three-year term from 1 August 2022 to 31 July 2025.

We also farewellled Chief Racing Officer Charlotte Mills. The support and gratitude Charlotte received from many across the racing community spoke volumes about her contribution during her time in the role. David Hunter has taken the role in an acting capacity as we consider the best structure for a future Principal Racing Authority, in the event the TAB sale goes ahead.

Our People

The wellbeing and engagement of our team members has been a key focus throughout this financial year. Much of the year was spent collectively designing a cultural change program for the organisation, intended to set us up for future success. It was an interactive process, building connection throughout the organisation and encouraging all our team members to help shape the future of our organisation.

As a result of this process, we were proud to launch our new values of Respect, Accountability, Connection and Excellence in August 2022.

The organisational structure was also reviewed to ensure it is optimised for future success. This resulted in the creation of

CHAIR AND CEO REPORT

several new roles in key areas, including safety and wellbeing, training and development, organisational risk and race club management. The structure is an ever-evolving consideration that we will continue to review to ensure our team is optimised in the right areas.

Our people are at the centre of our organisation and their safety and wellbeing has been at the forefront of many of our activities and decisions throughout FY2022. As well as being supported through the pandemic, the Board and Executive have invested in reinvigorating the culture within the organisation and providing development opportunities for team members.

For FY2023 the Board has approved further investment in our people, particularly in the areas of training, leadership development, reward and recognition.

Animal Welfare

We are committed to ensuring animals bred for all three codes of racing have the best levels of care before, during and after their racing careers.

Our commitment to greyhound rehoming continues with increased investment in the Greyhounds As Pets (GAP) program by ensuring appropriate infrastructure to meet the rehoming requirements of the sector.

We have committed to significant works to greyhound racetracks based on recommendations from the University Technology of Sydney's (UTS) review of Western Australia's three greyhound race tracks, which was commissioned by RWWA. To ensure continued support for any greyhound that may sustain an injury during racing, the Greyhound Injury Rebate Scheme was enhanced to include all serious injuries.

We also partnered with The Animal Hospital at Murdoch University (TAHMU) to bring standing CT and MRI to the equine community. Innovation in CT and MRI technology now allows imaging of previously inaccessible structures and, most excitingly, imaging without the need for general anaesthesia.

Standing imaging techniques lead to lower costs, and we are hopeful that by making the technology affordable and accessible, there will be a strong uptake to predict and prevent injuries. In addition to our contribution to the Advanced Standing Imaging Suite, located at TAHMU's facility, we are also offering a contribution towards the cost of using the service for racing animals.

The Off the Track WA Retraining Program also saw its first full year of operation with an increase in the number of horses in retraining at any time.

Strategic Outlook

RWWA's purpose is to provide a sustainable future for the Western Australian racing industry. Our strategy provides clarity to the objectives and priorities required to realise this purpose and to continue to serve the WA racing community.

In FY2022 the Board approved a new corporate strategy, which focused on five key strategic pillars:

1. People and performance: Develop and sustain a high-performing and engaged workforce
2. Customer: Broaden our market share and increase advocacy for racing and wagering within WA
3. Industry stakeholders: Increase ownership to support a viable population of racing animals
4. Animal welfare: Ensure the highest standards of welfare for racing animals
5. Governance and risk: Actively manage risk to ensure the ongoing sustainability of our business

The challenges posed by the pandemic have not only affected our people but also tested the resilience of those involved in the racing industry and our TAB agents, and we congratulate them for the way they have responded to a challenging and dynamic situation.

Collectively throughout the course of the last year, we have again proven that when faced with uncertainty we are able to work together to protect our organisation and the racing community in Western Australia.

Our heartfelt thanks go to our people, racing participants, TAB agents, the WA Government and all our customers for their ongoing commitment and hard work as we navigated another challenging year for all.



Karen Farley SC
Chair
(Appointed 1 August 2022)



Ian Edwards
Chief Executive Officer



ENABLING LEGISLATION

RWWA commenced operations on 1 August 2003 upon promulgation of the *Racing and Wagering Western Australia Act 2003*. The Act established RWWA as the controlling authority for thoroughbred, harness and greyhound racing in Western Australia, together with the responsibility for off-course TAB wagering. Implementation of RWWA's responsibilities occurred in two stages.

Effective 1 August 2003, RWWA assumed the principal club/controlling authority responsibilities of Western Australian Turf Club, Western Australian Trotting Association and Western Australian Greyhound Racing Authority. On 30 January 2004, the *Totalisator Agency Board Betting Act 1960* was repealed and RWWA assumed responsibility for the conduct of off-course TAB wagering.

The *Racing and Wagering Western Australia Regulations 2003* were enacted to establish key employee licensing procedures and include provisions of the *Totalisator Agency Board (Betting) Regulations 1988* to control RWWA's wagering activities. To complement the formation of RWWA, the Betting Control Board, established under the *Betting Control Act 1954*, was abolished and its functions transferred to the Gaming and Wagering Commission of Western Australia.

Hence, the Gaming and Wagering Commission, under the *Gaming and Wagering Commission Act 1987*, now regulates RWWA's gambling activities. As part of the legislative package to establish RWWA, the *Totaliser Agency Board Betting Tax Act 1960* was repealed and replaced by the *Racing and Wagering Western Australia Tax Act 2003* and then the *Betting Tax Assessment Act 2018*. The *Racing Restriction Act 2003* replaced the *Racing Restriction Act 1917*.

Under the *Racing Restriction Act 2003*, no thoroughbred, harness or greyhound race for stake or prize (exceeding \$50 in value), or for the purpose of betting, may be held without a licence from RWWA.

Legislation

The principal legislation governing RWWA is:

- *Racing and Wagering Western Australia Act 2003*
- *Racing and Wagering Western Australia Regulations 2003*
- *Racing Restriction Act 2003*
- *Racing Bets Levy Act 2009*
- *Gaming and Wagering Commission Act 1987*
- *Betting Control Act 1954*
- *Betting Control Regulations 1978*
- *Betting Tax Act 2018*
- *Betting Tax Assessment Act 2018*
- *Taxation Administration Act 2003*

Other legislation with which RWWA must comply includes the following:

- *Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Commonwealth)*
- *Broadcasting and Recorded Entertainment Award 2010*
- *Copyright Act 1968 (Commonwealth)*
- *Corruption, Crime and Misconduct Act 2003*
- *Criminal Code Act 1913 (WA) and Criminal Code Act 1995 (Commonwealth)*
- *Electoral Act 1907*
- *Equal Opportunity Act 1984*
- *Financial Management Act 2006*
- *Freedom of Information Act 1992*
- *Gaming and Betting (Contract Securities) Act 1985*
- *Interactive Gambling Act 2001*
- *Liquor Control Act 1988*
- *Long Service Leave Act 1958*
- *Work Health and Safety Act 2020*
- *Patents Act 1990*
- *Public Interest Disclosure Act 2003*
- *Spam Act 2003*
- *State Government Agencies Administration Award 2020*
- *State Superannuation Act 2000*
- *Statutory Corporations (Liabilities of Directors) Act 1996*
- *Superannuation Guarantee (Administration) Act 1992*
- *Competition and Consumer Act 2010*
- *Trade Practice Act 1974*
- *Unclaimed Money Act 1990*
- *Workers Compensation and Injury Management Act 1981*
- *Fair Work Act 2009*
- *State Records Act 2000*

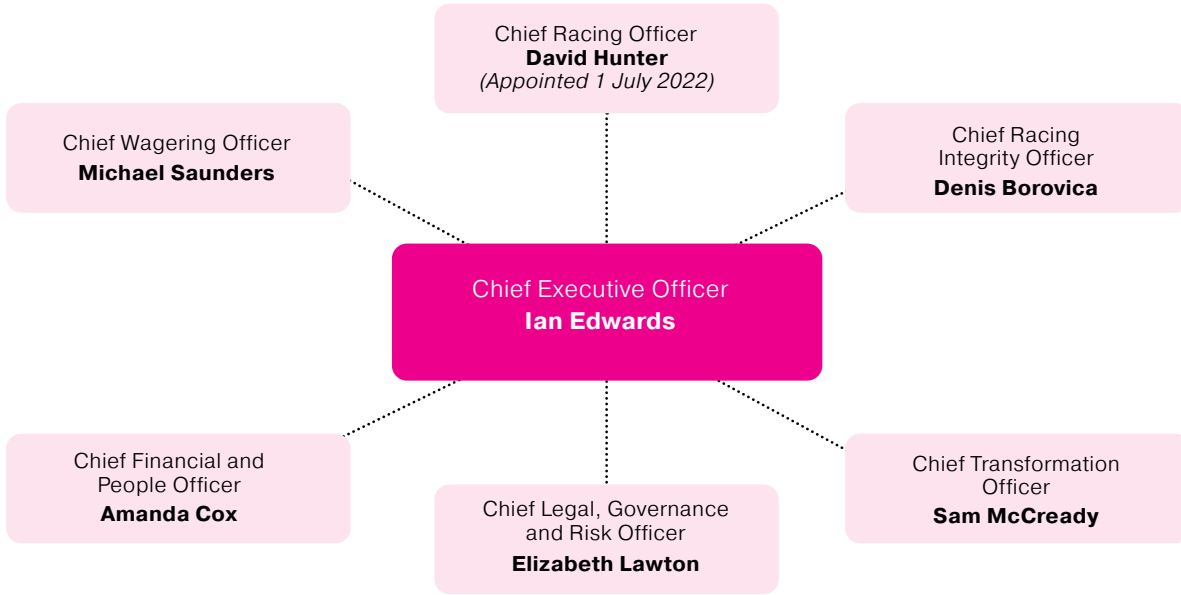
The above list is not exhaustive, however represents the legislation that impacts on the general operation of RWWA.

Responsible Minister

The Hon. Reece Whitby MLA was appointed responsible Minister for Racing and Wagering Western Australia from 19 March 2021 until 21 December 2021.

The Hon. Dr Tony Buti MLA, Minister for Finance; Racing and Gaming; Aboriginal Affairs; Citizenship and Multicultural Interests, is the current Minister responsible for Racing and Wagering Western Australia, appointed 21 December 2021.

ORGANISATIONAL STRUCTURE



1 Business Overview

2 Report on Operations

3 Disclosures and Legal Compliance



Image: Hannah Jones and greyhound Lina

RACING AND WAGERING WESTERN AUSTRALIA BOARD



Ms Karen Farley SC

First appointed 1 August 2022

Karen Farley SC is a legal practitioner who has practiced primarily in criminal law for more than 30 years. Before her appointment to the RWWA Board, Ms Farley was a member of the Racing Penalties Appeals Tribunal, and was Chair of the Tribunal from 2018-2022. Currently, Ms Farley is a Senior Appeals Consultant at Legal Aid WA, a member of the Legal Practice Board of WA, holds positions on three committees of the Law Society of WA and is a local government Shire Councillor.



Mr Anthony Hasluck

First appointed 1 February 2014

Anthony Hasluck is one of Western Australia's leading communications consultants. Mr Hasluck is the Managing Director of Clarity Communications, the largest independent agency in the state, assisting corporations with public relations, branding, design and digital communications.



Mr Robert (Bob) Fowler

First appointed 1 August 2016

Bob Fowler is the harness racing nominated Board Director. Mr Fowler is the Managing Director of Fowler Group of Companies and is also the founder of Allwood Stud Farm. Mr Fowler is a former President of the Western Australian Trotting Association and the WA Standardbred Breeders Association.



Ms Catherine Ferrari

First appointed 1 February 2021

Catherine Ferrari has had an extensive career holding a range of senior executive roles as well as non-executive director roles. Most recently, Ms Ferrari was the General Manager Customer and Community at Water Corporation. Previous roles include CEO of the West Australian Symphony Orchestra and State Director of CPA Australia (Western Australia). She is currently the Deputy Chair of the West Australian Opera, a Trustee of the Legal Contribution Trust and a Director of SmartCrete CRC.

RACING AND WAGERING WESTERN AUSTRALIA BOARD



Hon. Colin Holt

First appointed 1 August 2021

Colin Holt is the thoroughbred nominated Board Director. Mr Holt was WA Legislative Council Member for the South West from 2009 to 2021. He is a former state Racing and Gaming Minister as well as Housing Minister. His numerous roles have included Parliamentary Secretary to the Minister for Regional Development, Water, Forestry, Sport and Recreation. Mr Holt is also Deputy Chairperson of the Western Australian Voluntary Assisted Dying Board. A Bachelor of Science (Zoology) graduate from the University of Western Australia, Mr Holt is a foundation partner of ARID, a community development company dedicated to the improvement of regional communities, industries and leadership.



Mr David Simonette

First appointed 1 August 2021

David Simonette is the greyhound racing nominated Board Director. Mr Simonette has more than 35 years' experience across the wagering, gaming and racing sectors. He has held senior positions in the public service as well as management roles at Burswood Casino, Racing and Wagering Western Australia and the WA Greyhound Racing Association. Mr Simonette has also been CEO of Greyhound Clubs Australia, representing the nation's 60 race clubs. Mr Simonette has a hands-on racing background as a greyhound breeder, owner and trainer.



Mr Stephen Langsford

First appointed 1 February 2018

Stephen Langsford is a corporate adviser, company director and entrepreneur. Mr Langsford has founded and operated several companies in the consumer digital and information technology sectors.



Ms Sue Middleton

First appointed 1 February 2022

Sue Middleton is a farmer and agribusiness Director of Moora Citrus and Northern Valley Packers, which collectively employ more than 150 people in the peak horticulture sector. Ms Middleton also manages a consulting business which supports rural communities to better manage change. Ms Middleton has worked for over three decades holding successive and extensive Board and leadership roles in agriculture and regional development and is a passionate advocate for regional WA. Ms Middleton has been awarded the Centenary Medal for Services to Regional Australia in 2002, and in 2010 was awarded the Rural Woman of the Year for Australia.



SEE YOU AT THE RACES!

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BOARD COMMITTEES

Integrity Assurance Committee

The Integrity Assurance Committee (IAC) has primary oversight of those aspects of RWWA's functions that relate to stewards, drug testing and control, licensing and registration, handicapping, racing appeals and the Rules of Racing.

Committee members:

- D Mossenson (Chair) (*)
- S Langsford
- S Middleton
- C Ferrari

*external independent member

Audit and Risk Committee

The Audit and Risk Committee (ARC) plays an important role in providing oversight of RWWA's values and ethics, governance, risk management and internal control practices. The ARC also has oversight of RWWA's internal audit function.

Committee members:

- S Langsford (Chair)
- C Ferrari
- C Holt
- S Middleton
- P O'Farrell (*)

*external independent member

People and Culture Committee

The People and Culture Committee (PCC) is responsible for supporting the Board's oversight responsibilities for organisational culture, remuneration, learning and development.

Committee members:

- C Ferrari (Chair)
- J Ovens (cessation date 31 July 2022)
- K Farley SC (appointment date 1 August 2022)
- A Hasluck

Finance Committee

The Finance Committee (FC) is responsible for oversight of finance, investment and infrastructure.

Committee members:

- J Ovens (Chair) (cessation date 31 July 2022)
- K Farley SC (Chair) (appointment date 1 August 2022)
- A Hasluck
- S Langsford
- R Fowler

Animal Welfare Committee

The Animal Welfare Committee (AWC) is responsible for the oversight of RWWA's animal welfare strategies and outcomes. The committee provides oversight and, where required, makes recommendations on matters relating to the welfare of equine and canine animals in the Western Australian racing sector.

Committee members:

- A Hasluck (Chair)
- R Fowler
- C Holt
- D Simonette



Image: Sweet Vivienne at Gloucester Park



CHAPTER 2 REPORT ON OPERATIONS

WAGERING

RWWA's wagering business offers pari-mutuel and fixed odds betting on racing and sport, as well as other emerging markets such as entertainment, e-sports and politics.

The Western Australian TAB operates a network of more than 300 retail TAB agencies and PubTABs, while supporting the wagering infrastructure at race clubs (on-course operations). Sale channels include retail TAB outlets and betting through TABtouch accounts using mobile phones, the internet and RWWA's call centre.

RWWA holds the commercial selling rights for SKY Racing in Western Australia, which broadcasts thoroughbred, harness and greyhound racing to audiences in TAB outlets, hotels and clubs.

In FY2022 RWWA embarked on an initiative to bring its fixed odds racing operations in-house and migrate sport to specialised B2B sports book operator Kambi. RWWA has outsourced its fixed odds operation since 2000 but, following a strategic review, made the decision to change the operating model for fixed odds.

This required a complex technical undertaking, utilising many teams across RWWA's technology stacks along with the integration of the sports book into Kambi's systems and the recruitment of many specialised roles across technology and trading. Following the successful launch, the team has increased product coverage, maintained the gross win rate for racing (18 per cent) and increased sports win rate by one per cent.

During FY2022, improvements in user experience and delivery of value to account customers included:

- Home screen review and improvements in navigation and app usability
- Same Game Multi for football and progressive rollout of other sports planned
- International form expansion
- Expanded race preview content
- Scan My Bet function available on app
- Share My Bet function driving social media interactions
- 'Take a Break' function introduced to support customers in gambling responsibly

Continued customer migration from traditional agency to online betting required the rationalisation of some low turnover agencies while encouraging customer migration to other nearby agencies. Eight full-time TAB agencies were closed during FY2022.

Five new PubTAB agencies were established in licensed venues in Safety Bay, Thornlie, Marvel Loch, East Fremantle and Nabawa. Four Service Level 1 agencies in Peppermint Grove, Midland, Armadale and Mandurah were refurbished.

October 2021 saw the completion of the replacement of all customer-facing Amtote wagering terminals, with more than 1100 new NEO terminals installed. It also saw the completion of 120 PubTAB refurbishments to support the new terminals and digital displays. New pay terminals have also been installed in 80 per cent of the Service Level 3 agencies, removing the requirement of having an Amtote operator terminal.



Image: Wagering Marketing Manager Brian Murphy at TABtouch brand campaign launch

WAGERING

Image: TABtouch 'The Touch' campaign



Brand Launch

In FY2022 RWWA developed and implemented a revitalised TABtouch brand strategy with the campaign titled 'The Touch'. The campaign heroes the passion of TABtouch customers who believe they have a knack for picking a winner – and reminds them to use it wisely with the help of iconic KISS star Gene Simmons. Three commercials went live in February 2022, including racing, sport and for the first time a responsible wagering creative.

With the new brand strategy in place, RWWA took the opportunity to overhaul its TABtouch advertising imagery and tone guide to create a consistent look and feel for all consumer touchpoints. Having a platform to support all communications has assisted in gelling all consumer-facing parts of the wagering business.

New elements and evolution of this campaign will be developed over the next two years to further embed the creative messaging with customers. Initial brand research results have been very promising with brand linkage at its highest level (70 per cent) since measurement began.

Responsible Wagering

RWWA actively supports problem gambling prevention initiatives, community education and helping connect customers to professional support when they seek assistance.

During FY2022, more than 13 per cent of TABtouch account customers utilised RWWA's account gambling management facilities by setting a single bet limit, setting an account deposit limit or blocking the use of their credit card for account deposits. In addition, 44 per cent of customers reported awareness of TABtouch's responsible wagering tools.

RWWA's responsible wagering initiatives include:

- Participation in the Problem Gambling Support Services Committee.
- Self-exclusion program that allows customers to restrict their access to wagering environments for a minimum of 12 months.
- Customers opting to take a break from using their account for a set period.
- Development of in-app alerts that enable account activity statements to be requested.

These initiatives, along with RWWA's Responsible Wagering Code of Practice and information regarding support services such as Gambling Help WA, are available on the RWWA and TABtouch websites and the TABtouch app.

Responsible gambling is promoted year-round throughout TAB agencies with responsible gambling advertisements on agency marketing screens and brochures and posters displayed in all facilities.

RWWA also takes an active role in the annual Responsible Gambling Awareness Week, promoting responsible gambling through various platforms, brands, at race clubs and in TAB agencies.

TAB Agent Assist

TAB Agent Assist provides mental health and wellbeing support to all SL1 TAB agents and agency staff, including casual staff. The program provides confidential phone support service 24 hours a day, seven days a week, as well as up to six face-to-face counselling sessions.

RACING

RWWA is responsible for the strategic direction of the thoroughbred, harness and greyhound racing codes in Western Australia, together with the operational functions to support the running of race meetings. RWWA, as the Principal Racing Authority for the three racing codes in Western Australia, operates under the *Racing and Wagering Western Australia Act 2003* and applies the National Rules of Racing for each code.

Supply of racing product to the domestic and international wagering market is a highly competitive environment. We are focused on ensuring Western Australian racing is scheduled in optimal timeslots, vision is presented as professionally as possible through SKY Racing and is supported with accurate and timely racing information for wagering customers.

Wagering on all three codes was at record levels for FY2022, with a strong interest in the WA racing product. Overall national wagering on WA racing increased by 10 per cent to \$4.2B in FY2022.

Under a new media rights agreement for FY2022, the harness, greyhound and non-metropolitan thoroughbred race clubs were allocated an additional \$3.3M of club funding.

A major focus for the FY2022 season was not only to drive a strong racing industry, but also ensure we continue to provide a high level of care to racing animals. One per cent of advertised prize money was allocated to animal welfare initiatives, in addition to our existing budget, providing a total combined investment of approximately \$6M for the year.

While we have an overarching strategic plan for racing in the state, it is recognised that the three individual racing codes are unique and therefore a dedicated plan is maintained for each.

To support the strategic priorities of the thoroughbred code, including driving greater returns on investment for participants, we invested in several key initiatives in FY2022.

A total of \$1.4M was invested to increase prize money and remove acceptance fees for listed races. The code also received an \$880K lift in prize money for outer regional racetracks, forming the third phase of our stakes strategy, as well as \$2.5M in Westspeed and EPONA bonuses to further enhance the local thoroughbred breeding industry.

More than \$1.4M was also directed into thoroughbred marketing and ownership initiatives to engage new audiences and reward and support current owners and participants.

Our strategic focus for the harness code to maximise returns to the harness racing industry and ensure its long-term sustainability, saw \$460K assigned to marketing initiatives to revitalise the code. Further, \$160K was allocated to the newly introduced superannuation payments for drivers, and \$100K of harness subsidies were also distributed.

The greyhound code received a \$250K uplift for additional races to accommodate the existing racing population, alongside \$150K for marketing and ownership initiatives. In addition, \$120K was committed towards welfare subsidies to ensure the best standards of care are provided.



Image: Jockey Clint Johnson-Porter

RACING

Key Racing Statistics

<i>Brackets indicate FY2021</i>	Race Clubs	Meetings	Races	Starters	Unique Animals
Thoroughbred	37	272 (275)	2156 (2131)	20,347 (20,608)	3179 (3118)
Harness	12	253 (251)	2139 (2092)	19,055 (18,860)	1549 (1621)
Greyhound	1	355 (354)	4041 (4053)	29,697 (30,202)	1630 (1659)
TOTAL	50	880 (880)	8336 (8276)	69,099 (69,670)	6358 (6398)

Funding by Code

<i>Brackets indicate FY2021</i>	Prize Money (\$M)	Breeding Bonuses (\$M)	Other Participant Payments (\$M)	Club Funding (\$M)	Club Subsidies (\$M)	RWWA-Funded Grants (\$M)	Total (\$M)
Thoroughbred	73.3 (69.6)	9.8 (7.9)	7.9 (7.2)	16.8 (14.9)	10 (9.0)	18.7 (2.8)	136.5 (111.4)
Harness	24.4 (23.7)	3.6 (3.5)	1.5 (1.5)	6.7 (5.9)	1.9 (2.0)	0.4 (1.1)	38.5 (37.6)
Greyhound	14.7 (14.3)	1.5 (1.4)	1.9 (2.0)	8.0 (6.7)	1.4 (1.1)	0.1 (0.4)	27.6 (25.9)
TOTAL	112.4 (107.5)	14.9 (12.8)	11.3 (10.7)	31.5 (27.5)	13.3 (12.1)	19.2 (4.3)	202.6 (175.0)

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Image: Greyhounds WA TABtouch Park Cannington

RACING

Thoroughbred

In FY2022, our vision for the thoroughbred code was to optimise commercial performance and reinvigorate relevance through the following strategic priorities:

- Reinvigorate ownership and industry participation to improve the viability of participating in WA thoroughbred racing.
- Drive commercial growth within WA thoroughbred racing by providing an innovative and engaging product to maximise industry returns and diversify revenue streams.
- To maintain racing's right to exist by proactively meeting community expectations regarding welfare and integrity.
- Facilitate viable race clubs with sound funding models, suitable facilities, sound business models and appropriate governance structures.
- Revitalise the relevance of WA thoroughbred racing through significant investment in marketing, branding and content.

Distribution

The following outcomes were delivered during FY2022:

- \$117.8M in club and participant funding and subsidies, including:
 - \$16.8M in club funding for 37 thoroughbred clubs (including tenanted arrangements for Coolgardie Race Club at Kalgoorlie)
 - \$73.3M in base and feature stakes
 - \$9.8M in Westspeed and EPONA bonuses

Other Thoroughbred Activities

Other major thoroughbred racing activities during FY2022:

- The Magic Millions Yearling Sales recorded a sale aggregate of \$18.7M (\$14M in FY2021) and an average sale price of \$68,515 (\$54,744 in FY2021), with a clearance rate of 88.4 per cent.
- Ascot Racecourse hosted the TABtouch Masters, featuring three consecutive Saturdays of \$1M Group 1 races.
- Commencement of the redevelopment of Bunbury Turf Club, which will create a state-of-the-art training and racing facility in the South West region.
- RWWA hosted the Own the Dream Event Series, which provided 204 people the opportunity to meet trainers, breeders and other racing sector participants during five free events. In total, 57 per cent of participants in the series were converted to racehorse owners.
- One per cent of total advertised prize money on all WA thoroughbred races allocated to animal welfare initiatives from 1 August 2021.

Industry Training

Four apprentice jockeys commenced race riding, resulting in fifteen apprentice jockeys overall race riding at the end of the season.

- Three trainee jockeys commenced during the year, two of them continued beyond their probation.
- After commencing race riding in October 2020, Holly Watson is continuing on the path to become one of WA's most notable female apprentices. In the first half of 2022 Holly took out the Pinjarra Cup and the Apprentices Challenge demonstrating that she is destined for a great career in the saddle.



Image: Leinster Cup Day

Racing Grants

The following grants were provided to thoroughbred race clubs in FY2022:

Venue	Grant
Albany Racing Club	Power Supply Generator Solar Powered Gate and Fencing
Broome Turf Club	Stewards and Vision Tower Design Male Jockey Room Shower Media Control Room Swab Box Upgrades
Bunbury Turf Club	Redevelopment of Course Proper and Training Tracks Replacement of Raceday and Training Stalls New Trainers Viewing Deck Replacement of Jockeys and Stewards Rooms Replacement of Totalisator and Administration Facilities Barrier Stalls (2 sets)
Carnarvon Race Club	PA and CCTV System
Dongara – Irwin Race Club	Plastic Running Rail
Geraldton Turf Club	Main Tower Design Stalls Extension Perimeter Fence Irrigation System Upgrades Roller Shutters to Administration Building
Kalgoorlie Boulder Racing Club	New Jockey and Stewards Rooms
Mingenew Turf Club	Plastic Running Rail
Moora Race Club	Track Refurbishment
Mt Barker Turf Club	Irrigation System Upgrade
Northam Race Club	Irrigation Replacement Security Camera System
Nor-West Jockey Club	On-Course Stabling and Lunge Yards Track Remediation Works
Pinjarra Race Club	Race Day Pavilion and Administration Building Design Main Tower Design Upgrade Perimeter Fencing
WA Turf Club (Perth Racing)	Ascot Training Tracks Master Plan Ascot Training Track Rail Replacement Ascot Pro-Ride Refurbishment Ascot Stalls Surveillance Cameras Ascot Vantage Shade Sails Belmont Running Rail Belmont Barrier Shed Belmont 18 Stall Starting Gates Belmont Owners' Enclosure
York Racing	Bore and Pump Replacement Design Raceday Stalls Shade Sails

RACING

Harness

In FY2022, RWWA's vision for the harness code was to optimise commercial performance with a sustainable venue footprint through the following strategic priorities:

- Reinvigorate ownership and industry participation to improve the viability of participating in WA harness racing.
- Drive commercial growth within WA harness racing by providing an innovative and engaging product to maximise industry returns and diversify revenue streams.
- To maintain racing's right to exist by proactively meeting community expectations regarding welfare and integrity.
- Facilitate viable harness racing clubs within an optimal venue footprint.
- Revitalise the relevance of WA harness racing through investment in marketing, branding and content.

Distribution

The following outcomes were delivered during FY2022:

- \$38.1M in club and participant funding and subsidies, including:
 - \$6.7M in club funding distributed between 12 harness clubs and five harness training-only venues: Byford, Dunbarton, Jandakot, Golden Mile and Wanneroo.
 - \$24.4M in base and feature stakes.

- \$3.6M paid in WestBred bonuses, of which:
 - \$825K paid to the connections of two-year-old's in bonus payments and a further \$510K in First Win Bonus payments.
 - \$1.1M paid to the connections of three-year-old's in bonus payments and a further \$480K in First Win Bonus payments.
 - \$432K was paid to the connections of four-year-old plus horses achieving their first win.

Other Harness Activities

Other major harness racing activities during FY2022:

- A total of 290 Western Australian trained mares earned \$303K in EPONA credits from winning 575 races. Subsidies of \$88,091 were paid to the owners of 44 mares.
- Increased returns to participants through increased stakes levels. Gloucester Park midweek, Pinjarra, Provincial 2 and Country meetings race stakes increased from \$7500 to \$8500. Community meetings race stakes increased from \$4500 to \$6000.
- The Australian Pacing Gold Yearling Sales recorded a sale aggregate of just under \$3.2M (\$2.45M in FY2021) and average sale price of \$32,938. The median sale price was \$22,000, up from \$20,000 in FY2021. Of the 123 yearlings for sale, 85.8 per cent were sold on sales day in comparison with last year's 86.7 per cent clearance rate.



Image: The Trots WA Northam Cup



Image: Warriors Legacy, driven by Jocelyn Young

- One per cent of total advertised prize money on all WA harness races allocated to animal welfare initiatives from 1 August 2021.
- Extended social media coverage through Twitter pre-race interviews.
- The launch of the inaugural Harness the Dream ownership promotion and supporting initiatives focused on promoting standardbred ownership to new audiences.

Industry Training

- Three harness drivers commenced race driving while another four were undertaking trials.
- Junior driver Emily Suvaljko continued to shine for WA women drivers posting more wins than any other woman in WA history.

Racing Grants

The following grants were provided to harness race clubs during FY2022:

Venue	Grant
Albany Harness Racing Club	Equipment Shed Water Tank
Bunbury Trotting Club	Replacement Drag and Conditioner Track Lighting Maintenance Track Renovation
Narrogin Race and Pace	Track Survey for Sprint Lane
Northam Harness Racing Club	Track Lighting Maintenance Track Survey for Sprint Lane
Pinjarra Harness Racing Club	Horse Ambulance Solar Panels
Wanneroo Trotting Training Centre	New Slasher New Tractor

RACING

Greyhound

In FY2022, our vision for the greyhound code was to optimise welfare to sustain current and future racing volumes through the following strategic priorities:

- Reinvigorate ownership and industry participation to improve the viability of participating in WA greyhound racing.
- Maintain and drive commercial growth by providing an innovative and engaging greyhound racing product to diversify revenue streams and maximise industry returns.
- Support racing's right to exist by proactively meeting community expectations regarding welfare and integrity.
- Ensure WA greyhound racing remains financially strong through a sustainable club governance and funding model, and through a sound infrastructure footprint.
- Modernise the promotion of WA greyhound racing to meet the needs of industry participants, customers, and the general public through investment in marketing, branding and content.

Distribution

The following outcomes were delivered during FY2022:

- \$27.5M in club and participant funding and subsidies, including:
 - \$8M in club funding for Western Australian Greyhound Racing Association (WAGRA), racing at two venues (Cannington and Mandurah).
 - \$14.7M in base and feature stakes.
 - \$2M in trainer subsidies.
 - \$1.5M paid in WestChase bonuses.
- 10 per cent increase to all base stakes was delivered in February 2022.

Other Greyhound Activities

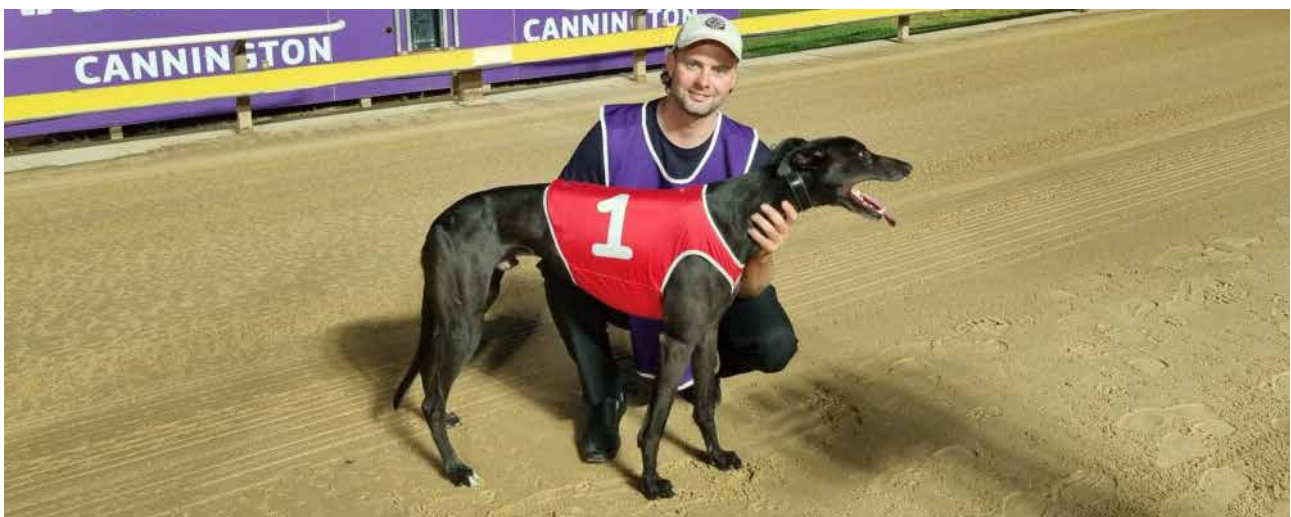
Further major greyhound racing activities for FY2022:

- The second edition of the Chase the Dream series took place, where entrants had the chance to win a 10 per cent share in a greyhound puppy named Young Tommy. Of the 42 eligible entrants, 26 either won a share or became an owner after the event. This resulted in a 62 per cent conversion rate of new greyhound owners. The 2021 edition puppy was named Our Dream Girl and has started her career off well, winning three times and placing second four times from her 10 starts to date.
- The Dogs WA brand was launched and secured a slot in the inaugural Phoenix slot race at The Meadows.
- The Dogs WA also partnered with SEN to promote WA greyhound racing to a national punting audience.
- One per cent of total advertised prize money on all WA greyhound races allocated to animal welfare initiatives from 1 August 2021.

Racing Grants

The following grants were provided to WAGRA during FY2022:

Venue	Grant
WAGRA Northam	Safety Rail Track and Fencing Improvements
WAGRA Mandurah	Safety Rail



RACING

Major Group Race Winners

An important part of summarising racing's key achievements for FY2022 is to acknowledge the winners of the major Group races throughout the season:

Thoroughbred

- Railway Stakes (Group 1) won by Western Empire, trained by Grant and Alana Williams, ridden by William Pike and owned by Peters Investments.
- Winterbottom Stakes (Group 1) won by Graceful Girl, trained by Grant and Alana Williams, ridden by William Pike and owned by Peters Investments.
- Kingston Town Classic (Group 1) won by Regal Power, trained by Grant and Alana Williams, ridden by Patrick Carbery and owned by Peters Investments.
- Perth Cup (Group 2) won by Midnight Blue, trained by Grant and Alana Williams, ridden by Patrick Carbery and owned by Peters Investments.
- Karrakatta Plate (Group 2) won by Amelia's Jewel, trained by Simon Miller, ridden by Patrick Carbery and owned by P V Walsh.
- WATC Derby (Group 2) won by Alaskan God, trained by Daniel Morton, ridden by Chris Parnham and owned by Mrs C L Morton, F F Fairthorne (Jnr), Halo Racing Services (Mgr: C B Mckenna), B T Thomason, G W Rogers, G R Williamson, Ms J V Williamson, Esquin (Mgr: S J Quinlivan) & Party On (Mgr: Ms D M Bettridge).

Harness

- Fremantle Pacing Cup (Group 1) won by Minstrel (NZ), trained by Greg and Skye Bond, driven by Ryan Warwick and owned by Team Bond, Birchbrook Breeding, R D Butt, J R Butt, A J Hickman, P M Hickman and The Running Camel.
- WA Pacing Cup (Group 1) won by Wildwest, trained by Gary Hall Snr, driven by Callan Suvaljko and owned by B V Richardson, S D MacGregor, R Patriarca, D T Roberts, S L Beven, F Patriarca, K Murphy, R Bacich, R G Barker and A Carter.

Greyhound

- Galaxy (Group 1) won by Mambo Monelli, trained by Steve Withers and owned by After Party Syndicate S Withers, K Withers, M Harders and J Harders.
- Perth Cup (Group 1) won by Vice Grip, trained by Adam Smithson and owned by Four Frothys Syndicate G Pask, J Baxter and G Pask.
- All Stars (Group 2) won by Vice Grip, trained by Adam Smithson and owned by Four Frothys Syndicate G Pask, J Baxter and G Pask.



Image: Carnarvon Racecourse



Image: Bunbury Racecourse

RACING

Award Winners

Awards ceremonies were held across the three codes to celebrate the successes of the racing community and to reflect on the outstanding achievements for the season.

WA Thoroughbred Racing Awards	WA Harness Racing Awards	WA Greyhound Racing Awards
<p>WA Racehorse of the Year: Regal Power</p> <p>2YO Racehorse of the Year: Amelia's Jewel</p> <p>3YO Racehorse of the Year: Alaskan God</p> <p>4UP Racehorse of the Year: Regal Power</p> <p>Leading Metropolitan Jockey: Chris Parnham</p> <p>Leading Metropolitan Trainer: Adam Durrant</p> <p>Leading Provincial Jockey: Clint Johnston-Porter</p> <p>Leading Provincial Trainer: Adam Durrant</p> <p>Leading Metropolitan Apprentice Jockey: Laqdar Ramoly</p> <p>Leading Provincial Apprentice Jockey: Holly Watson</p> <p>Leading Sire: Blackfriars</p> <p>Leading Broodmare: Broadway Belle/Stormy Nova</p> <p>Leading Breeder: Peters Investments Pty Ltd</p>	<p>WA Harness Horse of the Year: Magnificent Storm</p> <p>2YO Filly of the Year: Wonderful to Fly</p> <p>2YO Colt or Gelding of the Year: Floewriter</p> <p>3YO Colt or Gelding of the Year: Mighty Ronaldo</p> <p>3YO Filly of the Year: Always An Angel NZ</p> <p>Aged Mare of the Year: Savvy Bromac NZ</p> <p>State Leading Driver of the Year: Gary Hall Jnr</p> <p>Young Achiever Award: Emily Suvaljko</p> <p>State Leading Trainer of the Year: Greg and Skye Bond</p> <p>Trotter of the Year: Tenno Sho NZ</p> <p>Service to Industry Award: Peter Trefort</p> <p>Harness Media Award: Talking Harness with Michael Radley and Glen Mortimer</p>	<p>WA Greyhound of the Year: Tommy Shelby</p> <p>Leading Trainer Award: David Hobby</p> <p>Gerry O'Keefe Achievement Award: Mark Bottcher</p> <p>Kerry Vernon Award for Excellence in Greyhound Welfare: Kelly Roads</p> <p>Young Achiever Award: Lewis Clay</p> <p>Greyhound Media Award: The Big 3 Podcast – Harry Buchanan, David Shortte and Shayne Williams</p>

Ladies of Racing Awards	Ladies of Pacing Awards	Ladies of Chasing Awards
<p>Ladies of Racing Leadership Award: Paula Wagg</p> <p>Ladies of Racing Dedication to Thoroughbred Racing Award: Angela Smith</p> <p>Ladies of Racing Welfare Award: Natasha Barbarich</p> <p>Ladies of Racing Administration Award: Charlotte Geoghegan</p>	<p>Ladies of Pacing Leadership Award: Karen Young</p> <p>Ladies of Pacing Dedication to Harness Racing Award: Lil Adam</p> <p>Ladies of Pacing Welfare Award: Hannah Griffiths and Leonie Morrone</p> <p>Ladies of Pacing Administration Award: Pat Abbott</p>	<p>Ladies of Chasing Leadership Award: Krystal Shinnars</p> <p>Ladies of Chasing Dedication to Greyhound Racing Award: May Leach</p> <p>Ladies of Chasing Welfare Award: Cheryl Isaac</p> <p>Ladies of Chasing Administration Award: Stephanie Catchpole</p>



ANIMAL WELFARE

RWWA is committed to ensuring animals bred for all three codes of racing have the best levels of care before, during and after their racing careers.

Animal welfare is an integral component of RWWA's racing and broader strategies, with initiatives continually enhanced to further safeguard the welfare of racing animals.

These initiatives are supported by the relevant animal welfare legislation, as well as rules and policies enforced by racing authorities to underpin the successful regulation of welfare in racing.

Animal Welfare Strategy

A comprehensive welfare strategy guides RWWA in fulfilling its commitment to safeguard the welfare of racing animals.

Vision	Mission	How This is Achieved
To set the highest standard in animal welfare for the Western Australian racing sector.	To ensure the current and best standards of care are provided to racing animals during all stages of their lives.	<ul style="list-style-type: none"> Evidence-based decisions Transparent and dependable data Impactful and measurable advances in animal welfare

Equine Welfare

RWWA's equine welfare strategy operates under the following pillars:

Pillar	Initiative
Traceability	Continue to develop and effectively monitor full lifecycle tracking for all horses bred for racing.
Racing	Enhance existing practices and regulations to support the welfare and safety of all racehorses.
Post-racing	Continue to support and assist horses in their transition beyond the racing industry.
Industry culture and education	Maintain a culture whereby the welfare of the horses is at the forefront of all decisions and educate the public on equine welfare in the sector.

In FY2022, RWWA made several enhancements to its equine welfare standards and initiatives under these pillars.

Following the Thoroughbred Aftercare Welfare Working Group's (TAWWG) report into the effectiveness of equine welfare standards in Australia, a number of recommendations made in the report were endorsed by the Board, confirming RWWA's support for national enhancements to safeguard the welfare of horses leaving the racing industry.

RWWA has also partnered with The Animal Hospital at Murdoch University (TAHMu) to bring standing CT and MRI to the equine community. Innovations in CT and MRI technology allow imaging of previously inaccessible structures without the need for general anaesthesia, making

it affordable and accessible. A rebate was introduced to reduce the cost of using advanced diagnostic imaging to investigate musculoskeletal conditions to protect the welfare of thoroughbreds and standardbreds.

Furthermore, numerous grants were provided to race clubs for the purpose of improving welfare for racehorses, such as a new horse ambulance at Pinjarra Harness Racing Club. A RWWA regulatory veterinarian also gave presentations to all grass-track race clubs on equine welfare.

The Off the Track WA Retraining Program saw its first full year of operation with an increase to the number of horses in retraining at any time.

Further details about the strategy underpinning each pillar can be found in the below sections.

ANIMAL WELFARE

Traceability

RWWA has increased its investment in traceability to improve industry education and compliance with reporting requirements to maintain the accuracy and reliability of relevant data. This has resulted in significant improvements in tracking horses as they leave the industry.

The national peak racing bodies, Racing Australia and Harness Racing Australia, as custodians of the data relating to horse status, record that the following post-racing outcomes have been reported by Western Australian thoroughbred and harness racing participants during the period 1 August 2021 to 31 July 2022.

	Retired/Rehomed	Deceased	Euthanised
Thoroughbred	583	25	87
Standardbred	256	61	145

**Note: the horse status changes reported above include retrospective reporting, which may take place as a result of increased compliance with rules governing traceability reporting in harness and thoroughbred racing. Consequently, this may include horses retired/deceased prior to the reporting period, but where paperwork has been lodged between 1 August 2021 and 31 July 2022.*

To ensure retiring horses that can be rehomed are given the opportunity to transition to a second career outside of racing, RWWA introduced a local Rule of Racing on 1 August 2021, requiring owners to make reasonable efforts to rehome all medically and behaviourally sound horses bred for racing.

Through the Off the Track WA (OTTWA) program, RWWA also has the OTTWA Passport, an initiative designed to assist in tracing retired racehorses in Western Australia by connecting with their owners to gain a better understanding of their locations and lives after racing. Since its launch on 27 August 2020, 2987 horses have received an OTTWA passport.

During the period 1 August 2021 to 31 July 2022 the number of horses that were registered for an OTTWA Passport were:

Pillar	Number of Horses Registered for an OTTWA Passport
Standardbred	187
Thoroughbred	745
Total	932

Racing

In FY2022, RWWA introduced a rebate to owners and trainers for the use of advanced diagnostic imaging to investigate musculoskeletal conditions in thoroughbred and standardbred racehorses. The early detection of injuries allows trainers and their veterinarians to implement appropriate management strategies to minimise the risk of injury and hence improve the horse's welfare.

From 1 February 2022 to 31 July 2022 the number of applications approved for the advanced diagnostic imaging rebate were:

Advanced Imaging Rebate Applications Approved	
Standardbred	9
Thoroughbred	9

ANIMAL WELFARE

Post-Racing

The Off the Track WA (OTTWA) Estate and Retraining Program are important components of RWWA’s post-racing transition initiatives. The OTTWA Estate has a multi-faceted use that primarily focuses on facilitating the retraining of retired racehorses for equestrian and pleasure pursuits, as well as providing emergency care services should cases arise. The OTTWA Retraining program includes a network of retrainers with the skills and experience to help racehorses transition to new careers. Horses accepted into the program are evaluated on arrival at the Estate and allocated to a trainer for re-education. Priority is given to horses that may be more challenging to rehome, such as those located in areas where there are fewer pathways for retired racehorses. A rebate is available to assist with the cost of transportation and the veterinary examination required for application to the program.

Between 1 August 2021 and 31 July 2022 the number of horses involved in the retraining program were:

	Accepted into OTTWA Retraining Program	Rehomed	Deceased/Euthanised
Thoroughbred	15	12	0
Standardbred	27	27	1
Total	42	39	1

**RWWA is committed to responsible rehoming of retired racehorses. OTTWA will only consider euthanasia on medical or behavioural grounds following assessment by qualified people, where such action is necessary due to welfare or public health and safety.*

The OTTWA initiative plays a key role in the promotion of thoroughbred and standardbred horses in their second careers as pleasure and performance horses. OTTWA also functions as a support mechanism and educational resource for equestrians who have purchased retired racehorses, either through OTTWA or alternate sources.

The program activities are vast and include event sponsorship, promotion of independent retrainers and rehoming services, a dedicated website with resources, a buy-and-sell platform for retired racehorses, and clinics and events for retired racehorses and their owners.

RWWA continued its partnership with Equestrian Western Australia for FY2022, presenting a series of events across the State through its OTTWA program. The events focused on educating owners of retired racehorses with clinics offered to those with an OTTWA Passport. In total, 391 individual horses and 383 individual riders attended these events.

Additionally, the sponsorship of events encouraging participation of retired racehorses continued to be prioritised in FY2022, with a total of 191 events sponsored by OTTWA.



Image: Mogumber Park

ANIMAL WELFARE

Greyhound Welfare

RWWA's greyhound welfare strategy operates under the following pillars:

Pillar	
Governance	Continue to be forward thinking and leaders in setting the standards that maximise welfare during all stages of a greyhound's life.
Racing	Enhance existing practices and regulations to support the welfare and safety of all greyhounds bred for racing.
Rehoming	Further support the adoption of retired greyhounds, through advances in rehoming practices.
Industry Culture and Education	Maintain a culture whereby the welfare of the greyhound is at the forefront of all decisions and educate the public regarding greyhound welfare in the sector.

In FY2022, RWWA made several enhancements to its greyhound welfare standards and initiatives under these pillars.

Racing

RWWA is focused on maximising the safety of racing greyhounds.

To improve its greyhound racetracks, RWWA commissioned the University of Technology Sydney (UTS) to assess the State's three greyhound racing tracks against the latest design and maintenance standards to ensure they deliver the best levels of care for racing greyhounds. In FY2022, RWWA implemented the recommendations made for the Cannington and Northam tracks, with work scheduled at the Mandurah track to commence in early 2023.

Furthermore, a Safe Racing Committee was established, reporting to the Board's Animal Welfare sub-committee. The purpose of this committee is to assess and review all serious injuries to develop and implement preventative measures that will reduce the incidence rate and/or severity of injuries to racing greyhounds.

While most injuries on racetracks require only rest or minor treatment, RWWA has two support schemes to ensure appropriate care is available where the injury requires higher levels of treatment.

Under the Greyhound Injury Surgery Rebate Scheme (GISR), if a greyhound sustains an injury on the track and meets the eligibility requirements, RWWA offers a financial contribution to the trainer and owner for the costs of veterinary treatment. As of 1 September 2021, the types of injuries eligible for the scheme were increased, the total available financial contribution was increased and a rebate was introduced to cover the cost of rehabilitation, in addition to the veterinary expenses already covered under the scheme.

In the Greyhound Injury Full Recovery Scheme (GIFRS) a trainer/owner transfers custody of a greyhound to RWWA in the event of a serious injury and the cost of both veterinary treatment and post-operative care is paid by RWWA. Once recovered, the greyhound is rehomed through RWWA's Greyhounds as Pets (GAP) program.

The schemes have proven successful in reducing the number of greyhounds euthanised on-course due to injury and cover both official trials and races. The annual rate of on-track deceased or euthanised greyhounds has decreased from 1.2 per 1000 starters in FY2019 to 0.36 per 1000 starters in FY2022.

The number of GISR applications approved and the number of greyhounds entering the GIFRS scheme from 1 August 2021 to 31 July 2022 were:

GISR Applications	29
Entered GIFRS Scheme	51

Greyhound Race Injury Report

Most injuries that occur during greyhound racing are of a minor nature and are treated by the on-track veterinarian present at every race meeting in Western Australia.

All racetracks are designed and maintained with the safety of the greyhound in mind, and includes camber, careful surface preparation and monitoring of track conditions using scientific instrumentation.

Track conditions are also inspected by RWWA stewards at the beginning of every meeting and periodically throughout the meeting to ensure their suitability for racing.

In the event a greyhound does sustain a serious injury, RWWA's two injury support schemes provide financial assistance to trainers and owners to ensure appropriate veterinary care is available.

The following report has been prepared using the information on greyhound racing injury, fatality and related euthanasia recorded by on-track veterinarians and stewards at race meetings held in Western Australia, which is maintained by RWWA in the OzChase system.

All greyhound starters with an on-track, post-race or post-qualifying-trial veterinary-reported injury incident have been included in this report. This report covers the period from 1 July 2021 to 30 June 2022 to align with the agreed national injury reporting period. Previous injury reports have utilised the racing year dates of 1 August to 31 July.

Injury Severity Classification

The examination of a greyhound post racing identifies any injuries, including minor injuries such as general muscle soreness, that potentially impacted its racing performance.

Therefore, the reporting of injury incidents has both a welfare and integrity function.

To achieve greater national consistency in injury reporting it has been proposed that all states adopt the same categorisation and reporting period for comparative purposes.

The categorisation utilises brackets to incorporate the discrete stand-down periods of 0, 3, 5, 7, 10, 14, 28, 60 and 90 days, utilised by on-track veterinarians. As the injury incidents reported range from very mild, requiring no incapacitation period (stand-down), to serious injuries leading to death or euthanasia, the following rating guide has been developed to categorise injury severity.

Category A (0 days) – Injuries given no stand-down period by the officiating veterinarian, which are typically incidental findings such as skin abrasions and are expected to not need any additional time off prior to racing. It excludes greyhounds examined and found not to be injured (no apparent injury/no anomaly detected).

Category B (1-10 days) – Injuries given a stand-down period of 3-10 days by the officiating veterinarian, which are typically mild muscle soreness, or other minor injuries that are generally expected to recover within a short period prior to being able to race again.

Category C (14-21 days) – Injuries given a stand-down period of 14-21 days by the officiating veterinarian, which are typically lacerations, joint sprains or muscle injuries (Grade 2), or other forms of soreness and are generally expected to recover within that period prior to being able to race again.

Category D (28-90 days) – Injuries given a stand-down period 28-90 days by the officiating veterinarian, which are typically more significant muscle tears, bone fractures or other injuries that require a greater amount of treatment and recovery. These greyhounds may or may not race again depending on severity, prognosis, treatment and recovery.

Category E (Deceased or euthanised on-track) – Any greyhound that died during a race or was euthanised by the officiating veterinarian due to the nature of the injury sustained. Note: this will include a small number of medical conditions.

Category F (Serious injury) – Includes all Category E incidents as well as those within Category D that are deemed to be of a particular serious nature. The following are included:

- death or euthanasia on-track;
- any skull or spine fracture or paralysis (partial or complete);
- any long bone fracture (e.g., humerus, radius/ulna, femur or tibia);
- a hock fracture/dislocation where the stand-down period is 60 or 90 days;
- any other fracture where the stand-down period is 60 or 90 days;
- any other joint injury where the stand-down period is 60 or 90 days;
- a skin injury where the stand-down period is 60 or 90 days;
- a soft tissue injury (including muscle injury) where the stand-down period is 90 days.

Category G (Non serious injury) – Includes any injury in Categories A to C and those in Category D that do not fit the definition of a serious injury (e.g., Category F)

ANIMAL WELFARE

Racing Injury Incidents

From 1 July 2021 to 30 June 2022:

- 2.95 per cent of total greyhound starters were affected by an injury incident.
- 92 per cent of injuries reported were of a non-serious nature (required a stand-down period of less than 60 days).
- 0.24 per cent of starters were reported to have sustained a serious injury that required either a stand-down period of 60-90 days or resulted in death or euthanasia on track.
- 0.04 per cent of starters sustained an injury that resulted in death or euthanasia on track.

The below table details the number of injury incidents reported in each category, where a greyhound with at least one injury was identified by an on-track veterinarian after participation in a race or qualifying trial in Western Australia.

Total number of greyhound starters (1 July 2021 to 30 June 2022) 30,865

Injury Category	Total Number of Incidents	Incident Risk Rate (incidents per 1000 starts)	Incident Rate as % of Total Starters
Category A	6	0.19	0.02
Category B	510	16.5	1.65
Category C	225	7.29	0.73
Category D	159	5.15	0.52
Category E	11	0.36	0.04
Total A-E	911	29.5	2.95
Category F (serious injuries)	73	2.37	0.24
Category G (non-serious injuries)	838	27.1	2.71



Image: Greyhounds walking to the starting boxes

ANIMAL WELFARE

Greyhounds as Pets WA

Greyhounds as Pets WA (GAP) is a RWWA initiative focused on promoting, encouraging and facilitating greyhound pet ownership to the wider community by providing homes to healthy and behaviourally sound greyhounds throughout Western Australia.

RWWA's commitment to greyhound rehoming continues with increased investment in the GAP program through ensuring appropriate infrastructure to meet the rehoming requirements of the industry.

The number of greyhounds adopted, pre-assessed and deceased in the GAP program from 1 August 2021 to 31 July 2022 is provided in the table below.

	FY2022
GAP Adoptions ¹	296
GIFRS Adoptions ¹	41
Total GAP Adoptions	337
Pre-assessments ²	335
Euthanised/deceased (in GAP program) ³	1
Euthanised/deceased (GIFRS) ³	5

¹Unique greyhounds adopted. ²Number of pre-assessments includes greyhounds retired to GAP (including GIFRS) and those assessed on re-entry to GAP kennels. ³Reasons may include death due to natural causes, accident or illness, medical or surgical complications, behavioural issues or poor prognosis for future quality of life based upon veterinary assessment and recommendation.

During FY2022, GAP continued to enhance existing partnerships and volunteer programs including the partnership with Applied Vocational Training (AVT) for the delivery of a short-term intensive course in animal care and welfare.

Greyhound Retirement Information

RWWA has a local rule of racing that requires greyhounds to be sterilised and have a basic dental scale and polish prior to being rehomed, unless the greyhound is accepted into the GAP program. A greyhound sterilisation and dental subsidy is available to alleviate the financial burden for owners and trainers. In FY2022, RWWA supported the cost of sterilisation and dental treatment of 331 retiring greyhounds through this subsidy.

In FY2022 the following numbers of greyhounds were reported to RWWA by the current registered owners or person responsible for them at the relevant time under the requirements of the rules of greyhound racing. Overall, the number of greyhounds successfully retiring from racing has

continued to increase. In FY2022 89.2% of greyhounds reported as retiring from racing were successfully rehomed or retained for breeding.

	FY2021	FY2022
Retired to GAP	355	331
Retired to other greyhound rehoming organisations	217	223
Retired to a third party (non-owner / trainer)	75	115
Retired to an owner / trainer as a pet	16	11
Retired for breeding	56	41
Total number of greyhounds retired	719	721
Deceased or euthanised due to accidental death, natural causes, illness or age	78	57
Deceased or euthanised due to injury	26	28
Euthanised not suitable for rehoming	0	2
Euthanised not suitable for racing	0	0
Total number of greyhounds deceased	104	87

Note: the data for FY2022 is correct as of 19 September 2022. While the data for FY2021 was reported in the 2021 Annual Report (correct as of 20 September 2021), minor variances in some data can occur over time as Notice of Retirement forms are received and processed on a continuous basis, and the status of individual greyhounds may be updated from time to time with new information received.



PARTICIPANT WELFARE

Racing Assist

RWWA's Racing Assist program provides mental health and wellbeing support to licenced racing trainers, harness drivers, stable hands/stable forepersons, track work riders, greyhound attendants, farriers, riders agents and permanent/part-time race club employees for racing-related or personal issues.

Support includes a confidential phone support service 24 hours a day, seven days a week, as well as up to six face-to-face counselling sessions.

When facing integrity inquiries, participants are offered additional support by a counsellor with racing knowledge.

Jockey Assist

All jockeys and apprentice jockeys in Western Australia have access to unlimited consultations with one of the state's most respected and experienced sports psychologists to assist with their mental and physical wellbeing.

All jockey injuries are overseen by a sports medical specialist while a career transition program is also available to assist jockeys as they begin to consider retirement.

The Jockey Welfare Fund, which supports Jockey Assist, is managed by the Western Australian Jockeys' Association and is funded by one per cent of thoroughbred stake money.

Maternity Assistance Program

RWWA offers a Maternity Assistance Program to provide financial support to full-time licensed jockeys and A Grade or B Grade licensed harness drivers. Under the Rules of Racing, jockeys and drivers are required to cease riding and driving in races after three months of pregnancy. RWWA's Maternity Assistance Program bridges the gap between when a jockey or driver is required to cease riding or driving until they are eligible for the Federal Government's Parental Leave provisions, which is available once their child is born. In the past year, two riders have been supported by this program.

Participant Welfare

RWWA offers an Employee Assistance Program to ensure the emotional, mental and psychological wellbeing of employees, TAB agents and staff and licensed racing participants is supported. This is provided through three tailored programs.



Image: RWWA Equine Welfare Facility Manager Peter Dowdell at the Off the Track WA Estate

RACING INTEGRITY

RWWA is charged with specialised functions in relation to racing as outlined in Part 4 of the *Racing and Wagering Western Australia Act 2003*, which includes the control, regulation, and supervision of racing integrity.

The long-term viability of the racing industry depends significantly on maintaining public and stakeholder confidence that racing is a fair, ethical, safe and honest sport. To achieve these outcomes, stringent controls with respect to the administration of racing integrity and the enforcement of various controls by peremptory means are applied.

The current state of the Western Australian racing industry is reflected in the following data relating to prohibited substances, serious inquiries and Racing Penalties Appeal Tribunal (RPAT) statistics, which evidence:

- High rates of human and animal drug control (screening) with low rates of detection of potentially performance-enhancing substances.
- High rates of inquiry and investigation to confirm adherence to rules and regulations.
- No evidence of significant integrity breaches (e.g., race fixing, systematic doping regimes or live-baiting).
- Strong record of inquiry and appeal proceedings evidencing robust and fair internal domestic tribunal functions with stringent penalties issued in reflection of commitment to fairness, integrity and welfare.

Stringent bio-security measures continued to be applied in response to COVID-19 to ensure racing could be conducted safely and without interruption. In response to health advice and Government directions RWWA determined in February to adopt a local rule of racing which required all licensed persons to be fully vaccinated against COVID-19. The rate of full vaccination in the racing sector was therefore extremely high which combined with safety controls, including Rapid Antigen Testing of drivers, stewards, jockeys, and other race day staff on race-day, enabled racing to continue safely.

RWWA reviewed the vaccination rule following the WA Government's announcement that from 10 June 2022, proof of triple vaccination would only be required for those working with the most vulnerable. It was determined that the rule was no longer required and was therefore repealed in June 2022.

Despite the restrictions of COVID-19 through the year, RWWA stewards and investigators maintained high levels of inspection across all codes of racing, with 361 inspections of equine properties and 242 kennel inspections conducted to ensure compliance with required standards and that the health and welfare of the animals were suitably maintained.

Prohibited Substance Control

RWWA continues to invest heavily in prohibited substance control, with over \$1.3M spent on analytical service costs alone.

The restrictions on the use of drugs in racing, which includes stimulants, analgesics and anti-inflammatory drugs, not only ensures the confidence of the betting public that races are determined through honest means but also ensures that the animals competing do so on their own merits, without compromising their welfare.

The table below indicates total swabbing levels for FY2022.

Thoroughbred	Samples	Positives
Post Race	2003	8
TCO2	1472	1
OOCT	125	0
Human	150	2
Harness	Samples	Positives
Post Race	1713	8
TCO2	2386	1
OOCT	106	2
Human	71	2
Greyhound	Samples	Positives
Post Race	1197	2
OOCT	57	1
Total	Samples	Positives
Post Race	4913	20
TCO2	3858	2
OOCT	288	3
Human	221	4

Note: Figures are correct as of 12 August 2022, but subject to variation upon subsequent reporting from the ChemCentre.

RACING INTEGRITY

Classification of Detected Substances

The following table distinguishes between the types of substances detected with the total number of positive swabs.

A therapeutic substance is generally one which is commonly used in the training of racing animals to manage injuries or illnesses. While such substances have a legitimate use in training, they are prohibited in racing animals and therefore must be withdrawn from administration at suitable times to ensure the substance has cleared.

Code	Therapeutic	Stimulant	TC02	Other	Total
Thoroughbred	3	3	1	2	9
Harness	6	0	1	4	11
Greyhound	0	3	N/A	0	3

(NB: "Other" consists of 4 arsenic, 1 codeine/morphine derived from ingestion of poppy seeds, and 1 Metformin which is classified as an oral anti-hyperglycaemic medication, indicated for use in the management of diabetes in humans, which is pending inquiry.)

From a total of 9059 horse and greyhound swabs, 23 positive swabs were recorded for FY2022, with the following outcomes:

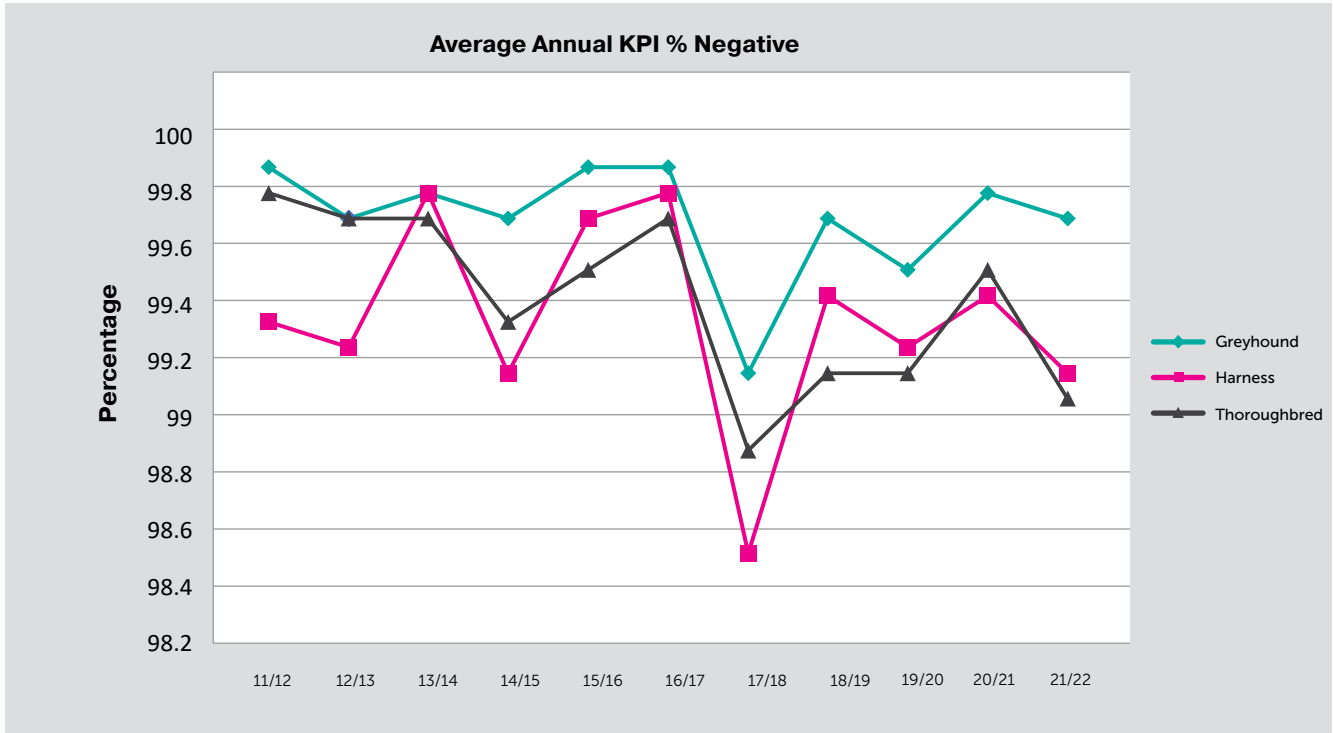
- Four of the recorded positive swabs were established on inquiry to involve the ingestion of arsenic by horses chewing Chromated Copper Arsenate (CCA) treated timbers, commonly used in the construction of fencing and paddocks. As such, these positives were not the result of deliberate treatments but rather environmental factors. Nevertheless, fines were issued in these cases.
- Nine of the recorded positives related to therapeutic substances (e.g., anti-inflammatory drugs).
- Two of the recorded stimulant positives related to the detection of testosterone beyond the prescribed threshold. The remainder were positive samples to Caffeine (2), Theobromine and Pseudoephedrine/Ephedrine (Dexamethasone also detected).



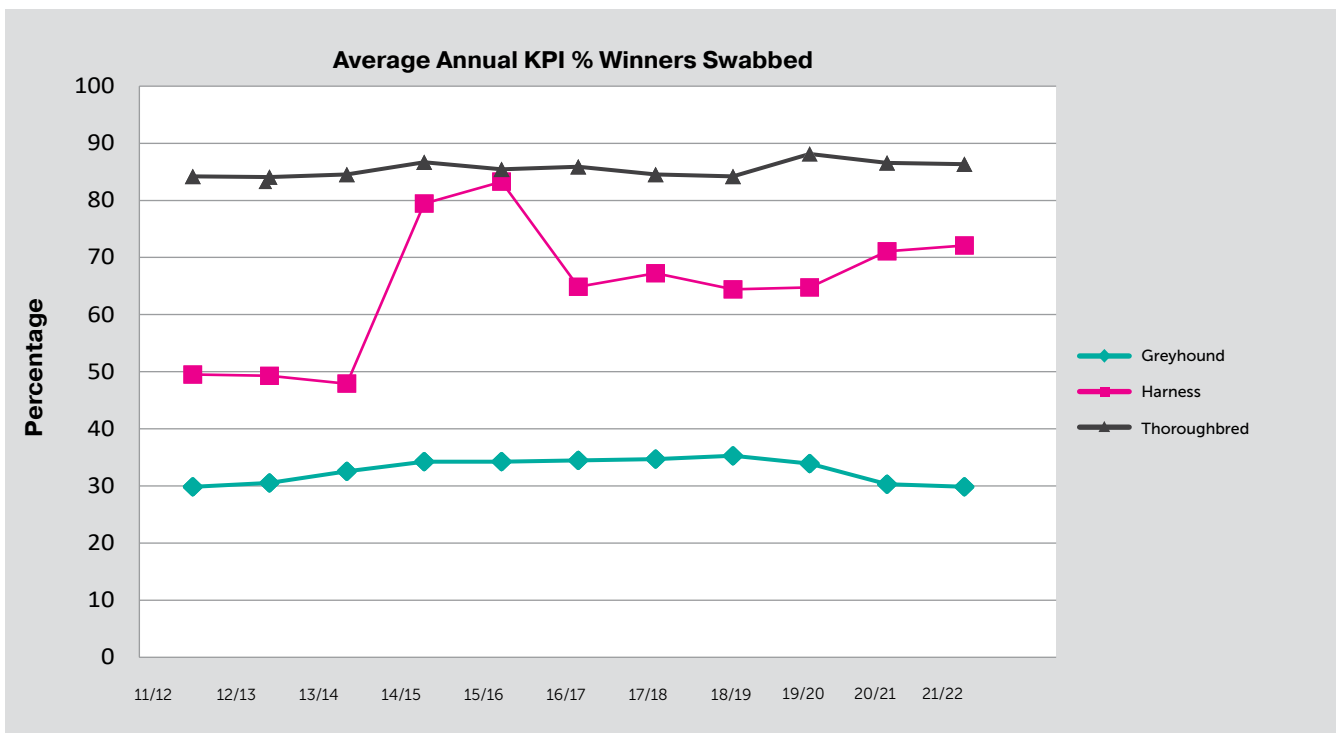
Image: Greyhound ID rugs

RACING INTEGRITY

The graph below provides historical rates of negative swabs. Following introduction of expanded screening in 2016/17, rates of negatives have increased, indicating higher levels of caution by industry regarding the use of routine therapeutic substances.



The level of swabbing relative to percentage of winners across all three codes is represented graphically as follows:



RACING INTEGRITY

Inquiries

The following refers to matters determined by the Primary Inquiries Panel, which is comprised of senior integrity officers across the racing codes who are empanelled to inquire into and determine matters of a serious nature in accordance with the Rules of Racing.

Code	Total Inquiries	Appeals	Disqualifications	Suspensions	Fines	Reprimands
Thoroughbred	10	1	3	0	6	0
Harness	12	1	1	2	8	0
Greyhound	6	2	3	0	2	0
Total	28	4	7	2	16	0

(One thoroughbred and one harness inquiry resulted in only the horses being disqualified from a race. One greyhound inquiry resulted in a 12-month exclusion)

Racing Appeals

The Racing Penalties Appeal Tribunal (RPAT) was created to maintain industry confidence in the enforcement of the various racing rules by providing the industry with an impartial judicial forum for the hearing of appeals against RWWA determinations. The RPAT is responsible for hearing and determining appeals against penalties imposed in disciplinary proceedings arising from, or in relation to, the conduct of thoroughbred, greyhound and harness racing. The following data is courtesy of RPAT.

Performance Summary for FY2022

During the year, two appeals were carried over from FY2021 and 11 new appeals were lodged with the Tribunal. As of 30 June 2022, the Tribunal had determined 10 appeals, with two carried over to FY2023. These appeals, together with appeals from the previous year, are summarised by racing code:

Racing Code	Appeals Carried Over from FY2021	Appeals Lodged	Appeals Determined	Appeals Carried Over to FY2023
Thoroughbred	0	2	1	1
Harness	2	5	7	0
Greyhound	0	3	2	1
Total	2	10	10	2

The results of the determinations in respect of the racing codes for FY2022 are summarised below.

Results	Thoroughbred	Harness	Greyhound
Allowed in full	0	2	1
Allowed in part (penalty reduced)	1	1	1
Referred back to stewards (RWWA)	0	0	0
Dismissed	0	4	0
Withdrawn/not progressed	0	0	0
Leave to appeal refused	0	0	0
Total	1	7	2



RACING INTEGRITY

Appeals Carried Over to FY2023	Thoroughbred	Harness	Greyhound
Reserved decision	1	0	0
Reserved decision on penalty only	0	0	0
Reasons to be published	0	0	0
Yet to be heard	0	0	1
Total	1	0	1

Stays of Proceedings

In FY2022, there were two applications for stays of proceedings. The Chairperson or the presiding member made the determinations as follows:

Stays of Proceedings FY2022	Thoroughbred	Harness	Greyhound
Stays Granted	0	0	0
Stays Refused	1	1	0
Withdrawn	0	0	0
Total	1	1	0

(Data Courtesy RPAT)



Image: Belmont racecourse

Image: RWWA CEO Ian Edwards at HorsePower



CORPORATE SOCIAL RESPONSIBILITY

Strategic Directions and Responsibility

Social responsibility is strongly embedded in the activities of RWWA.

Corporate social responsibility (CSR) supports both society and RWWA by reinforcing employee engagement and enhancing connections with the wider community.

The foundation of CSR is economic, since being profitable means we have something to give. Like all companies, we have an obligation to operate within the law, but beyond that, we hold ourselves to high ethical standards of doing what is right and fair.

Philanthropy rises from these foundations and we aim to make a positive contribution to the community and improve quality of life.

In FY2022 the CSR approach was to focus strongly on support for our community partners, the charities and enterprises highlighted by the wider racing sector and internal giving initiatives.

Our long-term partnerships with HorsePower Australia and Lifeline WA continue.

We not only provide financial support to HorsePower but also donate suitable retired racehorses as therapy horses. This allows us to provide important opportunities for people with diverse abilities as well as to showcase the lives of horses after moving on from racing.

We have long understood the importance of mental health in our community and we are the Foundation Partner of the Lights for Lifeline campaign, which is directed towards training for new telephone crisis support volunteers at Lifeline WA.

Our wider racing community helps to guide our giving. The Race Club Community Program, for example, allows race clubs across the state to nominate a local community group or charity to support and RWWA matches the funds raised on special race days.

Our staff also have a voice in our CSR objectives. Internal initiatives are rewarded by RWWA funding to boost individual charitable efforts.

We look forward to the continued growth and development of our social investment program.

Key Achievements

Community Partners and Initiatives

- HorsePower Australia: \$80,000 to support the program to give people with diverse abilities opportunities for beneficial engagement with horses and subsidise costs for participants in regional areas. The funding, now in its eighth year, included \$30,000 for horse welfare, \$15,000

for participant scholarships, \$18,000 for organisational and centre support and \$17,000 for events. Additional support was provided through TAB agencies, where money was raised through donation tins.

- Lifeline WA: \$8000 to support the Lights for Lifeline campaign, the Black Diamond Gala event and the training of new crisis support volunteers, and a \$1000 donation toward the silent auction at the 2021 Ladies Luncheon.
- Returned and Services League WA: TAB agency donations and Community TAB matching contributions to the ANZAC and Remembrance Day appeals, coming to a total of \$1425.
- Support for the Muscular Dystrophy WA Marquee Day at Ascot, with a matched fundraising donation for \$5000.
- Donation to the Janine Chalwell Grant for Melanoma Research for a total amount of \$8300 through a matched donation and funds raised at the 2021 Thoroughbred Awards.
- Matched fundraising for an amount of \$1818 for the Movember campaign.

Racing Support

- Race Club Community Program: Each year Community TAB partners with race clubs to fundraise for local not-for-profit organisations at selected race meetings. Community TAB matches funds raised on the day. In FY2022, Community TAB partnered with 14 race clubs, providing \$29,006 for local community groups.
- Team Teal: \$15,000 to the campaign led by female Western Australian harness drivers for the sixth consecutive year to support ovarian cancer research. Reinswomen and clerks of the course wore teal at the races in February and March to raise money and awareness, with the funds donated to the Australia New Zealand Gynaecological Oncology Group. The total number of wins for the female drivers across the six-week initiative came to 35.
- Pacing for Pink: Partnership with the harness racing community continued through the support of the Pacing for Pink campaign, with a donation of \$5000 and continued support throughout May 2022.
- \$2000 donation towards the McGrath Foundation, as part of the 2022 Pacing for Pink campaign, helping McGrath Breast Care Nurses support individuals and their families experiencing breast cancer.



Image: Steven Millar at RWWA's Oaks Day lunch

PEOPLE AND CULTURE

FY2022 saw the introduction of a new three-year People Strategy. Our People Vision is to:

“Develop a talented, driven, innovative and committed workforce who are collectively working towards our strategic objectives, and to make RWWA a leading local employer of choice by focusing on building our capacity and capability, supporting our people throughout their career and promoting a positive and engaging workplace culture.”

To achieve this, we will focus on the following:

- Facilitating employee wellbeing and a safe and healthy environment; through increasing the overall resilience, health and wellbeing of all team members we will ensure they are supported to be and do their best;
- Developing and enabling capable leaders; recognising that leadership is critical to building capability, culture and performance across the organisation;
- Building capability and improving performance; we will cultivate an improvement culture where the capability and development of all team members is supported to enable them to realise their full potential; and
- Improving employee experience and engagement; promoting a positive workplace culture and ensuring a strong sense of alignment to our purpose, vision and organisational values.



Image above: Own The Dream Launch Party

Image: 2022 Harness the Dream winners



CHAPTER 3 DISCLOSURES & LEGAL COMPLIANCE



OPINION OF THE AUDITOR GENERAL



Auditor General

INDEPENDENT AUDITOR'S REPORT

2022

Racing and Wagering Western Australia

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Racing and Wagering Western Australia which comprise:

- the Statement of Financial Position at 31 July 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Racing and Wagering Western Australia for the year ended 31 July 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

OPINION OF THE AUDITOR GENERAL

In preparing the financial statements, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of Racing and Wagering Western Australia.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.ausab.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by Racing and Wagering Western Australia. The controls exercised by the Board are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

In my opinion, in all material respects, the controls exercised by Racing and Wagering Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 July 2022.

The Board's responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

OPINION OF THE AUDITOR GENERAL

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of Racing and Wagering Western Australia for the year ended 31 July 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of Racing and Wagering Western Australia are relevant and appropriate to assist users to assess Racing and Wagering Western Australia's performance and fairly represent indicated performance for the year ended 31 July 2022.

The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

OPINION OF THE AUDITOR GENERAL

In preparing the key performance indicators, Racing and Wagering Western Australia is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 Key Performance Indicators.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 31 July 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

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

OPINION OF THE AUDITOR GENERAL

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of Racing and Wagering Western Australia for the year ended 31 July 2022 included in the annual report on Racing and Wagering Western Australia's website. Racing and Wagering Western Australia's management is responsible for the integrity of Racing and Wagering Western Australia's website. This audit does not provide assurance on the integrity of Racing and Wagering Western Australia's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
24 October 2022

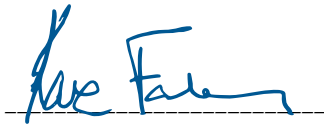


CERTIFICATION OF FINANCIAL STATEMENTS

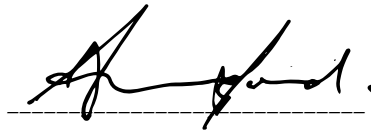
For the year ended 31 July 2022

The accompanying financial statements of Racing and Wagering Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 31 July 2022 and the financial position as at 31 July 2022.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Karen Farley SC
Chair RWWA Board
19 October 2022



Stephen Langsford
Chair Audit & Risk Committee
19 October 2022



Amanda Cox
Chief Financial and People Officer
19 October 2022

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 July 2022

Income	Notes	2022 \$000	2021 \$000
Revenue			
WATAB Margin	2.1	357,949	373,734
Other revenue	2.4	24,394	22,800
Interest revenue		1,559	1,178
Total Revenue		383,902	397,712
Gains			
Gains on disposal of non-current assets	6.5	464	1,231
Total Gains		464	1,231
Total Income		384,366	398,943
Expenses			
Expenses			
Cost of sales	4.1	91,847	104,207
Wagering tax	4.2	51,754	52,452
Racing services	4.3	33,491	29,048
Wagering services	4.3	97,496	90,990
Support services	4.3	44,006	28,819
Grants and subsidies to racing	3.2	33,070	16,855
Distributions to racing and sports	3.1	169,780	159,016
Total Expenses		521,444	481,387
Loss before income from State Government		(137,078)	(82,444)
Income from State Government			
WA Racefields income	2.2	126,931	118,924
Betting tax income	2.3	36,279	35,040
Profit for the period		26,132	71,520
Other Comprehensive Income			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	8.8	1,659	251
Changes in fair value of financial assets	8.8	80	6
Total other comprehensive Income		1,739	257
Total Comprehensive Income for the period		27,871	71,777

See also Note 8.9 'Schedule of Income and Expenses by Service'

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

For the year ended 31 July 2022

Assets	Notes	2022 \$000	2021 \$000
Current Assets			
Cash and cash equivalents	7.3	187,352	170,068
Other financial assets	7.2	19,925	19,655
Inventories	6.9	488	662
Receivables	6.10	10,672	10,260
Other current assets	6.11	9,950	5,876
Non-current assets classified as held for sale	6.4	2,826	-
Total Current Assets		231,213	206,521
Non-Current Assets			
Other financial assets	7.2	1,722	1,642
Other non-current assets	6.11	1,524	452
Property, plant and equipment	6.1	39,888	35,456
Right-of-use assets	6.2	13,432	15,535
Capital works in progress	6.7	6,902	16,058
Intangible assets	6.6	15,222	13,521
Total Non-Current Assets		78,690	82,664
Total Assets		309,903	289,185
Liabilities			
Current Liabilities			
Payables	6.12	51,446	58,014
Lease liabilities	6.13	4,477	4,462
Provisions	5.1	9,898	8,420
Total Current Liabilities		65,821	70,896
Non-Current Liabilities			
Payables	6.12	1,110	1,120
Lease liabilities	6.13	8,940	10,849
Provisions	5.1	3,023	3,182
Total Non-Current Liabilities		13,073	15,151
Total Liabilities		78,894	86,047
Net Assets		231,009	203,138
Equity			
Contributed equity	8.8	69,193	69,193
Reserves	8.8	161,816	133,945
Total Equity		231,009	203,138

The Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 July 2022

	Note	Contributed Equity \$000	General Reserves \$000	Asset Revaluation Reserves \$000	Financial Asset Reserve \$000	Retained Earnings \$000	Total Equity \$000
Balance at 1 August 2020		69,193	45,265	15,992	911	0	131,361
Surplus	8.8	-	-	-	-	71,520	71,520
Other comprehensive income	8.8	-	-	251	6	-	257
Total comprehensive income for the year		-	-	251	6	71,520	71,777
Transactions with owners in their capacity as owners:							
Other contributions by owners		-	-	-	-	-	-
Transfers between reserves	8.8	-	71,520	-	-	(71,520)	-
Total		-	71,520	-	-	(71,520)	-
Balance at 31 July 2021		69,193	116,785	16,243	917	0	203,138
Balance at 1 August 2021		69,193	116,785	16,243	917	0	203,138
Surplus	8.8	-	-	-	-	26,132	26,132
Other comprehensive income	8.8	-	-	1,659	80	-	1,739
Total comprehensive income for the year		-	-	1,659	80	26,132	27,871
Transactions with owners in their capacity as owners:							
Other contributions by owners		-	-	-	-	-	-
Transfers between reserves	8.8	-	26,132	-	-	(26,132)	-
Total		-	26,132	-	-	(26,132)	-
Balance at 31 July 2022		69,193	142,917	17,902	997	0	231,009

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 31 July 2022

Cash Flows from Operating Activities	Notes	2022 \$000	2021 \$000
Receipts			
Receipts from customers		2,219,566	2,314,118
GST receipts on sales		46,303	45,596
Other receipts		16,661	15,568
Interest received		1,559	1,178
Payments			
Customers		(1,860,688)	(1,926,475)
Creditors		(244,084)	(237,993)
Employee benefits		(46,890)	(39,458)
Distributions, grants and subsidies		(202,849)	(175,870)
Interest paid		(1)	(0)
GST payments on purchases		(23,816)	(21,438)
GST payments to taxation authority		(22,240)	(25,074)
Other payments		(15,099)	(12,437)
Net cash used in operating activities	7.3	(131,578)	(62,285)
Cash Flows from Investing Activities			
Receipts			
Proceeds from sales of non-current assets		2,864	2,410
Payments			
Purchase of non-current physical assets		(12,445)	(16,464)
Net cash used in investing activities		(9,581)	(14,054)
Cash Flows from Financing Activities			
Payments			
Principal elements of lease payments		(4,767)	(4,550)
Net cash used in investing activities		(4,767)	(4,550)
Cash Flows from State Government			
WA Racefields income		126,931	118,924
Betting tax income		36,279	35,040
Net cash provided by State Government		163,210	153,964
Net increase/(decrease) in cash and cash equivalents		17,284	73,075
Cash and cash equivalents at the beginning of period		170,068	96,993
Cash and cash equivalents at the end of period	7.3	187,352	170,068

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

1 About this report

This section provides information on the basis of preparation of the financial statements and disclosure of the main judgements, estimates and assumptions used in preparation.

1.1 Basis of preparation

Racing & Wagering Western Australia (RWWA) is a WA Government Trading Entity. A description of the nature of its operations and its principal activities have been included in the Business Overview section of this report which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Board of RWWA on 19th October 2022.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- 1) The Financial Management Act 2006
- 2) The Treasurer's Instructions
- 3) Australian Accounting Standards (AAS) including applicable interpretations
- 4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The Financial Management Act 2006 and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

1.2 Significant accounting policies

These financial statements contain all the significant accounting policies that summarise the recognition and measurement basis used and which are relevant to provide an understanding of the financial statements. Accounting policies that are specific to a note to the financial statements are described in the note to which they relate. Other accounting policies are set out below.

RWWA has consistently applied the accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST, except where the amount of the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

1.2 Significant accounting policies continued

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. The GST on operator's margin, which is partially reimbursed by the Western Australian Government, is classified as cash flows from State Government.

Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current reporting period.

1.3 Critical estimates and judgements

In preparation of the financial statements, management is required to exercise its judgement when applying the accounting policies. When there is a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements, these are disclosed separately. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are described in the following notes below:

	Section
Long service leave	5.1
Property, plant and equipment	6.1
Impairment	6.8

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

1.4 Future impact of Australian Accounting Standards not yet operative

RWWA cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Applications of Australian Accounting Standards and Other Pronouncements' or by an exemption from TI 1101.

Where applicable, RWWA plans to apply the following Australian Accounting Standards from their application date.

Title	Operative for reporting periods beginning on/after
<p><i>AASB 17 - Insurance Contracts</i></p> <p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>The Agency has not assessed the impact of the Standard.</p>	1-Jan-23
<p><i>AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i></p> <p>This Standard amends: (a) AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; (b) AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (c) AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; (d) AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and (e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.</p> <p>There is no financial impact.</p>	1-Jan-23
<p><i>AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i></p> <p>This standard amends: (a) AASB 1049, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (b) AASB 1054 to reflect the updated accounting policy terminology used in AASB 101 Presentation of Financial Statements; and (c) AASB 1060 to required entities to disclose their material accounting policy information rather than their significant accounting policy and to clarify that information about to be material to an entity's financial statements.</p> <p>There is no financial impact.</p>	1-Jan-23
<p><i>AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current</i></p> <p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>There is no financial impact.</p>	1-Jan-23

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

1.5 Initial application of Accounting Standards

AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 Service Concession Arrangements for Grantor applies to annual reporting periods on or after 1 January 2020. The Standard addresses the accounting for a service concession arrangement (a type of public private partnership) by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. The timing and measurement for the recognition of a specific asset class occurs on commencement of the arrangement and the accounting for associated liabilities is determined by whether the grantee is paid by the grantor or users of the public service provided.

An arrangement within the scope of this Standard typically involves an operator constructing the assets used to provide the public service or upgrading the assets (for example, by increasing their capacity) and operating and maintaining the assets for a specified period. Such arrangements are often described as build-operate-transfer or rehabilitate-operate-transfer service concession arrangements or public-private partnerships (PPPs). A service concession arrangement can also involve an existing asset of the grantor or the operator which the operator has the right of access to provide public services on behalf of the grantor. AASB 1059 applies to concession arrangements where the operator:

- a) provides public services related to a service concession asset on behalf of a grantor, and
- b) manages at least some of those services under its own discretion, rather than at the direction of the grantor the grantor.

For applicable arrangements, the Standard requires the grantor to recognise a service concession asset (e.g., infrastructure, previously unrecognised intangible asset) and, in most cases, a service concession liability. Examples of service concession assets include roads, bridges, tunnels, prisons, hospitals, airports, seaports, and water distribution facilities.

The following arrangements are explicitly excluded from the scope of the standard:

- a) arrangements that do not deliver a public service (e.g. assets used for commercial purposes),
- b) arrangements where the operator does not provide and manage at least some of the public services under its own discretion, and
- c) arrangements that involve service and management components where the asset is not controlled by the grantor.

RWWA does not have any service concession arrangements that is within the scope of the standard.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

2 How RWWA is funded

This section provides information on how RWWA is funded. The main source of income flows from the trade of WATAB. This is supplemented by WA Product Fee income collected on behalf of the Racing Industry by State Government and the racing industry share of Betting Tax collected by State Government.

	2022	2021
	\$000	\$000
2.1 WATAB Margin		
Margin on Turnover inclusive of GST	388,599	405,199
Goods and Services Tax	(30,650)	(31,465)
	357,949	373,734

Goods and Services Tax (GST) is not applied to the consumption of gambling services. It is however, applied to the operator's margin defined as the total amounts wagered less total monetary prizes.

Treasurer's Instruction 1102 "Statements of Comprehensive Income" requires the GST reimbursement to be disclosed as income from State Government rather than offset against the cost to which it applies.

Accounting policy

Margin revenue recognition

This represents bets taken net of monetary prizes and GST. Revenues are only recognised when the events to which they relate are finalised.

Revenue is recognised at the transaction price when RWWA transfers control of the services to customers.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022 \$000	2021 \$000
2.2 Income from State Government		
WA Racefields income	126,931	118,924
	126,931	118,924

WA Racefields income represents \$126.9M (2021: \$118.9M) in revenue received from the Gaming and Wagering Commission WA, from national and international wagering operators betting on Western Australian racing product. Generated from RWWA's commercial activity, this revenue would otherwise be paid directly to RWWA by the wagering operators for distribution to WA race clubs, however, it is treated as income from government to be consistent with Section 110B.(5) of the Gaming and Wagering Commission Act 1987, and Section 107A of the Racing and Wagering Western Australia Act 2003.

Accounting policy

Under the Gaming and Wagering Commission Act 1987 (section 110B), the Gaming and Wagering Commission may credit RWWA with the proceeds collected under the Western Australian Race Fields legislation. The Racing and Wagering Western Australia Act 2003 (section 107A) requires these funds to be credited to RWWA and distributed to registered racing clubs in Western Australia. Treasurer's Instruction 1102 requires these amounts to be disclosed as Income from the State Government. RWWA recognises these amounts as income when funds are received.

	2022 \$000	2021 \$000
2.3 Betting tax income		
Betting tax income	36,279	35,040
	36,279	35,040

Accounting policy

Under the Betting Tax Act 2018 Section 4, Department of Treasury is required to pay RWWA an amount equal to 30% of the amount of betting tax collected from all wagering operators taking bets from WA residents. Betting tax income is recognised for the amount which RWWA have a right to receive.

	2022 \$000	2021 \$000
2.4 Other Revenue		
Other revenue ^(a)	17,658	17,185
Unclaimed dividends (Racing) ^(b)	6,736	5,615
	24,394	22,800

Accounting policy

(a) Other revenue

Other revenue is recognised at the transaction price when RWWA transfers control of the services to customers.

Other revenue mainly consists of Sky vision rights income, TAB agency Sky subscriptions, breeder scheme nominations and other sundry income, and is recognised after performance obligations are satisfied.

(b) Unclaimed dividends (Racing)

In accordance with the RWWA Act 2003 (section 104), dividends that are not claimed within seven months are included as income under Other Revenue.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

3 Industry funding

This section provides information on how RWWA uses its income and reserves to fund the racing industry.

	2022 \$000	2021 \$000
3.1 Distributions to Racing and Sports		
Thoroughbreds	107,178	99,641
Harness	36,195	34,594
Greyhounds ^(a)	26,112	24,387
Sports ^(b)	295	394
	169,780	159,016

(a) Greyhound distributions are paid to the Western Australian Greyhound Racing Association (WAGRA), a related party of RWWA.

(b) Sports distributions were paid to Department of Local Government, Sport and Cultural Industries, a related party of RWWA and represent unclaimed dividends.

	2022 \$000	2021 \$000
3.2 Grants and Subsidies to racing		
Grants ^(a)	19,672	4,333
Other subsidies ^(a)	13,398	12,522
	33,070	16,855

(a) Included in Grants and Other Subsidies is a total amount of \$546,413 (2021: \$796,829) paid to the Western Australian Greyhound Racing Association, a related party of RWWA.

Grants and subsidies are recognised as an expense in the reporting period in which they are paid.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

4 Expenditure

This section provides information on the main costs incurred in the conduct of our obligations.

	2022 \$000	2021 \$000
4.1 Cost of Sales		
Cost of Sales mainly include pooling fees, product fees and rebates on wagering activities.	91,847	104,207
	91,847	104,207

	2022 \$000	2021 \$000
4.2 Wagering Tax		
Betting Tax Point of Consumption (POC) Tax - WA ^(a)	50,737	51,497
Point of Consumption (POC) Tax - Other	1,017	955
	51,754	52,452

(a) Betting Tax (WA) is payable at the rate of 15% of taxable betting revenue under the Betting Tax Act 2018.

	2022 \$000	2021 \$000
4.3 Racing, Wagering and Support Services		
Employee Benefit Expense ^(a)	48,113	39,861
Depreciation and Amortisation Expense	16,583	14,991
Finance Costs	327	588
Supplies and Services	45,005	40,464
Advertising and Promotions	42,791	34,694
Communications	4,138	3,838
Accommodation	2,035	2,302
Loss on Investments	1,038	345
Other Expenses ^(b)	14,963	11,775
	174,993	148,858

(a) An amount of \$4,835,553 (2021: \$4,866,703) was paid to Government Employees Superannuation Board, a related party of RWWA.

(b) An amount of \$4,237,147 (2021: \$2,873,532) was paid to Insurance Commission and Riskcover Fund, a related party of RWWA.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

5 Employee benefits & Other Provisions

This section provides information on employee benefits, entitlements and other provisions.

	2022 \$000	2021 \$000
5.1 Provisions		
Current		
Employee benefits provision		
Annual Leave ^(a)	4,385	3,768
Long Service Leave ^(b)	4,735	3,840
	9,120	7,608
Other provisions		
Employment on-costs ^(c)	574	479
Make good provision	204	333
	778	812
	9,898	8,420
Non-Current		
Employee benefits provision		
Long Service Leave ^(b)	1,379	1,741
	1,379	1,741
Other provisions		
Employment on-costs ^(c)	86	109
Make good provision	1,558	1,332
	1,644	1,441
	3,023	3,182

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	3,394	2,917
More than 12 months after the end of the reporting period	991	851
	4,385	3,768

(b) Long service leave liabilities: Unconditional long service leave provisions are classified as current liabilities as RWWA does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because RWWA has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	1,308	1,194
More than 12 months after the end of the reporting period	4,807	4,387
	6,115	5,581

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

5.1 Provisions continued

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers compensation premiums and payroll tax. The provision is measured at the present value of expected future payments. The associated expense is included under 'Other expenses' at Note 4.3.

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

	2022 \$000	2021 \$000
Employment on-cost provision		
Carrying amount at start of period	587	570
Additional provisions recognised	3,046	2,576
Payments/other sacrifices of economic benefits	(2,973)	(2,559)
Carrying amount at end of period	660	587
Make good provision		
Carrying amount at start of period	1,665	-
Additional provisions recognised	176	1,727
Payments/other sacrifices of economic benefits	(79)	(62)
Carrying amount at end of period	1,762	1,665

Accounting policy

Provisions - Employee Benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual Leave

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as current liability as RWWA does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Long Service Leave

A liability for long service leave is recognised after an employee has completed two years of service based on remuneration rates current as at the end of the reporting period.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as RWWA does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because RWWA has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

5.1 Provisions continued

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of RWVA's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision.'

Critical accounting estimates and judgements: Long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Several estimates and assumptions are used in calculating RWVA's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

Make Good

The provision represents the present value of the estimated costs to make good the premises leased by RWVA at the end of the respective lease terms. These costs are capitalised as part of right-of-use assets and are amortised over the lease term. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

5.2 Compensation of Key Management Personnel

RWWA has determined that key management personnel include Ministers, board members, and senior officers of RWWA. However RWWA is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the Annual Report on State Finances.

Total compensation for key management personnel, comprising members of the accountable authority and other senior officers of RWWA for the reporting period are presented within the following bands:

Compensation of members of the accountable authority		2022	2021
Compensation Band (\$)			
1 - 10,000	(a)	2	-
20,001 - 30,000	(a)	1	1
30,001 - 40,000		1	1
50,001 - 60,000		2	1
60,001 - 70,000		3	5
70,001 - 80,000		1	-
110,001 - 120,000		1	1
		\$000	\$000
Short term employee benefits		503	510
Post employment benefits		46	44
Other long term benefits		-	-
Termination benefits		-	-
Total compensation of members of the accountable authority		549	554
Compensation of senior officers		2022	2021
Compensation Band (\$)			
30,001 - 40,000	(a)	1	-
40,001 - 50,000	(a)	-	1
230,001 - 240,000		-	1
270,001 - 280,000		1	-
310,001 - 320,000		1	-
330,001 - 340,000		-	3
340,001 - 350,000		1	-
360,001 - 370,000		1	-
390,001 - 400,000		1	-
440,001 - 450,000		-	2
470,001 - 480,000		1	-
530,001 - 540,000		-	1
560,001 - 570,000		1	-
		\$000	\$000
Short term employee benefits		2,386	2,301
Post employment benefits		238	197
Other long term benefits		135	215
Termination benefits		-	-
Total compensation of senior officers		2,759	2,713

(a) Senior officer/Board Member employed for partial periods of the financial year in their positions.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6 Operating assets and liabilities

This section includes information regarding the key assets RWWA utilises to gain economic benefits from wagering activities and provide service to the racing industry. It also includes liabilities incurred during normal operations.

	2022 \$000	2021 \$000
6.1 Property, plant & equipment		
Freehold Land		
At fair value	15,278	18,993
Accumulated impairment losses	-	-
	15,278	18,993
Buildings		
At fair value	11,081	11,092
Accumulated depreciation	(46)	(7)
	11,035	11,085
Leasehold Improvements		
At cost	6,720	6,714
Accumulated depreciation	(6,594)	(6,462)
	126	252
Infrastructure		
At cost	5,370	5,321
Accumulated depreciation	(5,176)	(4,967)
	194	354
Machinery, Plant & Equipment		
At cost	6,697	5,318
Accumulated depreciation	(5,399)	(5,053)
	1,298	265
Computer Equipment		
At cost	55,512	45,439
Accumulated depreciation	(44,937)	(41,277)
	10,575	4,162
Furniture and Fittings		
At cost	4,685	3,518
Accumulated depreciation	(3,503)	(3,276)
	1,182	242
Motor Vehicles		
At cost	870	692
Accumulated depreciation	(670)	(589)
	200	103
	39,888	35,456

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.1 Property, plant & equipment continued

Freehold land and buildings were revalued as at 1 July 2021 by Western Australian Land Information Authority. The valuations were performed during the year ended 31 July 2022 and recognised at 31 July 2022. The fair value of all land and buildings has been determined by reference to recent market transactions. In undertaking the revaluation, fair value was determined by reference to market values for land: \$11,753,000 (2021: \$15,618,000); current use of land \$3,525,000 (2021: \$3,375,000); market value of buildings \$4,508,000 (2021: \$5,108,000); current use of buildings \$6,527,110 (2021: \$5,977,355).

Information on fair value measurement is provided in Note 6.3.

Accounting policy

Capitalisation/expensing of assets

Items of property, plant and equipment costing over \$5,000 are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items costing less than \$5,000 are expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and the historical cost for all other property, plant, equipment and infrastructure. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.1 Property, plant & equipment continued

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the assets' fair value at the end of the reporting period.

Infrastructure is carried at historical cost less accumulated depreciation and accumulated impairment loss.

Derecognition

Upon disposal or derecognition of an item of property, any revaluation relating to that asset is retained in the asset revaluation surplus.

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	10 to 40 years
Infrastructure	10 years
Leasehold Improvements ^(a)	5 to 15 years
Motor vehicles	5 years
Machinery, Plant and Equipment	5 years
Furniture and Fittings	5 years
Computer Equipment ^(b)	3 to 7 years
Software ^(c)	2 to 15 years

(a) Leasehold Improvements useful life will depend on duration of lease.

(b) Rate reflects the estimated economic life of the asset.

(c) Software that is integral to the operation of related hardware.

Land is not depreciated.

Critical accounting estimates and judgements: Plant, property and equipment / fair value

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.1 Reconciliation of Property, plant & equipment, work in progress and intangible assets

2022	Freehold Land \$000	Buildings \$000	Leasehold Improvements \$000	Infrastructure \$000	Machinery, Plant and Equipment \$000	Computer Equipment \$000	Furniture and Fittings \$000	Motor Vehicles \$000	Intangible Assets \$000	Capital WIP \$000	Total \$000
Carrying amount at start of period	18,993	11,085	252	354	265	4,162	242	103	13,521	16,058	65,037
Additions	-	-	-	-	-	-	-	-	-	12,445	12,445
Transfer to/(from) work in progress	-	272	-	49	1,364	10,069	1,167	211	8,470	(21,601)	-
Disposals	(2,175)	(225)	-	-	-	-	-	(53)	-	-	(2,433)
Classified as held for sale	(2,305)	(521)	-	-	-	-	-	-	-	-	(2,826)
Impairment	-	-	-	(124)	-	-	-	-	-	-	(124)
Revaluation increments/ (decrements)	765	894	-	-	-	-	-	-	-	-	1,659
Depreciation	-	(470)	(126)	(85)	(331)	(3,656)	(227)	(81)	(6,769)	-	(11,745)
Carrying amount at end of period	15,278	11,035	126	194	1,298	10,575	1,182	200	15,222	6,902	62,013
2021											
Carrying amount at start of period	18,904	11,353	395	434	430	6,790	378	661	16,608	2,969	58,923
Additions	-	-	-	-	-	-	-	-	-	16,464	16,464
Transfer (a)	-	-	-	-	-	-	-	-	-	-	-
Transfer to/(from) work in progress	-	-	-	-	-	876	-	-	2,499	(3,375)	-
Disposals	-	-	-	-	-	-	-	(410)	-	-	(410)
Classified as held for sale	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-
Revaluation increments/ (decrements)	89	162	-	-	-	-	-	-	-	-	251
Depreciation	-	(431)	(144)	(80)	(164)	(3,504)	(135)	(148)	(5,586)	-	(10,191)
Carrying amount at end of period	18,993	11,085	252	354	265	4,162	242	103	13,521	16,058	65,037

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.2 Right-of-Use assets

	Buildings \$000	Motor Vehicles \$000	Total \$000
At 1 August 2020			
Gross carrying amount	15,426	-	15,426
Accumulated depreciation	(4,368)	-	(4,368)
Carrying amount at start of period	11,058	-	11,058
Additions	2,088	748	2,836
Reassessments	6,440	-	6,440
Depreciation	(4,682)	(117)	(4,799)
Carrying amount at 31 July 2021	14,904	631	15,535
Gross carrying amount	23,739	748	24,487
Accumulated depreciation	(8,835)	(117)	(8,952)
At 1 August 2021			
Gross carrying amount	23,739	748	24,487
Accumulated depreciation	(8,835)	(117)	(8,952)
Carrying amount at start of period	14,904	631	15,535
Additions	243	333	576
Reassessments	2,111	6	2,117
Depreciation	(4,552)	(244)	(4,796)
Carrying amount at 31 July 2022	12,706	726	13,432
Gross carrying amount	25,504	1,066	26,570
Accumulated depreciation	(12,798)	(340)	(13,138)

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset

RWWA has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 6.8

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.2 Right-of-Use assets continued

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income

	2022 \$000	2021 \$000
Depreciation expense of right-of-use assets	4,796	4,799
Lease interest expense	326	518
Short-term leases	16	66
Low-value leases	6	5
Gains or losses arising from sale and leaseback transactions	-	39
Total amount recognised in the Statement of Comprehensive Income	5,144	5,427

The total cash outflow for leases in 2022 was \$4,766,653 (2021: \$4,550,478).

RWWA's leasing activities and how these are accounted for:

- RWWA has leases for retail accommodations and motor vehicles.
- RWWA recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.
- The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 6.13

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.3 Fair Value Measurements

Assets measured at fair value:

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Fair value at end of period \$000
2022				
Non-Current assets classified as held for sale (Note 6.4)	-	2,826	-	2,826
Land (Note 6.1)	-	11,753	3,525	15,278
Buildings (Note 6.1)	-	4,508	6,527	11,035
	-	19,087	10,052	29,139
2021				
Non-Current assets classified as held for sale (Note 6.4)	-	-	-	-
Land (Note 6.1)	-	15,618	3,375	18,993
Buildings (Note 6.1)	-	5,108	5,977	11,085
	-	20,726	9,352	30,078

There were no transfers between Levels 1, 2 or 3 during the period.

Valuation techniques to derive Level 2 fair values

Level 2 fair values of Non-Current assets held for sale, Land and buildings are derived using the market approach. Market evidence of sales prices of comparable land and buildings in close proximity is used to determine price per square metre.

Non-Current assets held for sale have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices and comparable assets.

Fair value measurements using significant unobservable inputs (Level 3)

	Land \$000	Buildings \$000
2022		
Fair value at start of period	3,375	5,977
Additions	-	278
Revaluation increments recognised in Other Comprehensive Income	150	541
Depreciation Expense	-	(269)
Fair value at end of period	3,525	6,527
2021		
Fair value at start of period	3,375	6,142
Additions	-	-
Revaluation decrements recognised in Other Comprehensive Income	-	106
Depreciation Expense	-	(271)
Fair value at end of period	3,375	5,977

There were no changes in valuation techniques during the period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.3 Fair Value Measurements continued

Valuation Processes

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's Instructions require valuations of land and buildings to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuation Services) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Buildings (Level 3 fair values)

Fair value for existing use specialised buildings assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Valuation using depreciated replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is estimated by the Western Australian Land Information Authority (Valuation Services). The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

Basis of Valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

Significant Level 3 inputs used by RWWA are derived and evaluated as follows:

Consumed economic benefit/obsolescence of asset

These are estimated by the Western Australian Land Information Authority (Valuation Services).

Selection of land with restricted utility

Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

6.3 Fair Value Measurements continued

Information about significant unobservable inputs (Level 3) in fair value measurements

Description and fair value as at 31 July 2022	Description and fair value as at 31 July 2021	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Land \$3,525,000	Land \$3,375,000	Current Replacement Cost Method	Selection of land with similar approximate utility	Higher value of similar land increases estimated fair value
Buildings \$6,527,110	Buildings \$5,977,355	Current Replacement Cost Method	Consumed economic benefit/obsolescence of asset	Greater consumption of economic benefit or increased obsolescence lowers fair value

Reconciliations of the opening and closing balances are provided in Note 6.1.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022 \$000	2021 \$000
6.4 Non-current assets classified as held for sale		
Opening balance		
Freehold land	-	650
Buildings	-	120
	-	770
Assets reclassified as held for sale		
Freehold land	2,305	-
Buildings	521	-
	2,826	-
Less assets sold		
Freehold land	-	650
Buildings	-	120
	-	770
Closing balance		
Freehold land	2,305	-
Buildings	521	-
	2,826	-

Accounting policy

Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position.

	2022 \$000	2021 \$000
6.5 Net gain on disposal of non-current assets		
Proceeds from disposal	2,864	2,410
Carrying amount of disposal	(2,400)	(1,179)
Net gain	464	1,231

Accounting policy

The gain or loss on the disposal of assets is recognised at the date the significant risks and rewards of ownership of the asset passes to the buyer, usually when the buyer takes delivery of the asset. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022 \$000	2021 \$000
6.6 Intangible Assets		
Computer Software		
At cost	82,286	73,832
Accumulated amortisation	(67,064)	(60,311)
	15,222	13,521
Domain Names		
At cost	25	25
Accumulated amortisation	(25)	(25)
	-	-
	15,222	13,521

Accounting policy

Capitalisation/expensing of assets

Acquisitions and internally generated intangible assets costing over \$20,000 are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life.

All acquired and internally developed intangible assets are initially measured at cost.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis using rates which are reviewed regularly. All intangible assets controlled by RWVA have a finite useful life and zero residual value.

The expected useful lives for each class of intangible asset are:

Computer Software ^(a)	2 to 15 years
Domain names	10 years

(a) Software that is not integral to the operation of any related hardware.

Computer Software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset.

Domain Names

Domain names have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022	2021
	\$000	\$000
6.7 Capital Works In Progress		
TAB Terminals and Racewall Upgrade	341	7,522
Software Upgrades	4,240	6,618
Rehoming Facilities	1,077	-
Other	1,244	1,918
	6,902	16,058

6.8 Impairment of Assets

As at 31 July 2022 RWWA had an impairment of infrastructure assets to the value of \$124,256 (2021 : nil).

RWWA held no intangible assets with an indefinite useful life during the reporting period.

Accounting policy

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As RWWA is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an assets depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the assets future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of the reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

		2022	2021
		\$000	\$000
6.9	Inventories		
	Current		
	Inventories not held for resale:		
	At Cost		
	Tickets	389	522
	Agency Spares and Consumables	99	140
		488	662

Accounting policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.

		2022	2021
		\$000	\$000
6.10	Receivables		
	Current		
	Trade Receivables	1,068	1,227
	Accrued Revenue	221	113
	Other Debtors	9,541	8,989
	Allowance for impairment of receivables	(158)	(69)
		10,672	10,260
	Reconciliation of changes in the allowance for impairment of receivables:		
	Balance at start of period	69	60
	Doubtful debts expense	89	-
	Expected credit losses expense	-	9
	Amounts written off during the period	-	(1)
	Balance at end of period	158	69

The maximum exposure to credit risk at the end of the reporting period for receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 7.1(c) 'Financial Instruments disclosures'.

RWWA does not hold any collateral as security or other credit enhancements relating to receivables.

Accounting policy

Receivables are recognised at original invoice amount less any uncollectible amounts (i.e. impairment). The carrying amount is equivalent to fair value as it is due for settlement within 30 days. Agents settle on a weekly basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022 \$000	2021 \$000
6.11 Other Assets		
Current		
Prepayments	9,950	5,876
	9,950	5,876
Non-Current		
Prepayments	1,524	452
	1,524	452

Accounting policy

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

	2022 \$000	2021 \$000
6.12 Payables		
Current		
Trade Payables	1,639	4,108
Unclaimed Dividends and Refunds	4,099	4,228
TAB Payables and Account Betting Deposits	22,808	28,487
Other Payables	8,126	7,269
GST Payable	2,027	1,781
Accrued Expenses	12,747	12,142
	51,446	58,014
Non-Current		
Agents deposits and property bonds	1,110	1,120
	1,110	1,120

Accounting policy

Payables are recognised at the amounts payable when RWWA becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 20 days.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022	2021
	\$000	\$000
6.13 Lease liabilities		
Current	4,477	4,462
Non-Current	8,940	10,849
Total lease liabilities	13,417	15,311

RWWA measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, RWWA uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by RWWA as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by RWWA if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Agency in profit or loss in the period in which the condition that triggers those payment occurs.

This section should be read in conjunction with Note 6.2

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7 Capital and financial risk management

This section sets out the material balances and disclosures associated with financing and cashflows.

7.1 Financial Instruments

(a) Financial Risk Management objectives and policies

Financial Instruments held by RWWA are cash and cash equivalents, other financial assets, receivables, payables, agent deposits and lease liabilities.

RWWA has limited exposure to financial risks. RWWA's overall risk management program focuses on managing the risks identified below.

Credit Risk

Credit risk arises when there is the possibility of RWWA's receivables defaulting on their contractual obligations resulting in financial loss to RWWA. The majority of the authority's trading with customers is conducted on a cash basis. In addition, receivable balances are monitored on an ongoing basis with the result that RWWA's exposure to bad debts is minimal. Credit risk in other financial assets is mitigated by RWWA's investment policy which requires surplus funds to be predominantly invested in unit trusts with underlying assets with credit ratings above investment grade (BBB- or above as per a Standard & Pooors rating). At the end of the reporting period there were no significant concentrations of credit risk.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

Liquidity Risk

Liquidity risk arises when RWWA is unable to meet its financial obligations as they fall due. RWWA is exposed to liquidity risk through its trading in the normal course of business. RWWA has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and unit trust prices will affect RWWA's income or the value of its holdings of financial instruments.

Other than as detailed in the interest rate sensitivity analysis table, RWWA's exposure to interest rate risk is limited because it does not have any borrowings.

RWWA has limited exposure to foreign currency risk on purchases that are denominated in a currency other than Australian dollars.

To manage its price risk in these investments RWWA utilises the services of a professional firm of investment advisors. Price risk is mitigated by RWWA's investment policy that provide strategies for the minimisation of price risk with the diversification of risk across a number of classes of investment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7.1 Financial Instruments continued

(d) Liquidity Risk and Interest Rate Exposure

The following table details RWWA's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

Weighted Average Effective Interest Rate %	Carrying Amount \$000	Interest Rate Exposure			Nominal Amount \$000	Maturity Dates					
		Fixed Interest Rate \$000	Variable Interest Rate \$000	Non Interest Bearing \$000		Up to 1 month \$000	1-3 months \$000	3 months to 1 year \$000	1-5 years \$000	More than 5 years \$000	
	187,352	-	186,236	1,116	187,352	162,322	25,030	-	-	-	-
	21,647	-	-	21,647	21,647	19,925	-	-	-	-	1,722
	10,672	-	-	10,672	10,672	10,672	-	-	-	-	-
	219,671	-	186,236	33,436	219,671	192,919	25,030	-	-	-	1,722
	49,419	-	-	49,419	49,419	49,419	-	-	-	-	-
	13,417	13,417	-	-	13,417	-	-	4,477	5,048	3,892	-
	1,110	-	1,110	-	1,110	-	-	-	-	-	1,110
	63,946	13,417	1,110	49,419	63,946	49,419	-	4,477	5,048	-	5,002
	170,068	-	168,984	1,083	170,068	145,038	25,030	-	-	-	-
	21,297	-	-	21,297	21,297	19,655	-	-	-	-	1,642
	10,260	-	-	10,260	10,260	10,260	-	-	-	-	-
	201,625	-	168,984	32,641	201,625	174,953	25,030	-	-	-	1,642
	56,234	-	-	56,234	56,234	56,092	142	-	-	-	-
	15,311	15,311	-	-	15,311	-	-	686	8,529	6,096	-
	1,120	-	1,120	-	1,120	-	-	-	-	-	1,120
	72,665	15,311	1,120	56,234	72,665	56,092	142	686	8,529	-	7,216

(a) The amount of receivables/payables excludes GST recoverable/payable to the ATO (statutory receivable/payable). The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7.1 Financial Instruments continued

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of RWWA's financial assets and liabilities at the end of the reporting period on the surplus of the period for a 1% change in interest rates. It is assumed that a change in interest rates is held constant throughout the reporting period.

	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
2022					
Financial Assets					
Cash and cash equivalents ^(a)	186,236	(1,862)	(1,862)	1,862	1,862
Financial Liabilities					
Agent Deposits and property bonds	1,110	11	11	(11)	(11)
Total Increase/(Decrease)		(1,851)	(1,851)	1,851	1,851
2021					
Financial Assets					
Cash and cash equivalents ^(a)	168,984	(1,690)	(1,690)	1,690	1,690
Financial Liabilities					
Agent Deposits and property bonds	1,120	11	11	(11)	(11)
Total Increase/(Decrease)		(1,679)	(1,679)	1,679	1,679

(a) Excludes cash amounts that do not earn interest or have a fixed interest rate.

Price Sensitivity Analysis

A change in the market value of unlisted unit trust investments by +/-5% with all other variables held constant would have increased (decreased) RWWA's total surplus of the period as shown below.

	Carrying amount \$000	+5% change \$000	-5% change \$000
2022			
Financial Assets			
Investment in unit trusts	19,925	996	(996)
2021			
Financial Assets			
Investment in unit trusts	19,655	983	(983)

Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022 \$000	2021 \$000
7.2 Other Financial Assets		
Current		
Short term investment in unit trusts at fair value through profit or loss	19,925	19,655
	19,925	19,655
Non-Current		
Unlisted shares at fair value through other comprehensive income	1,722	1,642
	1,722	1,642

Valuation of Investments

Investment in unit trusts are measured at fair value through profit and loss. Unlisted shares are measured at fair value through Other Comprehensive Income.

The approach to measuring the fair value of investments is described below:

Fixed interest unit trust

Unit trusts are priced using fund managers' quotes of unit prices determined on the basis of market value of the investment portfolio with an adjustment for transaction costs.

Unlisted shares

Unlisted shares are priced based on share in net assets.

Level 1 is the preferred input for valuation and reflects unadjusted quoted prices in active markets for identical assets or liabilities which the economic entity can access at the end of the reporting period. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arms length basis.

Level 2 is the valuation of assets and liabilities either directly or indirectly based upon market observables other than quoted prices. For example: Investments with fair values based on broker quotes, investments in unlisted trusts with fair values obtained via fund managers and assets that are valued using the economic entity's own models whereby the majority of assumptions are market observable.

Level 3 relates to inputs that are unobservable. Unobservable inputs means that fair values are determined in whole or in part using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Recurring fair value measurements

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
2022				
Fixed interest unit trusts	-	19,925	-	19,925
Unlisted shares	-	-	1,722	1,722
2021				
Fixed interest unit trusts	-	19,655	-	19,655
Unlisted shares	-	-	1,642	1,642

There were no significant transfers between Level 1, 2 or 3 during 2022.

The table below provides information about the valuation technique and inputs utilised in fair value measurement:

	Valuation Technique	Inputs Utilised
Fixed Interest Unit Trusts	Quoted prices: Unit price	Unit Price, Quantity
Unlisted shares	Share of net assets	Financial Statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7.3 Notes to the Statement of Cash Flows

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one and six months, depending upon the immediate cash requirements of RWWA, and earn interest at the respective short-term deposit rates.

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2022 \$000	2021 \$000
Cash and cash equivalents		
Cash at bank	162,267	144,979
Cash on hand	55	59
Short-term deposits	25,030	25,030
	187,352	170,068
 <i>Reconciliation of profit to net cash flows used in operating activities</i>		
Profit for the period	26,132	71,520
 Non cash items:		
Depreciation, amortisation and lease expense	16,813	15,541
Net gain on sale of property, plant and equipment	(464)	(1,231)
Impairment	124	413
Unrealised Loss on Investments	259	345
 Income from State Government	(126,931)	(118,924)
Betting tax income	(36,279)	(35,040)
 (Increase)/decrease in assets:		
Receivables / Accrued Income	(827)	(1,601)
Current inventories	174	126
Prepayments	(5,145)	(1,403)
 (Increase)/decrease in liabilities:		
Trade creditors ^(a)	(6,953)	6,712
Other creditors	48	1,770
Annual leave and long service leave provisions	1,151	386
Other current provisions	73	17
Change in GST Receivables/Payables ^(b)	247	(916)
 Net cash used in operating activities	(131,578)	(62,285)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable payment in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This reverses out the GST in receivables and payables.

Accounting policy

Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short term deposits with original maturities of six months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7.4 Commitments

Commitments are inclusive of GST

Capital Commitments

Commitments in relation to capital expenditure contracted for at the reporting date but not recognised in the financial statements as liabilities, are payable as follows:

	2022 \$000	2021 \$000
Within one year	1,737	1,664
	1,737	1,664
The capital commitments include amounts for:		
Racing Infrastructure	1,574	261
Motor Vehicles	-	-
Racewalls rollout	-	961
IT systems	163	442
TAB Radio	-	-
	1,737	1,664

Other Expenditure Commitments

Other expenditure commitments contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:

	2022 \$000	2021 \$000
Within one year	28,565	15,592
Later than one year but not later than five years	-	-
	28,565	15,592

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

7.5 Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

	2022 \$000	2021 \$000
Contract performance guarantees exist over future rental payments on TAB Agencies	30	30
Approximate amount payable to Riskcover in future years for performance adjustment in prior years Workers Compensation insurance premiums	485	448

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

8 Other disclosures

This section provides information on other disclosures required to aid the understanding of the financial statements.

	2022 \$000	2021 \$000
8.1 Remuneration of Auditor		
Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:		
Auditing the accounts, financial statements and Key Performance Indicators	216	151
	216	151

8.2 Related Party Transactions

RWWA is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, RWWA is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to the State.

Related parties of RWWA include:

- All Ministers and their close family members, and their controlled or jointly controlled entities;
- All senior officers and their close family members, and their controlled or jointly controlled entities;
- Other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements;
- Associates and joint ventures, that are included in the whole of government consolidated financial statements;
- Government Employees Superannuation Board (GESB).

Significant transactions with government related entities:

- Grants and Subsidies to Western Australian Greyhound Racing Association (Note 3.2)
- Distributions to Western Australian Greyhound Racing Association and Department of Sports and Recreation (Note 3.1)
- Insurance payments to the Insurance Commission and Riskcover Fund (Note 4.3)
- Income from State Government (Note 2.2)
- Remuneration for services provided by the Auditor General (Note 8.1)
- Betting tax Point of Consumption (POC) Tax - WA to State Revenue (Note 4.2)
- Betting tax income from Treasury (Note 2.3)

Material transactions with other related parties

- Superannuation payments to GESB (Note 4.3)

During the year, RWWA had no material related party transaction with Ministers/senior officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

8.3 Related Bodies

At year end RWWA did not have any related bodies.

8.4 Affiliated Bodies

Western Australian Greyhound Racing Association (WAGRA) is a government affiliated body that received distributions of \$26,112,086 (2021 \$24,387,147) and grants and subsidies of \$546,413 (2021 \$796,829) from RWWA. WAGRA is not subject to operational control by RWWA.

8.5 Supplementary Financial Information Write-offs

(a) Write-offs

During the financial year, \$0 (2021 \$808) was written off RWWA's Receivables under the authority of:

The accountable authority

	2022 \$000	2021 \$000
	-	(1)
	-	(1)

(b) Losses through theft, defaults and other causes

Losses of public money and public and other property through theft or default

Amounts recovered

	-	-
	-	-
	-	-

(c) Gifts of public property

Gifts of public property provided by the Agency

	-	-
	-	-

8.6 Events occurring after the end of the reporting period

On 12 October 2021, the Minister for Racing and Gaming announced the recommencement of the sale of the WA TAB under a new market process, with the release of an Invitation for Expressions of Interest. In the course of FY22, the market process advanced to the Request for Binding Offers stage. As at the publication date for the annual report, the market process is ongoing with the State Government's stated intention to announce the outcome of the process toward the end of 2022.

8.7 Special purpose accounts

Monies held on trust for apprentice jockeys

The purpose of these accounts is for riding fees and winnings held on trust for apprentice jockeys during the period of an apprenticeship.

	2022 \$000	2021 \$000
Balance at start of period	740	238
Receipts	902	642
Payments	(680)	(140)
Balance at end of period	962	740

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

	2022 \$000	2021 \$000
8.8 Equity		
Contributed Equity:		
Balance at the start of the period	69,193	69,193
Contributions	-	-
Distributions	-	-
Balance at the end of the period	69,193	69,193
Reserves		
General reserve:		
Balance at the start of the period	116,785	45,265
Transfer from Retained Earnings	26,132	71,520
Balance at the end of the period	142,917	116,785
Asset revaluation reserve:		
Balance at the start of the period	16,243	15,992
Net revaluation increments/(decrements):		
Land	765	89
Buildings	894	162
Balance at the end of the period	17,902	16,243
Financial assets revaluation reserve:		
Balance at the start of the period	917	911
Changes in accounting policy - other financial assets	-	-
Net revaluation increments/(decrements):		
Financial Assets	80	6
Balance at the end of the period	997	917
Balance of reserves at end of the period	161,816	133,945
Retained earnings:		
Balance at the start of the period	-	-
Result for the period	26,132	71,520
Transfer to General Reserve	(26,132)	(71,520)
Balance at the end of the period	-	-

General reserve

The purpose of the general reserve is to cushion the effect of turnover fluctuations, or for supplementing payments made to the racing industry; to meet capital commitments, including the repayment of borrowings; to provide for capital development in the long term interests of RWWA; to meet contingent losses; and for the maintenance, repair, improvement and equipment of premises used by RWWA or its agencies.

Accounting policy Contributed Equity

AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by T1 955 Contributions by Owners made to Wholly Owned Public Sector Entities and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

8.9 Schedule of Income and Expense by Service

	Racing		Wagering		Unallocated		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
INCOME								
Revenue								
Margin	-	-	357,949	373,734	-	-	357,949	373,734
Other revenue	14,127	13,324	10,069	9,476	198	0	24,394	22,800
Interest revenue	-	-	-	-	1,559	1,178	1,559	1,178
Gain on disposal of non-current assets	-	-	-	-	464	1,231	464	1,231
Total Income	14,127	13,324	368,018	383,210	2,221	2,409	384,366	398,943
EXPENSES								
Costs of sales	-	-	91,847	104,207	-	-	91,847	104,207
Wagering Tax	-	-	51,754	52,452	-	-	51,754	52,452
Racing Services	33,491	29,048	-	-	-	-	33,491	29,048
Wagering Services	-	-	97,496	90,990	-	-	97,496	90,990
Support Services	-	-	-	-	44,006	-	44,006	28,819
Grants and subsidies	33,070	16,855	-	-	-	-	33,070	16,855
Distribution to racing and sports industries	169,485	158,622	295	394	-	-	169,780	159,016
Total Expenses	236,046	204,525	241,392	248,043	44,006	28,819	521,444	481,387
Profit/(Loss) before income from State Government	(221,919)	(191,201)	126,626	135,167	(41,785)	(26,410)	(137,078)	(82,444)
WA Racefields income	126,931	118,924	-	-	-	-	126,931	118,924
Betting Tax income	36,279	35,040	-	-	-	-	36,279	35,040
Other income from State Government	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	(58,709)	(37,237)	126,626	135,167	(41,785)	(26,410)	26,132	71,520

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2022

8.10 Explanatory Statement

AASB 1055 Budgetary Reporting standard requires specific budgetary disclosures in the general purpose financial statements of not-for-profit entities within the General Government Sector. RWWA falls within the category of Public Non-Financial Corporation Section. RWWA does not publish annual estimates in the budget papers or the Statement of Corporate Intent.

Therefore, as prescribed under TI 945P, RWWA provides details of any significant variations between the actual results for 2021 and 2022.

Significant variations are considered to be those in excess of 10% and \$2.5M.

Significant variances between actual results for 2021 and 2022

	Comment	2022 Actual \$000	2021 Actual \$000	Variance \$000
Revenue				
Margin	(1)	357,949	373,734	(15,785)
Other Revenue		24,394	22,800	1,594
Interest Revenue		1,559	1,178	381
Gains				
Gain on disposal of non-current assets		464	1,231	(767)
Expenses				
Cost of sales	(1)	91,847	104,207	(12,360)
Wagering Tax		51,754	52,452	(698)
Racing Services	(2)	33,491	29,048	4,443
Wagering Services	(3)	97,496	90,990	6,506
Support Services	(4)	44,006	28,819	15,187
Grants and subsidies to racing	(5)	33,070	16,855	16,215
Distribution to racing and sports	(6)	169,780	159,016	10,764
WA Racefields income	(7)	126,931	118,924	8,007
Betting Tax income		36,279	35,040	1,239
Other income from State Government		-	-	-

Comment

- (1) The margin decrease is due to reduced wagering turnover as the total WA wagering market started to decline in quarter four post COVID and RWWA market share declined. Cost of sales declined in line with turnover and as a result of bringing Fixed Odds Betting Costs in house.
- (2) Increase in training and consulting costs is mainly as part of the improved welfare strategy across all codes and increased harness marketing costs.
- (3) Increases primarily in marketing costs for TABTouch rebranding.
- (4) Increases in support services for the depreciation of fixed asset balances capitalised during the period, and additional contractor and salary expenses, including associated on-costs, in line with the increase in FTE.
- (5) Increase in grants and subsidies to racing is primarily due to the complete redevelopment of the Bunbury racecourse facilities. This will be a two-phase project, with phase one substantially completed in FY22 with an approximate spend of \$17M for the financial period.
- (6) Increase in distributions is primarily due to the strategic initiative to increase base stake payments across the racing codes to improve attractiveness and participation. Plus a further 1% of prize money invested in Jockey welfare.
- (7) WA Racefields income is derived from RWWA's share of the associated taxes on all wagering activity within WA. The increase is reflective of the total wagering market growth within WA.

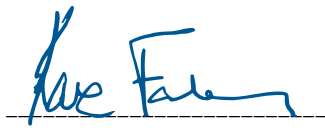
Image: Magnificent Storm



CERTIFICATION OF KEY PERFORMANCE INDICATORS

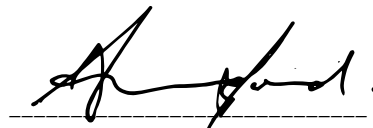
For the year ended 31 July 2022

We hereby certify that the key performance indicators for Racing and Wagering Western Australia (RWVA) are based on proper records, are relevant and appropriate for assisting users to assess the performance of RWVA and fairly represent the performance of RWVA for the financial year ended 31 July 2022.



Karen Farley SC
Chair RWVA Board
(appointed 1 August 2022)

19 October 2022



Stephen Langsford
Chair Audit and Risk Committee

19 October 2022

PERFORMANCE MANAGEMENT FRAMEWORK

For the year ended 31 July 2022

Results-Based Service Delivery

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians

Desired Outcomes	Services Provided	Effectiveness Indicators	Efficiency Indicators
To provide an efficient, competitive and responsible wagering service for Western Australia	Provision of a betting system which is efficient, reliable, maintainable and capable Provision of services to support wagering	Primary Betting System availability Staff (FTE) Number of bets processed	Margin per employee Profit per employee Return on Assets (operating profit as a percentage of total assets)
To achieve an optimum level of funding to the racing industry and sports	Grants administration, evaluation and distribution Administration of industry distribution to the clubs	Distribution to Industry Grants to industry (RWWA funded) Grants to industry (State Government funded)	Margin Operating Profit (excluding the profit/loss from sale of assets) before distribution to codes
To efficiently administer, and to provide effective leadership in the development, integrity and welfare of the racing and wagering industry in Western Australia	Maintain the integrity of the Western Australian racing industry Guarantee the ongoing welfare and sustainability of the Western Australian racing industry Provision of racing, stewarding, wagering, financial, marketing, human resources, IT, strategic and other services	% of Winners Swabbed / Returned Negative Average number of starters in Western Australian races Annual growth in TAB Turnover on Western Australian racing	Racing and Steward expenses per Western Australian race meeting

RWWA's key performance indicators are aligned to the above government goals i.e. Better Places : A quality environment with liveable and affordable communities and vibrant regions.

RWWA's key performance indicators are also reported in the Financials section of this Annual Report.

Results with significant variances of 10% or more compared to the target or to prior year's results have been explained in detail.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2022

Outcome: To provide an efficient, competitive and responsible betting service for Western Australia.

Effectiveness Indicators	Description	2022 Actual	2022 Target	2021 Actual	2020 Actual	2019 Actual	Result
Primary Betting System availability	The availability of the betting system is paramount to the TAB's ability to generate revenue. The high availability target reflects the importance RWWA places on this. A service that is reliable is necessary for the TAB to attract and retain customers.	99.99	99.96	99.98	100.00	99.71	The availability of the betting system during the year is above RWWA's target and comparable with prior year ratios.
Staff (FTE)	With staff employee benefits expense being one of the largest cost categories at RWWA, managing the FTE levels is an important part of ensuring an efficient competitive business.	407	416	396	367	368	The number of FTE at the end of 2021/22 was higher than 2020/21, reflecting the FTE required to achieve it's targets.
Number of Bets Processed	The number of bets processed is an indicator of the TAB's competitiveness in the wagering and gambling marketplace.	253,930	253,101	261,453	213,017	214,714	The number of bets for 2022 is in line with target but lower when compared with FY21. As per commentary below for margin variance to FY21, the movement in number of bets processed is in line with total wagering market movement.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2022

Efficiency Indicators	Description	2022 Actual	2022 Target	2021 Actual	2020 Actual	2019 Actual	Result
* Margin per employee	Margin per employee is a measure of the competitiveness of the business.	\$000	879	944	845	830	Margin per employee is down on prior year in line with decreased turnover and increase in FTE for 2021/22.
* Profit per employee	Profit per employee is down on prior year due to the decrease in margin, and increase in FTE.	\$000	480	579	456	386	Profit per employee is down on prior year due to the decrease in margin, and increase in FTE.
Return on assets (Operating profit as a percentage of total assets)	Return on assets (ROA) is a widely accepted indicator of the efficiency in the use of assets.	%	63.1	79.9	83.0	86.1	ROA is down on the previous year due to increase in total assets and decrease in operating profit for 2021/22. Operating Profit excludes the profit/loss from sale of assets and distribution to codes.

* Targets have not been disclosed due to commercial sensitivity.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2022

Outcome: To achieve optimum level of funding to the racing industry and for sports.

Effectiveness Indicators	Description	2022	2022	2021	2020	2019	Result
		Actual	Target	Actual	Actual	Actual	
Distribution to Industry	RWWA's primary purpose is to provide a sustainable future for the West Australian racing industry, achieved by maintaining the optimum level of funding for the racing industry.	\$000	168,328	159,016	147,989	145,203	The results are consistent with RWWA 2022 distribution policy and target and an increase on last year, due to the strategic initiatives to increase stakes and invest in jockey welfare.
	% Change on prior year	6.8	5.9	7.5	1.9	(0.9)	
Grants to Industry (RWWA Funded)	Grants to industry are essential to provide the safest possible racing environment and ensure the integrity of the racing product.	\$000	32,910	4,332	4,194	4,254	Grants to industry were below target and higher than last year, due to phase one of the Bunbury redevelopment project and slight timing delays of FY22 target spend.
Grants to Industry (WA Government Funded)		\$000	-	-	108	717	There were no WA Funded Grants to Industry budgeted in the 2021/22 Financial Year.

Efficiency Indicators	Description	2022	2022	2021	2020	2019	Result
		Actual	Target	Actual	Actual	Actual	
* Margin	Margin is an important indicator of the capacity of RWWA to fund the racing industry and sports.	\$000	357,949	373,734	310,233	305,581	Margin decreased in 2022 primarily due to the decrease in the total WA wagering market from its FY21 COVID impacted peak.
* Operating Profit excluding the profit/loss from sale of assets before distribution to codes	* Operating Profit excluding the profit/loss from sale of assets before distribution to codes highlights the amount of revenue that has been generated for distribution to the racing clubs.	\$000	195,448	229,305	167,274	141,916	Operating profit is lower than last year mainly due to the decrease in Margin and increase in grants and subsidies to racing.

* Targets have not been disclosed due to commercial sensitivity.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2022

Outcome: To efficiently administer, and to provide effective leadership in the development, integrity and welfare of the racing and wagering industry in Western Australia.

Effectiveness Indicators	Description	2022	2021	2020	2019	Result
		Actual	Actual	Actual	Actual	
* % of Winners Swabbed / Returned Negative	A key component in maintaining the integrity of the racing industry is an efficient and effective drug testing regime and the "% of winners swabbed / returned negative" is a key indicator of the drug testing regime impact on the industry.	99.8	100.0	100.0	99.3	
		99.5	99.6	99.7	99.4	The results are consistent with previous years.
		99.9	99.7	99.9	99.8	
* Average number of starters in WA Races (excluding non-TAB Meetings)	The average number of starters in WA races is an indicator of a healthy population of animals available for racing in WA.	9.5	9.8	10.0	9.8	
		8.9	9.0	9.3	9.6	The results are consistent with previous years.
		7.4	7.5	7.4	7.4	
* Annual Growth in TAB Turnover on WA racing	The TAB accepts bets on racing and sports product from WA, the Eastern States, and International Jurisdictions. The growth in TAB turnover on WA Racing is an indicator that the WA product is seen as an attractive proposition, demonstrating a quality product, with high levels of integrity.	(1.49)	18.06	1.10	(8.6)	Over the course of FY20 and FY21 the total wagering market grew significantly during the COVID pandemic. This growth peaked in FY21 to 30% versus pre COVID levels. This growth continued during FY22, however started to decline from this peak in the last quarter of the financial year. The decline in our turnover is reflective of this market decrease.

* Targets have not been disclosed due to commercial sensitivity.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2022

		2022 Actual	2022 Target	2021 Actual	2020 Actual	2019 Actual	Result
Racing and Steward expenses per WA race meeting	\$000	40.10	36.40	35.58	32.80	29.60	The results show an increase on last year through a combination of raceday and non raceday costs. The target included the change in meets for the year but not the associated expenses with restoring the frequency of pre-COVID travel and inflationary costs.
	% Change on prior year	12.82	2.42	8.48	10.81	4.83	
The racing and stewarding functions performed by RWWA are paramount to both the development and integrity of the racing industry. In delivering these functions, RWWA ensures that the cost of delivery is kept under control, and the cost per meeting is an important indicator of how well RWWA is at controlling the cost of delivery.							



OTHER FINANCIAL DISCLOSURES

Ministerial Directives

No Ministerial Directives were received during the financial year.

Pricing Policies

RWWA has discretion over pricing for goods and services rendered.

Insurance Premiums Paid to Indemnify Members of The Board

An insurance policy is held to indemnify members of the Board against any liability incurred under sections 13 or 14 of the *Statutory Corporations (Liabilities of Directors) Act 1996*. The amount of the insurance premium paid for FY2022 was \$20,547.

Capital Works

Capital works in progress during FY2022 are outlined below:

Project Name	Expected Year of Completion	Expected Cost to Complete \$000	Expected Total Cost of Project \$000
Racing Infrastructure	FY2023	242	2,170
Wagering Infrastructure	FY2023	276	1,735
Support Infrastructure	FY2023	784	2,283

Employment and Industrial Relations

Employee Profile

At the end of the reporting period, the number of people employed at RWWA was 504. This figure includes all permanent and maximum term contract staff, including apprentice jockeys.

Employee Profile	Full Time Equivalent (FTE)		
	FY2020	FY2021	FY2022
Full Time	239	267	279
Part Time	36	36	37
Casuals	45	51	45
Maximum-Term Contracts	45	42	46
Total	365	396	407

OTHER FINANCIAL DISCLOSURES

Racing Industry Safety, Health and Injury Management

Throughout FY2022, RWWA continued to support Western Australian racing with safety advice, publications, training and inspections.

RWWA will ensure its legal obligations are met and the organisation retains a proactive approach to safety within the racing industry, in order to assist industry to comply with the *Work Health and Safety Act (WHS Act) 2020*.

Industrial Relations

Within the reporting period, negotiations were finalised with employee groups and the RWWA TABradio Agreement 2021 and the RWWA General Staff Agreement 2021 were implemented.

Contracts with Senior Officers

At the date of reporting, other than contracts of employment or directorship appointment, no senior officers (directors and executives), or firms of which senior officers are members, or entities in which senior officers have substantial interests had any interests in existing or proposed contracts with RWWA. However, it is noted that some senior officers own (in full and/or part) racehorses and/or greyhounds that participate in racing within Western Australia.



Image: RWWA Greyhound Awards

GOVERNANCE DISCLOSURES

RWWA's Corporate Governance Principles

RWWA's Board strongly supports the principles of corporate governance and is committed to maintaining the highest governance standards within the organisation. This is particularly important given that RWWA must balance commercial decisions with maintaining the welfare of racing animals and the integrity of racing within a heavily regulated environment to ensure the ongoing sustainability of racing in Western Australia.

Board Powers, Structure, Composition and Membership

The management of the business and affairs of RWWA is under the direction of the RWWA Board. *The Racing and Wagering Western Australia Act 2003* gives RWWA broad powers in relation to the management of its affairs and in the management and regulation of the Western Australian racing industry.

While the Gaming and Wagering Commission of Western Australia regulates RWWA's commercial wagering activities, RWWA's Board is not subject to government direction. Part 2, Division 2 of the RWWA Act describes how the Board is to be structured, its composition and membership.

The Board comprises:

- One chair appointed by the Minister responsible for RWWA.
- Four members selected for their expertise in management, finance, business, commerce or information technology, one of which has knowledge of and experience in regional development.
- Three members nominated by each of the racing codes, comprising one director from each code.

Boardroom Conduct and Relationships

The roles and delegated authorities of the Board, Board Committees, Chair, Chief Executive Officer and Executive Members are clearly defined and understood within RWWA.

Key roles of the Board include:

- **Strategy:** Set goals and objectives for the organisation and the racing industry and provide strategic direction and planning.
- **Policies and procedures:** Determine the organisation's and industry's policies and priorities.
- **Leadership and selection:** Appoint the Chief Executive Officer.
- **Risk management:** Understand the major risks involved in the organisation's operations.
- **Relationship with the Minister, regulators and other**

key stakeholders: Create a regular flow of information to and from the Board, public, employees and industry stakeholders to contribute to the marketing and maintenance of RWWA's good reputation.

- **Social responsibility:** Consider the social, environmental, financial and ethical impact on RWWA's stakeholders and the community when making decisions.

Regulatory Disclosure and Stakeholder Communications

A Board member who has a notifiable interest in matters involving RWWA must conform to the following:

- Disclose this interest to the Board.
- Not vote on the matter.
- Must not be present while the matter or resolution is being considered at the meeting.

However, if the Board has passed a resolution that specifies the Board member, the interest and the matter, and the other Board members voting for the resolution are satisfied, the interest should not disqualify the Board member from considering or voting on the matter (Sections 18 and 19, Schedule 1, clause 8(1) of the RWWA Act).

RWWA complies with the requirements of disclosure as required by RWWA Act, *Financial Management Act 2006* and applicable Australian Accounting Standards.

RWWA maintains regular communications with its stakeholders through:

- Racing industry consultative groups.
- TAB Agents Advisory Council.
- Meetings with the Minister responsible for RWWA.
- Communications with employees.

Risk Management and Compliance

The Board, through its Audit and Risk Committee (ARC), assesses and monitors the adequacy and effectiveness of RWWA's risk management and compliance processes. The ARC meets at least four times a year, together with senior management.

RWWA's risk management framework is established in accordance with the risk management standard AS/ NZS ISO 31000:2009 Risk management – principles and guidelines. A designated risk manager supports the effective implementation and application of the framework across the organisation.

The organisation's internal audit function, which reports to the ARC, provides assurance over the management of key organisational operational and strategic risks through

GOVERNANCE DISCLOSURES

implementation of the risk-based internal audit plan. The plan is compiled with reference to the organisation's key risks against which other forms of assurance are mapped to ensure targeted and effective internal audit reviews.

RWWA's compliance and legal team is responsible for embedding and maturing the organisation's approach to legislative compliance, including anti-money laundering and counter-terrorism financing obligations. The team reports to the ARC on legislative compliance on a quarterly basis.

Management signs an annual representation letter providing the Board with assurance that its operations, including financial reports, are based on sound systems of governance, risk management, legislative compliance and internal control.

Ethical Decision Making

RWWA considers the social, environmental, financial and ethical impact on RWWA's stakeholders and the community when making decisions. RWWA has a Responsible Wagering Policy to guide board members, employees and TAB agents in the responsible provision of wagering services and to ensure that RWWA provides customers with the highest standards of customer care.

Strategy, Planning and Monitoring

To outline RWWA's objectives, function, main undertakings and performance targets, an annual Statement of Corporate Intent and a Strategic Development Plan (longer term plan) are developed which documents the plans, direction and vision for RWWA and the racing industry. The Board monitors and evaluates the progress of implementing the Strategic and Business Plans of RWWA.

Encouraged Enhanced Performance

Annual budgets and business plans are developed to meet the targets set in the Statement of Corporate Intent and the Strategic Development Plan and these are linked into RWWA's Performance Management System.

Sustainability

RWWA considers sustainability an important issue, not only for the organisation but also for the Western Australian racing community. RWWA believes that sustainability concentrates on providing a sustainable future, focusing on economic, environmental and social elements.

Key initiatives include:

- Responsible Wagering Program and Code of Conduct.
- Equity and diversity within the workplace.
- Ensuring the financial viability of the Western Australian racing industry through financial practices.

RWWA is committed to improving its sustainability practices and principles.

Integrity

The maintenance of the integrity and fairness of racing in Western Australia is paramount to ensuring the confidence and support of the public and participants who support the industry. In an industry dependent on the public wagering on the outcome of races, it is imperative that racing is conducted on a level playing field and the outcome of these races is determined through honest means.

The importance of ensuring the confidence of participants and supporters is recognised by the RWWA Act, by providing an Integrity Assurance Committee responsible for the primary oversight of those aspects of RWWA's functions that relate to stewards, drug testing and control, licensing and registration, handicapping, racing appeals and the Rules of Racing. Critical to the regulation, control and supervision of racing are the RWWA Stewards.

By virtue of the relevant Rules of Racing, the stewards are granted wide-ranging powers to properly control and regulate their respective racing codes. It is the stewards' task to ensure that the Rules of Racing are adhered to and to investigate, determine and where necessary penalise any breaches of the rules. The stewards are responsible for the conduct of race meetings throughout the State in addition to the conduct of all persons registered in varying capacities in the various racing codes.

OTHER LEGAL REQUIREMENTS

Other Wagering Costs

In compliance with section 175ZE of the *Electoral Act 1907*, RWWA reports that it incurred the following expenditure in relation to account management, market research, content, direct communications and marketing. Total expenditure for FY2022 was \$13.8M and was incurred as follows:

Supplier	\$000	Supplier	\$000
Advertising Agencies		Social and Content	
Brand Agency	3,763	Hamilton Content Creators	11
Clemenger	7,993	Kelvin Ha	1
Signifi Digital Media	565	Brittany Taylor	10
CVW	3	Michael Heaton	17
OZGroup	6	Facebook	109
Direct Booked Media		Twitter	27
Sports Entertainment Network (SEN)	122	Direct Mail	
Southern Cross	6	Mobivate Blackbook	107
Western Sports Media (Sport FM)	33	Mobivate SMS	199
Nova Entertainment	31	Telstra Blackbook	12
Network Ten	20	Optimove	444
Market Research			
Painted Dog	288		
Total			13,844

Unauthorised Use of Credit Cards

Officers of RWWA hold corporate credit cards where their functions warrant usage of this facility. Despite each cardholder being reminded of their obligations under RWWA's credit card policy, 21 employees inadvertently utilised their corporate credit card for personal use. None of these matters were referred for disciplinary action as the Chief Finance and People Officer noted prompt advice and settlement of the personal use amount, and that the nature of the expenditure was immaterial and characteristic of an honest mistake.

	FY2022 \$
Aggregate amount of personal use expenditure for the reporting period	988
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	726
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	217
Aggregate amount of personal use expenditure outstanding at balance date	45

Record Keeping

We are obliged to report on our conduct in compliance with the requirements of the *State Records Act 2000* and communicate this in the Annual Report.

The RWWA Record Keeping Plan (RKP) is a statutory requirement under the Act. It identifies the strategy, processes and tools that ensure business critical information is identified, secured, and retained in compliance with legislation.

The RKP was affirmed by the State Records Commission (SRC) in August 2022 and is periodically reviewed. The RKP will be reviewed and submitted to the SRC for reassessment within five years.

Our records management processes are monitored and developed to meet the needs of the business.

GOVERNMENT POLICY REQUIREMENTS

Occupational Safety and Health

RWWA maintains its focus on proactive health and safety by monitoring key performance indicators, actively auditing the business against compliance standards and looking to continually improve the Work Health and Safety culture by creating relationships with key stakeholders.

RWWA has actively engaged with clubs and provided advice on health and safety requirements via in person audits of club facilities, presentations on Work Health and Safety Legislation and providing detailed gap analysis on findings.

Insurance and Lost Time Injury Table

Measure	Results FY2020(1)	Results FY2021 Prior Year	Results FY2022(1) Current Reporting Year	Targets	Comments Towards Targets
Number of fatalities	0	0	0	0	Target achieved
Lost time injury and/or disease incidence rate	0.55	0.27	0.87	0 or 10% reduction in incidence rate	Target not achieved
Lost time injury and/or disease severity rate	0	0	0.21	0 or 10% reduction in severity rate	Target achieved
Percentage of injured workers returned to work (i) within 13 weeks	100%	100%	100%	Greater than or equal to 80%	Target achieved
Percentage of injured workers returned to work (ii) within 26 weeks	Not Applicable	Not Applicable	Not Applicable	Greater than or equal to 80%	Target achieved
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years	48.57%	15%	17%	Greater than or equal to 80%	Target not achieved

Note (1) The performance reporting examines a three year trend and as such the comparison base year is to be two years prior to the current reporting year (i.e. current year is FY2022 and comparison year is FY2021).

Image: Solid Gold Standardbreds at the APG Sales







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