

ANNUAL REPORT 2023

RACING AND WAGERING
WESTERN AUSTRALIA

STATEMENT OF COMPLIANCE

For the year ended 31 July 2023

The Hon. Reece Whitby MLA; Minister for Environment, Climate Action; Racing and Gaming.

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 reporting period ending 31 July 2023.

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
16 October 2023



Catherine Ferrari
Acting Chair RWWA
Audit and Risk Committee
16 October 2023



Image: Greyhound trainer Jodee Jennings and her greyhound Winnie

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CHAIR REPORT

In my first year as Chair of Racing and Wagering Western Australia, I have had the privilege and responsibility of leading the organisation through a period of innovation and transformation.

At the start of FY2023, the sale process for the WA TAB was nearing conclusion, ceasing on 7 November 2022 following an announcement by the State Government. I acknowledge the significant resilience displayed by our team members and the racing industry throughout the sale process and since then.

A highlight of the year was the inaugural Western Trilogy, the first slot race conducted in WA and unique in bringing all three racing codes together. The Quokka (thoroughbred), Nullarbor (harness) and Sandgroper (greyhound) were the highest staked events for participants of all codes in WA, delivering incredible racing spectacles, national media coverage and record wagering activity. The success of the Western Trilogy shows our ability to generate new enterprises and the racing industry's willingness to support them.

Following the record turnover in FY2022, we have seen revenue normalisation in the wagering market in FY2023. Despite rising inflation and general economic challenges, our commitment to the WA racing industry is unequivocal. During FY2023, we consistently invested in the fundamentals of racing: prize money, race clubs and infrastructure.

We continue to focus on animal welfare to support the stars of our sport before, during and after racing through Greyhounds as Pets (GAP) and Off the Track WA. Over the past 12 months, GAP has rehomed 258 greyhounds and Off the Track WA has retrained 31 horses through its retraining program. We look forward to continued improvement with the recent acquisition of a third

GAP facility and the expansion of the Off the Track WA program. As we celebrate RWWA's 20th anniversary, I commend the remarkable growth and resilience of the organisation, its past and current team members, the WA racing industry and our customers across two decades.

Furthermore, I extend my sincere thanks to my fellow board members, the executive and all team members for their tireless commitment during a challenging period and for embracing the changes and opportunities during the year.



Karen Farley SC
Chair

CEO REPORT

Western Australian racing generates more than \$1.3B for the State's economy. It sustains more than 10,000 full time jobs and involves more than 25,000 people as participants, employees and volunteers. The State's 50 race clubs are a focal point for communities and with most of them located in regional areas, almost half of the financial and participation benefits are felt in regional WA.

(Source: IER report July 2023)

Those statistics are remarkable and it's my privilege to be leading this organisation as we celebrate our 20th anniversary. As I reflect on those two decades, the industries in which we operate have changed significantly and it's to the great credit of this organisation that it has always been able to adapt. As a TAB, we have thrived while technology has evolved, embracing mobile phone betting, sports betting and the rise of fixed odds. As a racing industry, we've coped with equine influenza and COVID-19 and emerged stronger from each. And throughout that period we have continued to innovate and adapt, meaning we now have a strong TAB that still contributes almost half of racing's funding and a racing industry that is positioned as well as any around the country.

The increase in wagering in recent years has supported significant revenue growth and we are happy to have been able to pass on those increases to the racing industry, either in the form of recurring funding, such as prize money and club funding, or as one-off infrastructure grants. We have been careful to manage our finances responsibly to ensure any increases are sustainable and we believe we are in a strong position to cope with the forthcoming contraction in the wagering market.

There is no question that the wagering market is currently going through a period of normalisation, with reductions in wagering across the country due to the rising cost of living, increases in interest rates and the unwinding of the pandemic boom. We are also operating in a regulatory environment which is grappling with a proliferation of gambling advertising and we are keen to work with the State and Federal Government in reviewing how gambling is promoted, protecting our customers from harm while recognising that gambling is a safe form of fun and entertainment for the vast majority of our customers. We must also ensure that our 50 race clubs and 25,000 racing industry participants are not disadvantaged by any further restrictions.

Despite the challenges, the WA TAB and the WA racing industry have shown their resilience over the two decades of RWWA's existence and with prudent

financial and strategic decision making we will be well positioned to ensure the success of our racing industry well into the future.

Innovation in FY2023

The major innovation this season was the inaugural running of the Western Trilogy, sponsored by TABtouch. The world's first tri-code slot race series was worth \$5.5M and was headlined by the richest race ever run in Western Australia, the \$4M The Quokka. It also included the \$1M The Nullarbor and the \$500,000 The Sandgroper.

The Western Trilogy was a resounding success, delivering commercial benefit into the three codes of racing and generating \$6M of economic value in Western Australia. Importantly, it also captured the interest of the Australian racing community at a time of year when WA has previously not been the focus of attention. The prize money increases announced for the Western Trilogy in 2024 reflect this success and will ensure the longevity of this race series.

Another major advancement in FY2023 was the reimagining of the thoroughbred spring carnival as The Pinnacles, which extended the carnival from three to five weeks and took total prize money to \$10.5M, including increases to our three Group 1 races up to \$1.5M each, while also adding a new race, The Gold Rush, at the same level.

The year also saw the termination by the State Government of the process to sell the WA TAB, which has brought closure and certainty to our people and the racing industry. We have taken the opportunity to reset the TAB's strategic plan to reposition the TAB for long-term success.

Infrastructure projects

Major infrastructure investment during the year included the completion of the \$25M redevelopment of Bunbury Racecourse, which has transformed the thoroughbred venue into a leading-edge racing and training facility which can be used throughout the year.

The development was headlined by a complete re-build of the racing surface and training tracks, in addition to new horse stalls, a race day pavilion with jockey and stewards' facilities and an administration building. Training has now resumed and race meetings will return in late 2023.

New jockey and stewards' rooms at Kalgoorlie-Boulder Racing Club have also been completed, including male and female jockey rooms, common use lounge area, jockey spa room (spa provided by the WA Jockeys' Association), stewards room, weighing area and first aid room.

The upgraded female rooms are an important accommodation for the State's increased number of female riders and the facility is now as good as any across the State.

In the harness code, we committed \$24.7M in grant funding for the Gloucester Park development project to support racing and other associated infrastructure such as upgrades to the track and horse stalls, while also supporting some improvements at regional harness venues.

We also commenced work at the Mandurah greyhound track in March. A total of \$6M has been allocated to the construction project including major improvements to the track in line with latest technology and design advances as well as starter boxes, track lighting, fencing, stewards' towers and sections of embankment.

Our people

It is important to position RWWA as a great place to work, and this year saw the launch of a long-term strategy to attract, engage and retain talent in our organisation. The Ready to RACE program comprises a series of initiatives to embed our values of Respect, Accountability, Connection and Excellence, which underpin all the activities we undertake with respect to our people.

As part of this strategy we have developed a wellbeing program that runs throughout the year and includes a range of initiatives that are designed to also offer support to our TAB agents and racing industry participants.

During the year we welcomed new Chief Financial Officer Leslie Crockett and Chief Information Officer Grey Properjohn to our executive team.



Image: Hon. Colin Holt, Mr Peter Rundle MLA, RWWA CEO Ian Edwards and City of Perth Lord Mayor Basil Zempilas at the Western Trilogy launch at Optus Stadium.



Image: Jockey Pat Carbery and Amelia's Jewel at The Quokka

Animal welfare

We are committed to supporting the care of animals before, during and after their racing careers.

This year we invested in a second property for our Greyhounds as Pets program, which provided additional capacity in order to further expand our rehoming capability.

We followed up with the purchase of a large property to be developed as the new, long-term headquarters of Greyhounds as Pets WA (GAP), which will ultimately include space for 100 dogs, a well-organised work environment for team members and welcoming areas for people to meet and greet dogs that are ready for adoption.

Our Off the Track WA retraining program this year passed the milestone of rehoming 100 retired racehorses. Under the guidance of our Off the Track team and official retrainers, these retired racehorses have found new homes and purposes of many kinds from pets to therapy horses and competition mounts.

We launched the Off the Track WA Community Fund to support horse-based education and therapy projects involving retired racehorses.

While our Off the Track WA sponsorships and education clinics are available to horses moving on to other equestrian pursuits, the aim of the new fund is to nurture innovation and wider opportunities for retired racehorses in non-riding activities.

In addition, the RWWA Research Fund was created to support research projects with the potential to help horses thrive during their racing careers and beyond.

Racing WA Community Fund

I was delighted to celebrate the recent launch of the Racing WA Community Fund, which brings together all facets of our commitment to support the communities where we operate, racing animals and participants.

The fund is designed to serve as a driving force for positive change in areas linked to racing, where our presence is deeply felt. Through the fund, we will nurture and develop the connections between racing and the wider community.

The vast and diverse communities connected to racing have guided our giving and investment throughout FY2023. Key initiatives encompassed funding the Greyhounds as Pets WA and Off the Track WA programs, along with our Race Club Community Program, which supported local community groups. In collaboration with race clubs, we jointly raised funds for not-for-profit organisations selected by them, including Variety WA, St John, Lions Clubs and more. The initiative culminated in a significant milestone in September - collectively raising over \$1M since the program's inception.

We also supported several community groups, including our longstanding partnership with HorsePower who empower people with diverse abilities through horse-based therapy. Our collaboration with harness reinswomen in the Team Teal campaign raised funds and awareness for the Australia New Zealand Gynaecological Oncology Group. Additionally, our GAP program forged a significant partnership with the WA Police Union, granting priority access to current and retired officers for adopting retired greyhounds.

As one of the inaugural slot holders in the Western Trilogy, the TABtouch runner secured victory in the Nullarbor slot race, while also earning prize money from the other two slot races. TABtouch dedicated the total \$270,000 prize money to good causes and this money gives the Racing WA Community Fund a real boost in its first year of operation.

Within our overarching purpose of providing a sustainable future for racing, I look forward to firmly embedding the Community Fund into our business throughout FY2024.



Ian Edwards
Chief Executive Officer

Image: Trainer Stephen Reed at his Bunbury property.



ABOUT
**RACING AND WAGERING
WESTERN AUSTRALIA**



OUR PURPOSE

Our charter under the *Racing and Wagering Western Australia Act 2003* are to:

1. Foster the development, promote the welfare and ensure the integrity of metropolitan and country thoroughbred racing, harness racing and greyhound racing, in the interests of the long-term viability of the racing industry in Western Australia; and
2. Carry on the business of operating an off-course totalisator wagering service on races and certain sporting and other events trading as the TAB.

In performing our functions, we must act in accordance with prudent commercial principles and endeavour to make a profit.



Image: Angela Johnston wins on Greywolf in Meekatharra.

OUR BRANDS



ENABLING LEGISLATION

On 1 August 2003, Racing and Wagering Western Australia was established as a body corporate with perpetual succession under the *Racing and Wagering Western Australia Act 2003*.

As part of the legislative framework to establish RWWA and enable us to perform our functions:

1. RWWA became the principal club and controlling authority of the Western Australian Turf Club, the Western Australian Trotting Association and the Western Australian Greyhound Racing Authority;
2. The *Totalisator Agency Board Betting Act 1960* was repealed and RWWA assumed responsibility for the conduct of off-course TAB wagering;
3. The *Totaliser Agency Board Betting Tax Act 1960* was repealed and replaced by the *Racing and Wagering Western Australia Tax Act 2003* and later the *Betting Tax Assessment Act 2018*;
4. The *Racing Restriction Act 2003* replaced the *Racing Restriction Act 1917*;
5. 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; and
6. 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.

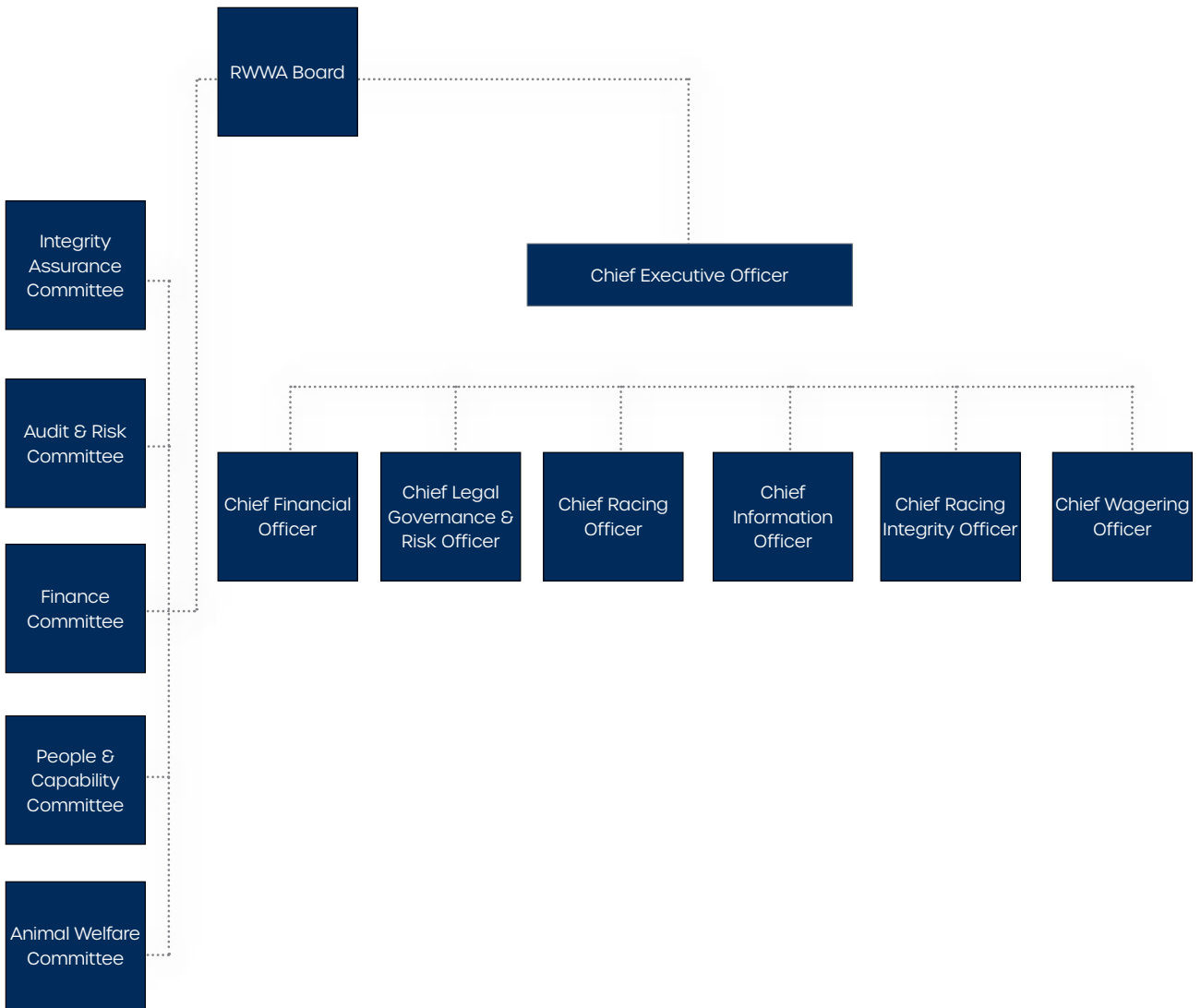
RESPONSIBLE MINISTER

The Hon. Reece Whitby MLA, Minister for Environment; Climate Action; Racing and Gaming is the current minister responsible for RWWA.



Image: Apprentice Jockey Holly Watson and Lexington City.

ORGANISATIONAL STRUCTURE



BOARD



Ms Karen Farley SC (Chair)

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 (Deputy Chair)

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, providing companies with strategic advice in reputation and issues management, public relations and branding.



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 Board Member of Harness Racing Australia and 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.



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 and a Non-Executive Director of the Western Australian Country Health Service.



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 investor. 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 and consults in agriculture and regional development. 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.

BOARD COMMITTEES

Animal Welfare Committee

The Animal Welfare Committee is responsible for overseeing welfare strategies, initiatives and outcomes relating to equine and canine animals in the Western Australian racing sector.

Committee members

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

Audit and Risk Committee

The Audit and Risk Committee is responsible for overseeing risk management and internal controls, financial performance and reporting, internal and external audit functions, governance and compliance with relevant laws and regulations..

Committee members:

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

Finance Committee

The Finance Committee is responsible for overseeing investment, finance, transformation and infrastructure decisions, strategies and policies.

Committee members:

- K Farley SC (Chair)
- A Hasluck
- S Langsford
- R Fowler

Integrity Assurance Committee

The Integrity Assurance Committee is responsible for overseeing 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

People and Capability Committee

The People and Capability Committee is responsible for overseeing organisational culture and capability, remuneration, diversity and inclusion, and learning and development.

Committee members:

- C Ferrari (Chair)
- K Farley SC
- A Hasluck

**external independent member*

EXECUTIVE COMMITTEE

Ian Edwards

Chief Executive Officer

Elizabeth Lawton

Chief Legal, Governance and Risk Officer

- Legal, Governance, Risk and Compliance
- Board Secretariat
- Internal Audit
- Wellness and Safety
- Responsible wagering, Freedom of Information and AML/CTF
- People and Capability and Payroll

Denis Borovica

Chief Racing Integrity Officer

- Integrity Operations and Strategy
- Stewards
- Investigations
- Veterinary Services
- Licensing

David Hunter

Chief Racing Officer

- Racing Facilities, Operations and Services
- Commercial and Partnerships
- Club Development
- Animal Welfare
- Racing Industry Training

Michael Saunders

Chief Wagering Officer

- Wagering and Trading
- Customer Relationships and Intelligence
- Property and Retail Sales
- Marketing

Leslie Crockett

Chief Financial Officer (from 17 April 2023)

- Finance
- Procurement
- Business Operations

Grey Properjohn

Chief Information Officer (from 1 June 2023)

- Information and Technology
- Product Management and Development
- Data Protection and Governance

Image: Apprentice jockey Brayden Gaerth and Hidden Ruby.



KEY AND ADMINISTERED LEGISLATION

The key legislation governing our functions and activities includes the:

- *Betting Control Act 1954*
- *Betting Control Regulations 1978*
- *Betting Tax Act 2018*
- *Betting Tax Assessment Act 2018*
- *Gaming and Wagering Commission Act 1987*
- *Racing and Wagering Western Australia Act 2003*
- *Racing and Wagering Western Australia Regulations 2003*
- *Racing Bets Levy Act 2009*
- *Racing Restriction Act 2003*
- *Taxation Administration Act 2003*
- *Long Service Leave Act 1958*
- *Patents Act 1990*
- *Procurement Act 2020*
- *Public Interest Disclosure Act 2003*
- *Spam Act 2003 (Cth)*
- *State Records Act 2000*
- *State Superannuation Act 2000*
- *Statutory Corporations (Liabilities of Directors) Act 1996*
- *Superannuation Guarantee (Administration) Act 1992 (Cth)*
- *Unclaimed Money Act 1990*
- *Work Health and Safety Act 2020*
- *Workers Compensation and Injury Management Act 1981*

In performance of our functions and activities, we comply with the following written laws:

- *Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth)*
- *Competition and Consumer Act 2010*
- *Copyright Act 1968 (Cth)*
- *Corruption, Crime and Misconduct Act 2003*
- *Criminal Code Act Compilation Act 1913*
- *Electoral Act 1907*
- *Equal Opportunity Act 1984*
- *Fair Work Act 2009*
- *Financial Management Act 2006*
- *Freedom of Information Act 1992*
- *Gaming and Betting (Contract Securities) Act 1985*
- *Interactive Gambling Act 2001 (Cth)*
- *Liquor Control Act 1988*

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

RACING REPORT



Image: Racecaller Royce Newton



Our racing division 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.

As the Principal Racing Authority for the three racing codes in Western Australia, we operate under the *Racing and Wagering Western Australia Act 2003* and apply the National Rules of Racing for each code.

Key racing statistics

(Brackets indicate FY2022)	Race clubs	Meetings	Races	Starters	Unique animals
Thoroughbred	37	292 (272)	2260 (2156)	21,345 (20,347)	3283 (3179)
Harness	12	257 (253)	2172 (2139)	19,822 (19,055)	1561 (1549)
Greyhound	1	363 (355)	4195 (4041)	30,724 (29,697)	1668 (1630)
TOTAL	50	912 (880)	8627 (8336)	71,891 (69,099)	6512 (6358)

Funding by code

(Brackets indicate FY2022)	Prize money (\$m)	Breeding bonuses (\$m)	Other participant payments (\$m)	Club funding (\$m)	Club subsidies (\$m)	RWWA-funded grants (\$m)	Total (\$m)
Thoroughbred	88.3 (73.3)	12.1 (9.8)	12.0 (7.9)	17.9 (16.8)	11.7 (10)	16.9 (18.7)	158.9 (136.5)
Harness	29.4 (24.4)	3.6 (3.6)	1.9 (1.5)	6.8 (6.7)	2.3 (1.9)	1.1 (0.4)	45.1 (38.5)
Greyhound	17.9 (14.7)	1.6 (1.5)	2.7 (1.9)	7.9 (8.0)	1.9 (1.4)	0.4 (0.1)	32.4 (27.6)
TOTAL	135.6 (112.4)	17.3 (14.9)	16.6 (11.3)	32.6 (31.5)	16.0 (13.3)	18.3 (19.2)	236.4 (202.6)

THE WESTERN TRILOGY

Slot races launched into Western Australia in FY2023 with an unprecedented \$5.5M autumn racing weekend.

The Western Trilogy brought thoroughbred, harness and greyhound races together for Australia's first tri-code slot racing event, providing a boost to the Western Australian racing calendar.

The three races of The Western Trilogy are among the richest in the State for each racing code, with each race name given a strong Western Australian flavour. The Quokka, The Nullarbor and The Sandgroper.

Slot holders for the inaugural Western Trilogy race series included an exciting mix of racing talent and corporate power from Western Australia and across the nation.

This set the stage for generating national interest from an attendance and wagering perspective, while

free-to-air coverage of The Quokka from the Seven Network bolstered engagement in Western Australia's richest race.

In terms of wagering performance, the three Western Trilogy races were each in the top-five best performing races ever in each code.

The Quokka | \$4M | 14 Slots

Won by Overpass for the RAM Racing Syndicate.

The Nullarbor | \$1M | 10 Slots

Won by Betterzipit for TABtouch.

The Sandgroper | \$500,000 | 8 Slots

Won by Crumble Monelli for Total Container Solutions.

Image: RAM Racing slot holders at The Quokka



THOROUGHBRED

A rise in base stakes at all levels of racing was the foundation of the FY2023 funding strategy for thoroughbred racing participants.

We injected \$11.8M into thoroughbred base stakes and a range of initiatives in the 2023 season.

The boost in prize money is crucial to improving the viability of participating in WA thoroughbred racing and therefore strengthening ownership and involvement.

Distribution

The following outcomes were delivered during FY2023:

- \$142M in club and participant funding and subsidies, including:
 - \$17.9M in club funding for 37 thoroughbred clubs (including tenanted arrangements for Coolgardie Race Club at Kalgoorlie).
 - \$88.3M in base and feature stakes.
 - \$12.1M in Westspeed and EPONA bonuses

Other thoroughbred activities

Other major thoroughbred racing activities during FY2023:

- The inaugural The Quokka slot race was added to the autumn racing program as part of The Western Trilogy. With a total of \$4M in prize money it became the richest race ever conducted on a Western Australian racecourse. All 14 slots were filled with a mixture of local and Eastern States' runners, New South Wales sprinter Overpass held on from WA's fast finishing Amelia's Jewel and Victoria's Bella Nipotina in third.
- The Magic Millions Yearling Sales recorded a sale aggregate of \$19.6M (\$18.7M in FY2022) and an average sale price of \$73,054 (\$68,515 in FY2022), with a clearance rate of 90.6 per cent.
- Ascot Racecourse hosted The Pinnacles, featuring four consecutive Saturdays of \$1.5M races including the inaugural running of The Gold Rush.
- Re-development of the Bunbury Racecourse, which includes a new 20-metre-wide turf track, a 17-metre-wide sand training track, 150 horse stalls and an extensive drainage and profile-raising construction which allows for racing and training year-round. Training has now resumed and race meetings will return in late 2023.

- We hosted another round of the Own The Dream event series, which gave 208 people the opportunity to meet trainers, breeders and other racing participants over four free events. In total, 57 per cent of participants in the series were converted to racehorse owners (+13 per cent year-on-year).
- Continued support of animal welfare with one per cent of total advertised prizemoney being dedicated to equine welfare initiatives, including spend on the advanced imaging rebate, funding for the horse ambulance at Perth Racing, Northam Race Club and Bunbury Turf Club, additional resourcing to support improved traceability reporting requirements and the on-entry health care initiative for horses entering the Off the Track WA Retraining Program.

Industry training

Enhancements to our Apprentice Jockey Training Program were implemented which included alignment of the program towards education and training as well as developing riding abilities while apprentices are learning the vocation of a jockey.

These changes allow our organisation to introduce further education programs directly targeted towards existing workers and those interested in a career in racing.

Two new apprentice jockeys commenced race riding, resulting in 14 apprentice jockeys overall race riding at the end of the season.

Ladqar Ramoly, Austin Galati and Holly Watson all transitioned to senior riders. Austin Galati ended his apprenticeship taking out the WA Champion Country Apprentice Award and Holly Watson claimed the WA Champion Metropolitan Apprentice Jockey.

HARNESS

A rise in base stakes at all levels of racing was the keystone of the FY2023 funding strategy for harness racing participants.

We injected \$3.4M in prize money and participant viability initiatives across the harness code.

The stakes increase seeks to improve the return on investment to harness owners and trainers, and ultimately retain participants in the industry.

Distribution

The following outcomes were delivered during FY2023:

- \$44M in club and participant funding and subsidies, including
 - \$6.8M in club funding distributed between 12 harness clubs and five training-only venues.
 - \$29.4M in base and feature stakes.
 - \$3.6M paid in Westbred bonuses.

Other harness activities

Other major harness racing activities during FY2023:

- The inaugural The Nullarbor slot race was added to the autumn racing program as part of The Western Trilogy. With a total of \$1M in prize money, the Nullarbor generated plenty of national interest. The 10 slots were filled with a mixture of local and interstate' runners. Betterzippit held on from New South Wales raider Spirit of St Louis with Jumpingjackmac finishing third.
- The Australian Pacing Gold Yearling Sales recorded a sale aggregate of \$3.5M (\$3.2M in FY2022) and an average sale price of \$34,400 (\$32,900 in FY2022), with a clearance rate of 92.7 per cent.
- A total of 315 Western Australian-trained mares earned \$387,205 in EPONA credits from winning 636 races. Subsidies of \$184,152 were paid to owners of 71 mares.
- Harness The Dream featured again in 2023, with 28 teams participating in two events in January.

The grand finale was held at Gloucester Park on WA Pacing Cup night. 57 per cent of participants in the series went on to redeem their APG voucher and continue the journey as harness owners. Trotsynd were engaged to provide the major prize, a share in two ready-to-race Westbred two-year-old horses.

- Continued support of animal welfare with one per cent of total advertised prize money being dedicated to equine welfare initiatives, including spend on the advanced imaging rebate, funding for Pinjarra Harness Racing Club stall fans, additional resourcing to support improved traceability reporting requirements and the on-entry health care initiative for horses entering the Off the Track WA Retraining Program.

Industry training

We partnered with Registered Training Organisation Racing Education Centre which offers the ability to introduce initiatives for the harness industry around education and training.

Our inaugural professional development seminar was held, aimed at supporting trainers with strategies and tools to manage their business. We will continue to offer these types of seminars in the next financial year.

GREYHOUND

A rise in base stakes at all levels of racing was the cornerstone of the FY2023 funding strategy for greyhound racing participants.

We injected \$3.6M in stakes and participant funding across all greyhound race meeting types. Feature race increases were also implemented, including a rise for the Perth Cup to \$301,000 and the Galaxy to \$188,000.

In addition, an increase to trainer subsidies was introduced as recognition that the rising cost of living is impacting all who take part in the code.

Distribution

The following outcomes were delivered during FY2023:

- \$32M in club and participant funding and subsidies, including:
 - \$7.9M in club funding for Western Australian Greyhound Racing Association, racing at three venues (Cannington, Mandurah and Northam).
 - \$17.9M in base and feature stakes.
 - \$2.7M in trainer subsidies.
 - \$1.6M paid in Westchase bonuses.

Other greyhound activities

Further major greyhound racing activities for FY2023:

- The inaugural The Sandgroper slot race was added to the racing program. The \$500,000 total purse became the richest race ever conducted on a Western Australian greyhound track. The final field was a mix of star locals and interstate Group race circuit chasers. The crowd on course was rewarded with the opportunity to cheer home four local greyhounds who filled the top four placings.
- Mandurah track works commenced in March 2023. This \$8M development will be completed in the FY2024 season, with racing due to recommence in late October 2023.
- A purpose-built rehoming centre for greyhounds is planned for a large property newly secured in Southern River, set to become the new headquarters for Greyhounds as Pets WA (GAP). The facility will focus on supporting the welfare of greyhounds transitioning to life after racing through GAP, and offer an improved experience for adopters, team members, volunteers and partners.
- Continued support of animal welfare with one per cent of total advertised prize money being dedicated to greyhound welfare initiatives, including spend on making the GAP secondary site at Cairn Rd operational, investment in RWWA-owned GAP master-site and increased spend on greyhound injury recovery schemes.

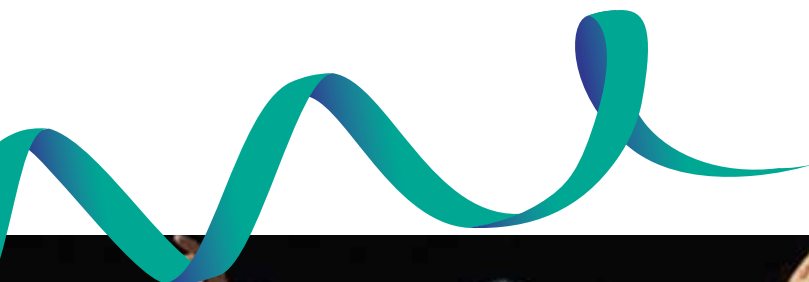


Image: The Sandgroper winner Crumble Monelli and trainer David Hobby.

MAJOR GROUP RACE WINNERS

An important part of summarising racing's key achievements for FY2023 is to acknowledge the winners of major feature races throughout the season.

Thoroughbred

- Railway Stakes (Group 1) won by Trix of the Trade, trained by Colin Webster, ridden by Troy Turner and owned by WJ and PL Robinson.
- Winterbottom Stakes (Group 1) won by Paulele, trained by James Cummings, ridden by Ben Melham and owned by Godolphin.
- Kingston Town Classic (Group 1) won by Amelia's Jewel, trained by Simon A Miller, ridden by Patrick Carbery and owned by PV Walsh.
- Perth Cup (Group 2) won by Buster Bash, trained by David Harrison, ridden by Shaun McGruddy and owned by D R Harrison, Mrs J B Harrison, B L Sanders, G J Christie, L F Wenn, Ms K E Thompson and R E Roney Nominees Pty Ltd (Mgr: R E Roney).
- Karrakatta Plate (Group 2) won by Super Smink, trained by Daniel Morton, ridden by Chris Parnham and owned by Mrs C L Morton, McHams (Mgr: D L McArthur), Ms A Tottle, R J Walker, C Madaschi, M P Madaschi, G A Baxter, A J L Durnin, Fewnicorns, F H R U S Racing, Get The Round In, A E Hayden, B Jardine, L N Langford, R W Pettigrove, Mrs D N Pratt, J J Byrne, Mrs J C Dunning, L Madaschi and P Still.
- WATC Derby (Group 2) won by Awesome John, trained by John O'Shea, ridden by William Pike and owned by S Saric, Mrs J C Saric, J V Saric, Miss A E Saric, Ms T L Saric, Mrs C Gudelj, V Gudelj, Mrs J Pavlovic and J Pavlovic.
- The Gold Rush (Group 3) won by The Astrologist, trained by Leon & Troy Corstens, ridden by William Pike and owned by Bennett Racing (Mgr: N Bennett), Southstar 1 (Mgr: A Downard), Zoustar Five (Mgr: A Stanley), Ginza Racing (Mgr: D Sullivan), S Roth, L Thomas, D Higginbotham, D and Mrs A Newton, P Camilleri, D Bolch, L Pearson, Mrs S Smallwood, S Mchenry, M Ramsey, Mrs A Hare, M Bone, D Mullen and Mrs L Bliss.

- The Quokka won by Overpass, trained by Bjorn Baker, ridden by Josh Parr and owned by S G Darby, J Georgatsoulis, P Halfhyde, T Kingston, W E Payne, Ms S G Wilson, B E Wright, Jimlee Racing (Mgr: Ms L Caff), Knuckleheads Racing (Mgr: M J Tylor), C F Bolton, Darby Racing Walkway (Mgr: S G Darby) and Cantbreakmystride (Mgr: M T Anderson).

Harness

- Fremantle Pacing Cup (Group 1) won by Mighty Ronaldo, trained by Justin Prentice, driven by Emily Suvaljko and owned by G A Mortimer, R Fitzgerald, R V Brennan, S C Brennan, T Florio, J Florio, J R Brennan, K Brennan, A D Vallis, J K Prentice, B L Jones, Hillbillies Syndicate, G S Thorn and B Thorn.
- WA Pacing Cup (Group 1) won by Diego NZ trained by Gary Hall Snr, driven by Gary Hall Jnr and owned by S A Brown and S B Brown.
- The Nullarbor won by Betterzippitt NZ, trained by Jason Grimson, driven by Cameron Hart and owned by Boots Properties Racing Pty Ltd.

Greyhound

- Galaxy (Group 1) won by First Picked, trained by Chris Halse and owned by Robert Britton.
- Perth Cup (Group 1) won by Elite Machine, trained by Jamie Marsh and owned by Daniel Williams.
- 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.
- The Sandgroper won by Crumble Monelli, trained and owned by David Hobby.

RACING AWARDS

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

WA Thoroughbred Racing Awards

- WA Racehorse of the Year: Amelia's Jewel
- 2YO Racehorse of the Year: Super Smink
- 3YO Racehorse of the Year: Amelia's Jewel
- 4UP Racehorse of the Year: Kissonallforcheeks
- Leading Metropolitan Jockey: William Pike
- Leading Metropolitan Trainer: Neville Parnham
- Leading State Jockey: William Pike
- Leading State Trainer: Adam Durrant
- Leading Metropolitan Apprentice Jockey: Holly Watson
- Leading State Apprentice Jockey: Brayden Gaerth
- Leading Sire: Playing God
- Leading Broodmare: Bumbasina (IRE)
- Leading Breeder: Amelia Park Racing and Breeding

WA Harness Racing Awards

- WA Harness Horse of the Year: Magnificent Storm NZ
- 2YO Filly of the Year: Zephyra
- 2YO Colt or Gelding of the Year: Never Ending
- 3YO Filly of the Year: Wonderful To Fly
- 3YO Colt or Gelding of the Year: Tricky Miki
- Aged Mare of the Year: Eighteen Carat NZ
- State Leading Driver of the Year: Gary Hall Jnr
- Young Achiever Award: Kyle Symington
- State Leading Trainer of the Year: Greg and Skye Bond
- Trotter of the Year: Tricky Ric NZ

WA Greyhound Racing Awards

- WA Greyhound of the Year: Vice Grip
- Leading Trainer Award: Chris Halse
- Gerry O'Keefe Achievement Award: Barry McPherson
- Kerry Vernon Award for Excellence in Greyhound Welfare: Greyhound Angels of Western Australia
- Young Achiever Award: Victoria Cook

Image: 2022 WA Racehorse of the Year awards.



RACING INTEGRITY

We are is charged with specialised functions in relation to racing as outlined in Part 4 of the *Racing and Wagering Western Australia Act 2003*. This 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.

Prohibited substance control

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 animals compete on their own merits, without compromising their welfare.

The Western Australian Chemistry Centre (ChemCentre) is contracted to provide analytical services for all animal and human prohibited substance analysis conducted pursuant to the RWWA Rules of Racing

The existing contract for services, signed in 2018 for five years with options for renewal, was renewed this year following a review of requirements and negotiations with the ChemCentre.

As a result of this process, several key adjustments were achieved to ensure we maintain current rates of swabbing in racing.

- 680 additional full screens for thoroughbred and harness horses achieved by subjecting, at random, a number of existing Total Carbon Dioxide (TCO2) samples to full screen analysis.
- 200 additional full screens for greyhounds.
- Increased numbers of out-of-competition (OOCT) testing of standardbreds and greyhounds.

To accommodate these changes and Consumer Price Index (CPI) variation, an increase of \$353,762 in costs was required, bringing the total investment in analytical service costs for animal screening to more than \$1.8M.

The table below indicates total swabbing levels for FY2023, which are expected to increase in the following year due to the above changes.

Thoroughbred	Samples	Positives
Broad screen	2048	2
TCO2	1459	0
OOCT	163	1
Human	138	4
Harness	Samples	Positives
Broad screen	1750	6
TCO2	2376	0
OOCT	167	1
Human	64	2
Greyhound	Samples	Positives
Broad screen	1229	2
OOCT	44	0
Total	Samples	Positives
Broad screen	5027	10
TCO2	3835	0
OOCT	374	2
Human	202	6

Note: Figure correct as of 9 August 2023, but subject to variation upon subsequent reporting from the ChemCentre.

Classification of detected substances

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

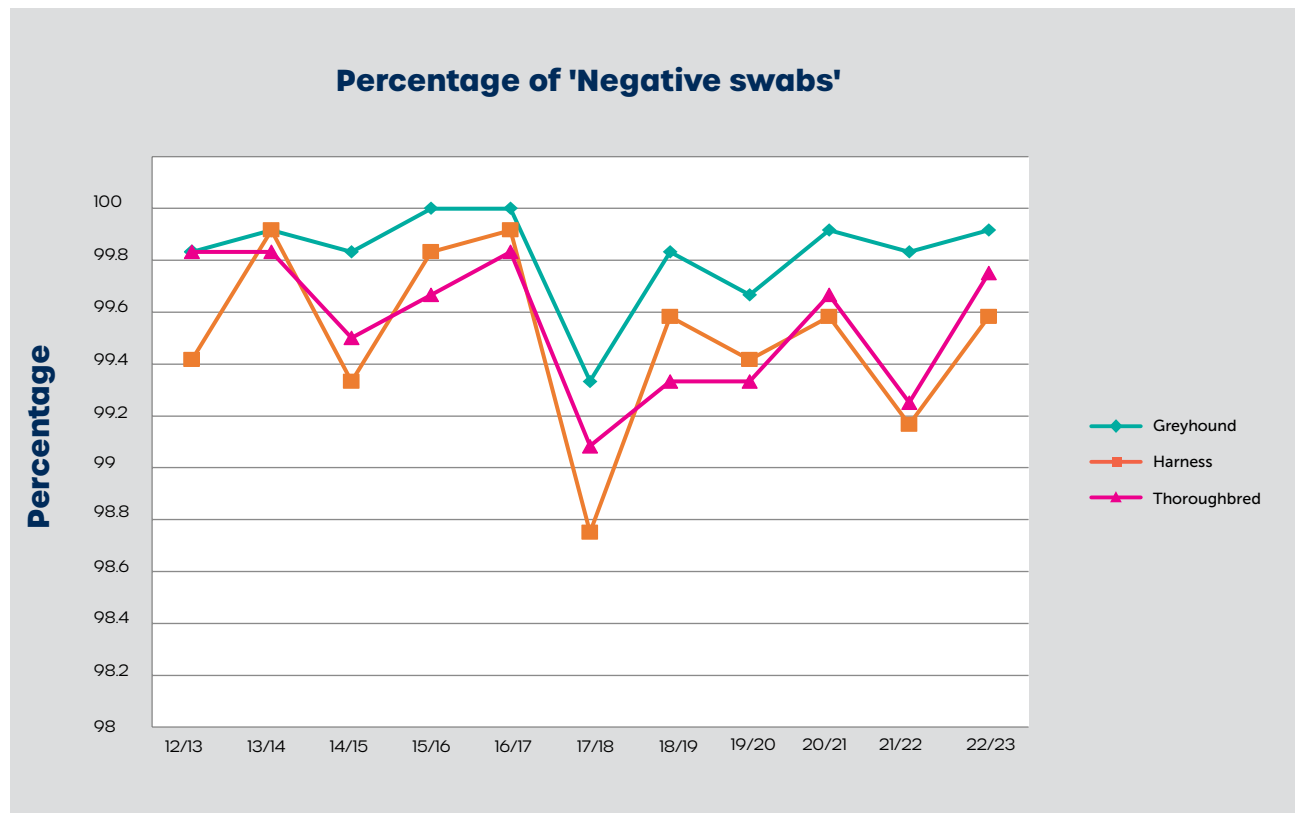
A therapeutic substance is generally one which is commonly used in the training of racing animals to manage injuries or illnesses. While such substances have a legitimate use in training, they are prohibited in a racing animal and therefore must be withdrawn from administration at suitable times to ensure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

Code	Therapeutic	Stimulant	TC02	Other	Total
Thoroughbred	3	0	0	0	3
Harness	2	2	0	3	7
Greyhounds	1	0	n/a	1	2

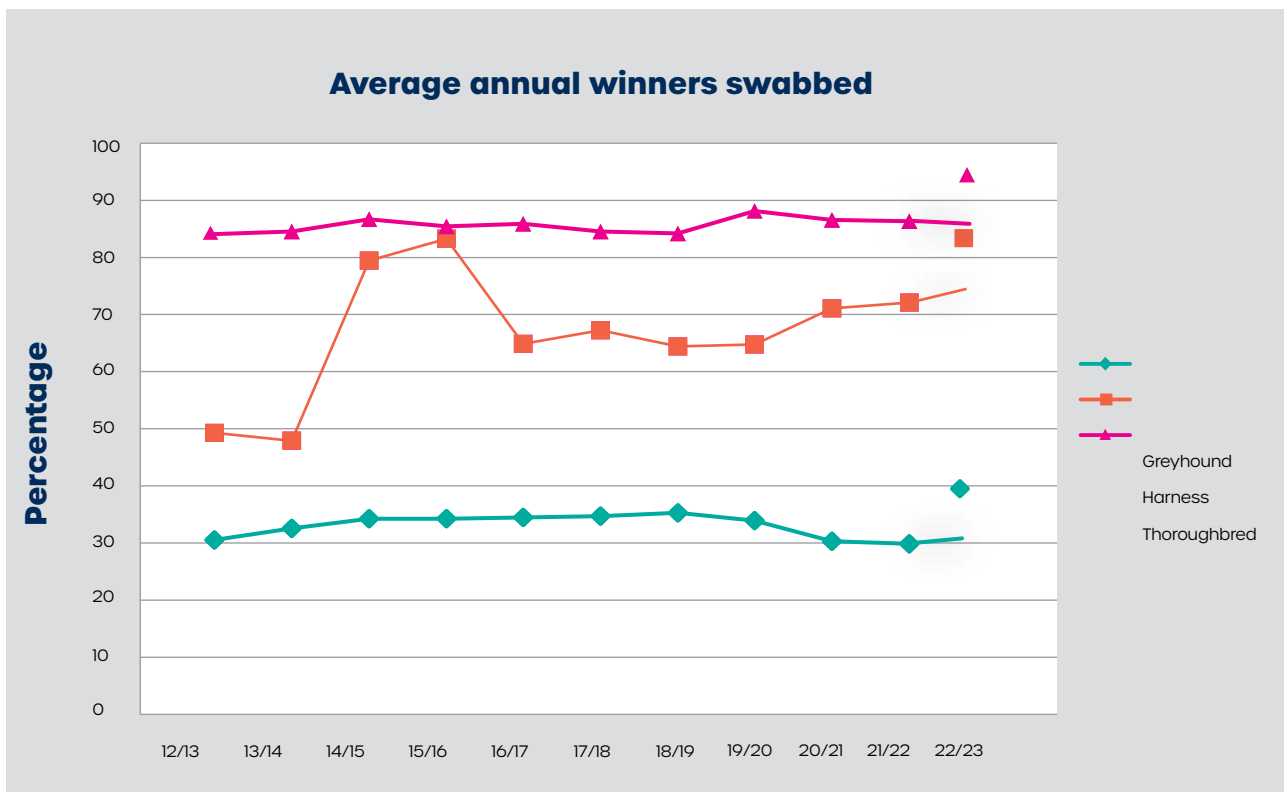
(NB: 'other' consists of four arsenic, commonly attributable to environmental factors associated with the ingestion of arsenic from Chromated Copper Arsenate (CCA) treated timbers.)

From a total of 9236 horse and greyhound swabs, 12 positive swabs were recorded for FY2023.

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 with respect to use of routine therapeutic substances.



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



The following refers to matters determined by the Primary Inquiries Panel, which is comprised of senior integrity officers across the racing codes who 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	5	2	2	-	3	-
Harness	9	4	4	-	5	-
Greyhound	3	0	2	-	1	-
Total	17	6	8	-	9	-

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's 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 FY2023

During the year, two appeals were carried over from FY2022 and ten new appeals were lodged with RPAT. As of 30 June 2023, the tribunal determined nine appeals, with three carried over to FY2024. These appeals, together with appeals from the previous year, are summarised by racing code:

Racing code	Appeals carried over from FY2022	Appeals lodged	Appeals determined	Appeals carried over to FY2024
Thoroughbred	1	3	2	2
Harness	0	6	5	1
Greyhound	1	1	2	0
Total	2	10	9	3

The results of the determinations in respect of the racing codes for FY2023 are summarised below:

Results	Thoroughbred	Harness	Greyhound
Allowed in full	0	1	0
Allowed in part (penalty reduced)	1	1	0
Referred back to RWWA stewards	0	0	0
Dismissed	1	3	2
Withdrawn/not progressed	0	0	0
Leave to appeal refused	0	0	0
Total	2	5	2

Appeals carried over to FY2024	Thoroughbred	Harness	Greyhound
Reserved decision	0	0	0
Reserved decision on penalty only	0	0	0
Reasons to be published	0	0	0
Yet to be heard	2	1	0
Total	2	1	0

Stays of proceedings

In FY2023, there were three applications for stays of proceedings¹. The Chairperson or the presiding member made the determination on one of the applications as follows:

Stays of proceedings FY2023

Results	Thoroughbred	Harness	Greyhound
Stays granted	0	0	0
Stays refused	0	1	0
Withdrawn	0	0	0
Discontinued	0	1	0
Stays of proceedings FY2023	1	0	0
Total	1	2	0

(Data courtesy RPAT)

¹ One application was not progressed due to the Appellant failing to provide further submissions (Appeal No 859). The second application was lodged on 29 June 2023 and upon receipt of all submissions was determined on 3 July 2023, i.e., the application was determined outside the reporting period (Appeal No 864).

Image: Magnificent Storm and Aiden DeCampo





WAGERING REPORT



Image: TABby greeting racegoers at The Quokka

Following the termination of the process to sell the WA TAB in November 2022, the RWWA Board requested a reset of our wagering strategy to reposition the WA TAB for future success. We look forward to working on this to offer better value and an improved experience to our customers.

The WA TAB operates an exclusive network of more than 300 retail agencies and PubTABs across WA, while supporting the on-course wagering infrastructure at race clubs. Sales channels include retail outlets and betting through TABtouch accounts using mobile phones, the internet and our call centre. The WA TAB offers pari-mutuel and fixed odds betting on racing, sport and entertainment markets.

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

FY2023 performance highlights

- Highest ever number of active customer accounts
- Increased generosity to support revamped Pinnacles carnival
- Further migration of tote to fixed odds betting
- Improvement in sports win rate
- Maintained strong racing win rate

Customer highlights

The focus on customer experience saw the delivery of value to account customers including:

- Introduction of Same Race Multi
- Addition of a new payment provider – Google Pay
- Expansion of international racing coverage
- App navigation improvements with the introduction of side bar menus
- Expanded our price types to include Starting Price
- Expanded race day content including “betting from tips” and video content
- Introduced Trending and Popular bets
- Introduced of a new quick deposit function for ease of use

Image: TABtouch activation at Ascot Racecourse





Image: TABtouch branding at Optus Stadium.

Retail channel

We initiated a long-term strategy to optimise the retail network, including a review of opportunities to improve the customer experience and the corresponding operating model for WA TAB Agents. Retail performance was on trend with continued customer migration to digital, mainly driven by advertising, online generosity and an improved user experience.

The retail network saw four retail outlets and 11 PubTABs closed during FY2023 with a high level of customer migration to other nearby agencies. Three new PubTAB agencies were established in Bassendean, Leederville and Hammond Park, with a further seven relocated or upgraded within venues.

Marketing

In FY2023, our TABtouch brand campaign, 'The Touch' continued, featuring two additional commercials starring KISS star Gene Simmons. These commercials were strategically timed to coincide with the spring racing carnival and the FIFA Men's World Cup, aligning the creative with these major events. Alongside this campaign, a fresh approach called 'Phone in the Stone' was introduced, highlighting TABtouch app's features such as SKY Racing and Same Race Multi. The primary objective of these initiatives was to enhance the brand's consideration among the audience.

The campaign's strong branding elements led to an increase in brand linkage, with 79 per cent of viewers correctly associating the ads with TABtouch by December 2023. The features campaign also yielded positive results, contributing to TAB's racing market share and overall brand health. Viewers who were exposed to the campaign showed a greater inclination to associate TABtouch with positive attributes, such as a modern appeal and recognition of the brand's features.

To strengthen our connection with racing in Western Australia, we expanded TABtouch sponsorships to 36 race clubs across the state, an increase from the previous year. This move provided financial support to regional centres, fostering greater community engagement. We also continued TABtouch sponsorships with various sports properties, including the West Coast Eagles, Fremantle Football Club, Perth Glory and Western Force, while improving our partnership with Optus Stadium, gaining a larger number of signage properties at the venue.

Through our sponsorship of The Western Trilogy, we upgraded TABtouch signage at key venues such as Ascot Racecourse, Gloucester Park Harness Racing and Cannington Greyhounds, making it clear to customers which wagering operator to use during the event. Our brand received significant visibility during the successful launch event, with the TABtouch logo and presence featured prominently on all communications, merchandise,

and associated materials. We secured inaugural slot holder positions for TABtouch across all three codes, promoting the events through owned and paid channels, generating greater interest in all sporting occasions.

FY2023 witnessed an increase in customer competitions integrated into retail venues with marketing support, ranging from opportunities to win the ultimate race day during The Pinnacles to activations at venues for FIFA World Cup viewing parties.

Our content strategy for TABtouch also saw considerable advancements during this FY2023 period. We focused on expanding the brand's appeal in the sports domain, providing extended coverage for soccer, including A-league and Premier League preview analysis and further investing in National Basketball League coverage for the Wildcats. Emphasising strategic partnerships, we collaborated with content creators, resulting in new and engaging TABtouch content that resonated with a younger demographic of sports enthusiasts.

Additionally, our second partnership with prominent jockey William Pike allowed for the creation of unique and personalised content for TABtouch, which received high engagement from the racing audience and garnered positive commentary on national media platforms. These efforts marked a transformative period for our content strategy, driving greater reach and relevance in a continuously evolving market.



Image: Betterzipit fans at The Nullarbor, Gloucester Park Harness Racing



Image: TABtouch branding at The Sandgroper, Cannington Greyhounds



OUR COMMUNITY



In Western Australia, more than 25,000 people are involved in racing as a participant, employee or volunteer.

Horses and greyhounds are the stars that unite the racing community, and we are committed to supporting their care from birth to retirement and beyond.

Each year, more than 475,000 people attend a race meeting at one of the State's 50 race clubs to see these amazing animals in action, with race meetings often a highlight in the local social calendar.

TABtouch is the RWWA-owned wagering operator which helps fund racing in WA, with profits of all bets re-invested into funding a sustainable future for racing.

With racetracks from Albany to Kununurra – and an exclusive network of more than 300 TAB agencies across the state and more than 122,000 active online customers – we recognise the impact both sides of our operation have on the community.

These vast and diverse communities have guided our giving and investment throughout FY2023, with each program and initiative centred on providing a safe and sustainable future for racing animals, participants, customers and the wider community.



Image: Natasha Faithfull and Cartanera at Albany Racecourse.

ANIMAL WELFARE

We are committed to supporting the best welfare standards for racing animals during all stages of their lives.

Animal welfare is an integral component of our racing and broader strategies, with a focus on continual improvement to the wellbeing of racing animals.

Animal welfare strategy

A comprehensive welfare strategy guides us in fulfilling our commitment to the care and wellbeing of racing animals.

Vision	Mission	How is this 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

Our equine welfare strategy operates under the following pillars:

Pillar	
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.

Traceability

We have increased our 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 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 outcomes have been reported for Western Australian thoroughbred and harness horses active in racing and training during the period 1 August 2022 to 31 July 2023.

	Retired/Rehomed	Deceased	Euthanised
Thoroughbred	676	25	112
Standardbred	161	21	68

**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 2022 and 31 July 2023. Report correct as at 11/10/23.*

Through our Off the Track WA (OTTWA) initiative, we fund the OTTWA passport program, to assist in tracing retired racehorses across Western Australia by connecting with their owners to gain a better understanding of their lives and locations after racing.

Since its launch on 27 August 2020, 3784 horses have received a passport. During the period 1 August 2022 to 31 July 2023 the number of horses that were registered for a passport were:

Number of horses registered for an OTTWA passport	
Standardbred	138
Thoroughbred	634
Total	772

We launched the OTTWA Herd Heroes in FY2023, an initiative exclusive to all owners with a passport registered horse. This initiative gives passport holders discounts and offers on horse products and services, provided by a range of local and national equine businesses. The initiative incentivises the uptake of the passport and provides support for the care of retired racehorses.

Racing

The welfare and safety of racehorses is integral to racing and numerous grants were provided to race clubs for the purpose of improving welfare for racehorses, such as new horse ambulances at Ascot Racecourse, Northam Race Club and Bunbury Turf Club.

We continued our 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 issues allows trainers and veterinarians to implement appropriate management strategies to minimise the risk of injury and hence improve the horse's welfare.



Image: Retired racehorse High Energy at an Off the Track WA clinic.

Image: Clerks of the course.



Image: Retired racehorse Flight of Attack at an Off the Track WA clinic.



From 1 August 2022 to 31 July 2023 the number of applications approved for the advanced diagnostic imaging rebate were:

Advanced imaging rebate applications approved	
Thoroughbred	47
Standardbred	23

In FY2023 we launched the RWWA Research Fund, with the first round of applications open to research projects that enhance the health, welfare and safety of racehorses as well as those that assist horses to move on to lives of ongoing purpose and good health after racing.

Post-racing

The OTTWA estate and retraining program are important components of our post-racing transition initiatives. The 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 retraining program includes a network of trainers 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.

In late January, we began trialling a new Preventive Health Care Screening Program, developed in partnership with Murdoch University Veterinary School. The initiative employs evidence-based assessment and screening tools to better understand baseline health in retired racehorses, from which tailored management programs can be delivered to positively impact their wellbeing as they transition to retraining and second careers. Specifically, the trial investigates the gastric health of all retired racehorses entering the OTTWA retraining program and assesses foot balance with x-rays for horses that require it. These assessments were chosen because historically they represent areas which may influence racehorses and could affect their transition to retirement.

Between 1 August 2022 and 31 July 2023, the number of horses involved in the retraining program were:

	Accepted into OTTWA retraining program	Rehomed	Deceased/ euthanised
Thoroughbred	26	11	1
Standardbred	17	20	1
Total	43	31	2

**We are committed to responsible rehoming of retired racehorses and 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.*

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

The initiative's 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.

In FY2023, we also launched the OTTWA Community Fund, providing funding to organisations and people with projects utilising retired racehorses in education, therapy and wellness pursuits, including those where horses are not ridden. Funding was granted for 11 projects in FY2023.

We continued our partnership with Equestrian Western Australia in FY2023, presenting a series of events across the State through our OTTWA initiative. The events focused on educating owners of retired racehorses with clinics offered to those with an OTTWA passport. In total, 396 individual horses and 368 individual riders attended the 15 clinics held across WA.

Additionally, we continued to encourage the participation of retired racehorses in FY2023, sponsoring a total of 150 events, with an average of 218 retired racehorses competing each month at one of our sponsored events.

Greyhound welfare

Our 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 FY2023, we began the implementation of major track upgrades at the Mandurah track further to recommendations from the University of Technology Sydney report, to ensure the track delivers the latest design and care for racing greyhounds, building on the improvements already implemented at the Cannington and Northam tracks.

The Safe Racing Committee met on a quarterly basis. The purpose of this committee is to assess and review all serious injuries to develop and implement preventive measures that will reduce the incident rate and/or severity of injuries to racing greyhounds. As a result of this committee, we have commenced a trial of preferential box draws for greyhound racing, to ascertain whether this has a positive impact in reducing the frequency of serious injuries by avoiding greyhounds crossing paths during a race. Additionally, an epidemiological study into risk factors for serious injuries has commenced, which will inform further development of policies and practices for the prevention of injuries.

While most injuries on racetracks require only rest or minor treatment, we have 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, we will offer a financial contribution to the trainer and owner for the costs of veterinary treatment and a rebate towards the cost of rehabilitation.

In the Greyhound Injury Full Recovery Scheme (GIFRS) a trainer/owner transfers custody of a greyhound to us in the event of a serious injury, where we will cover the cost of both veterinary treatment and post-operative care. Once recovered, the greyhound is rehomed through our 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 0.3 per 1000 starters in FY2023.

The number of GISR applications approved and the number of greyhounds entering the GIFRS scheme from 1 August 2022 to 31 July 2023 were:

GIFRS scheme	
GISR applications	35
Entered GIFRS scheme	59

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 stewards at the beginning of every meeting and periodically throughout the meeting to ensure their suitability for racing.

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 2022 to 30 June 2023, which aligns with the nationally agreed injury reporting period.

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 and treatment.

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



Image: GAP attending the Pets in the Park event.

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 (Category F).

Racing injury incidents

From 1 July 2022 to 30 June 2023:

- 2.56 per cent of total greyhound starters were affected by an injury incident.
- 89 per cent of injuries reported were of a non-serious nature (requiring a stand-down period of less than 60 days).
- 0.27 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.
- 0.03 per cent of starters sustained an injury that resulted in death or euthanasia on track.

The table below 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.

Injury category	Total number of incidents	Incident risk rate (incidents per 1000 starts)	Incident rate as % of total starters
Category A	4	0.13	0.01
Category B	389	12.63	1.26
Category C	228	7.40	0.74
Category D	158	5.13	0.51
Category E	9	0.29	0.03
Total A-E	788	25.58	2.56
Category F (serious injuries)	84	2.73	0.27
Category G (non-serious injuries)	704	22.85	2.29

Image: Trainer Stephen Reed.



GREYHOUNDS AS PETS WA

Greyhounds as Pets WA (GAP) is our 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.

Our commitment to greyhound welfare continues with increased investment in our GAP program through ensuring we have appropriate infrastructure to meet the rehoming requirements of the sector.

During the year, we purchased a second GAP site which has been operational since early in 2023. Furthermore, we have purchased an additional site which is due to become the headquarters of GAP. The 10,000m²

property has the space to bring all our GAP operations together in one top-quality rehoming centre, providing a better experience for greyhounds, adopters, team members, volunteers and partners. The new centre is expected to be operational in 2025.



Image: Greyhound trainer Jodee Jennings and Winnie.

The number of greyhounds adopted and deceased in the GAP program from 1 August 2022 to 31 July 2023 is provided in the table below.

GAP program	
GAP adoptions ¹	236
GIFRS adoptions	22
Total GAP adoptions	258
Euthanised/deceased (in GAP program) ²	3
Euthanised/deceased (GIFRS)	2

¹Unique greyhounds adopted.

²Reasons 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 FY2023, our GAP program continued to enhance existing partnerships and volunteer programs including the partnership with Applied Vocational Training for the delivery of a short-term intensive course in animal care and welfare.

Greyhound retirement information

In WA, we have 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 FY2023, we supported the cost of sterilisation and dental treatment of 320 retiring greyhounds through this subsidy.

In FY2023 the following number of greyhounds were reported to us by the current registered owners or person responsible for them at the relevant time under the requirements of the rules of greyhound racing.

	FY2022	FY2023
Retired to Greyhounds as Pets	331	273
Retired to other greyhound rehoming organisations	223	211
Retired to a third party (non-owner/trainer)	115	79
Retired to an owner/trainer as a pet	11	40
Retired for breeding	41	42
Total number of greyhounds retired	721	645
Deceased or euthanised due to accidental death, natural causes, illness or age	57	73
Deceased or euthanised due to injury	28	36
Euthanised not suitable for rehoming	2	2
Euthanised not suitable for racing	0	0
Total number of greyhounds deceased	87	111

Note: the data for FY2023 is correct as of 28 Aug 2023. While the data for FY2022 was reported in the 2022 Annual Report (correct as of 19 September 2022), 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

We offer an Employee Assistance Program to support the emotional and psychological wellbeing of our team members, as well as providing support programs for TAB agents and licensed racing participants.

Racing Assist

Our 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, and a career transition program is 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.

TAB Agent Assist

TAB Agent Assist provides mental health and wellbeing support to all SLI TAB agents and agency team members, including casual team members. 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.

Maternity Assistance Program

We provide 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. This 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.





Image: Apprentice Jockey Holly Watson.

HARM MINIMISATION

We are committed to supporting the communities in which we operate and acknowledge our moral and social responsibilities to promote and encourage responsible behaviour in the community and to our customers.

Our Responsible Wagering Program takes a holistic approach to harm minimisation by:

1. Actively promoting a view of shared responsibility.
2. Empowering our customers to self-regulate and exclude.
3. Operating in real time, enabling us to act swiftly, make informed decisions and cater to the individual needs of each customer.

As a member of the Problem Gambling Support Services Committee (PGSSC), we provide funding to support help services for people affected by problem gambling, their partners and families, including:

1. Gambling Help WA: A free face-to-face counselling service.
2. Problem Gambling Helpline: A toll-free, 24-hour telephone counselling and referral service.

The PGSSC also contributes to Gambling Help Online, Gambling Research Australia and Gambling Harm Awareness Week.

Our commitment to responsible wagering ensures our customers can participate in an open, supportive and safe environment.

National Consumer Protection Framework (NCPF)

The final four measures of the NCPF were largely implemented in FY2023: activity statements, team member training, consistent gambling messages and the National Self-Exclusion Register.

Activity statements

Activity statements were delivered to all active customers for the first time in July 2022. The monthly statement provides detailed wagering information including deposits, withdrawals, number of bets placed and win/loss. The statement can also be generated at any time by the customer.

Team member training

The Responsible Service of Online Wagering micro-credential content was developed and produced during February and was available to be utilised via our learning platform throughout the month of March 2023. All required team members have now completed the training, with new hires completing the training within one month of commencement. The training will be repeated on an annual basis.

Consistent gambling messages

The consistent gambling messaging measure provides nationally consistent messaging about the risks and potential harm from wagering. These taglines have replaced the previously displayed 'Gamble Responsibly' due to message fatigue. The suite of taglines is informed by extensive behavioural research. The taglines are:

- Chances are you're about to lose.
- Think. Is this a bet you really want to place?
- What's gambling really costing you?
- What are you prepared to lose today? Set a deposit limit.
- Imagine what you could be buying instead.
- You win some. You lose more.
- What are you really gambling with?

These taglines are required to be applied across most platforms, including TV, radio, in-app, digital, print, social media and outdoor/in-stadium advertising.

National Self-Exclusion Register (NSER)

The NSER, which has been named BETSTOP, launched in August 2023. However, all necessary technical work was completed earlier in the year to allow for an unrushed implementation. With BETSTOP, any customer who has gone through the process to be self-excluded will be blocked from signing up for an account or depositing/placing bets. Exclusions can range from three months to a lifetime ban. The new register works in parallel with our current options for exclusion from both retail and online wagering.

Responsible Wagering Officer

More focus has been placed on harm minimisation throughout FY2023 with the appointment of a Responsible Wagering Officer (RWO). This newly created role is dedicated to the wellbeing of TABtouch customers while balancing the associated financial and reputational risk to the business. The RWO regularly performs enhanced analysis of customer wagering, using reporting tools developed this year that identify more trigger points for intervention. In addition to more parameters being introduced relating to customer losses within various specified timeframes, there is also the inclusion of the volume of bets within a 30-day period, which will help identify the amount of time a customer is spending with TABtouch.



Image: TABtouch branding at Ascot Racecourse.

AML/CTF PROGRAM

Our dedicated Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) team ensures we fulfill our compliance obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

We take our responsibilities to the community seriously. Our robust AML/CTF Program safeguards our business and the community by reducing the risk of our products and services being used for illegal purposes.

To help ensure we meet our social responsibilities and compliance obligations:

1. We have developed, implemented and regularly review internal policies, procedures and guidelines.
2. Our AML/CTF Program is supported by regular internal and external audit reviews to ensure it is effective and fit for purpose.
3. We frequently consult with external AML/CTF compliance experts.

Our continued focus on customer due diligence, early identification strategies and daily transaction monitoring enables us to detect potential AML/CTF risks before they materialise.

Ultimately, our AML/CTF team is committed to identifying, mitigating and managing the AML/CTF risks that our business face to create a safe environment for our customers and the community.



Image: Tranquill Charlie and Nicky Creswell at an Off the Track WA clinic.

PARTNERSHIPS

Social investment initiatives form part of our giving strategy and serve as a vital link between our organisation and the community.

Our social investment efforts have continued in FY2023 with a focus on strengthening our long-standing partnerships and identifying new opportunities.

Community partnerships

HorsePower

Our long-term partnership with HorsePower Australia provides people with diverse abilities a range of opportunities to break through physical, social or cognitive barriers using the power of horses to develop their confidence and new skills. In FY2023, we donated a retired standardbred suitable to the program as well as contributing \$80,000 to support the volunteer-run organisation with upkeep and care of their horses, and scholarships and subsidisation of therapy programs to participants.

In FY2023, funding accounted for the upkeep and welfare of 58 horses in HorsePower's care at various centres, Hearts and Horses scholarships to five riders who would otherwise not be able to participate in their program due to financial reasons, the cost of running inclusive events including the popular Winter and Summer Games, facilitating coaching workshops and covering administrative costs.

Lifeline WA

We are proud to be a founding partner of the Lights for Lifeline campaign which provides training for new telephone crisis support volunteers. In FY2023, we proudly sponsored the training of a new volunteer, worth \$4000, and participated in the Lifeline Hart and Co Golf Day, donating \$5000 to Lifeline WA's mission.

WA Police Union

In FY2023, Greyhounds as Pets (GAP) forged a significant partnership with the WA Police Union, giving current and retired officers priority access to adopting retired greyhounds. This collaboration is not only aimed at finding a new forever home for these gentle giants but also takes a proactive approach to support the physical and mental wellbeing of first responders in Western Australia.

In FY2024, we are looking to expand this program to reach more police officers, including those in remote locations.

Race Club Community Program

Since 2014, the Race Club Community Program has seen race clubs join forces with our business to raise more than \$1M for community groups. The program invites clubs to select a local group or charity to raise funds for on race day, with our organisation matching their efforts up to \$5000. In FY2023, 13 clubs participated and more than \$130,000 was raised for community groups including Lions Clubs, St John, Variety WA, pony clubs and more.

Team Teal

The annual Team Teal campaign was led by WA harness drivers for the seventh consecutive year in FY2023. We proudly donated \$15,000 to support ovarian cancer research conducted by the Australia New Zealand Gynaecological Oncology Group while reinswomen and the WA harness community raised funds on course. WA recorded 67 wins during the campaign, with more than \$177,000 raised Australia wide.

Pacing for Pink

Each May, the harness community paints the track pink in support of the McGrath Foundation. In FY2023, The Trots WA sponsored driver Donald Harper and the entire team of 19 drivers raised \$7000. Nation-wide, the harness community raised \$126,000 for breast cancer care and research.

Other donations and sponsorship

- RSL and Legacy WA \$5000
- Melbourne Female Jockey Reunion \$1000
- Murdoch Vet Students Association \$1000
- Belmont Small Business Awards \$4500

Image: Team Teal Ambassador Emily Suvaljko



Image: WA Police Union visiting GAP.



RACING INFRASTRUCTURE FUND AND RACING GRANTS

The following grants were provided to thoroughbred race clubs in FY2023:

Venue	Grant
Albany Race Club	Horse ambulance
Broome Turf Club	Horse ambulance
Bunbury Turf Club	Groomer Water cart Water rights purchase Horse ambulance
Carnarvon Race Club	Power supply upgrade Tower minor repairs Horse ambulance
Collie Race Club	Tractor
East Pilbara Race Club	Fencing replacements Barrier repairs
Esperance Bay Turf Club	Day stalls shade structure Horse ambulance
Geraldton Turf Club	Roller shutters Water tank Horse ambulance Main tower review
Junction Race Club	Track re-sheeting Doctor's room
Kalgoorlie Boulder Racing Club	Irrigation upgrade design Horse ambulance
Moora Race Club	Plastic running rail
Mt Barker Turf Club	Horse ambulance
Narrogin Race & Pace	Horse ambulance
Northam Race Club	Security camera system Dosing pump Roofing repairs Horse ambulance

Venue	Grant
Perth Racing	Ascot - Horse ambulance
	Ascot - Master plan on-course stabling
	Ascot - Power harrow
	Ascot - Outside rail and fencing
	Ascot - Vacuum sweeper
	Ascot - Jockey room refurbishments
	Ascot - The Vantage extension furnishings
	Ascot/Belmont - Running rail replacement
	Ascot - Escalator replacement contribution
	Pinjarra Race Club
York Racing	Bore replacement design Horse path resurfacing Fencing upgrades Security system

The following grants were provided to harness race clubs in FY2023:

Venue	Grant
Albany Harness Racing Club	Horse ambulance
Bridgetown Harness Racing Club	Back straight fencing
Bunbury Trotting Club	Lighting upgrade Float park fencing Horse ambulance
Gloucester Park	Stewards and vision tower replacement Fire system replacement
Narrogin Race & Pace	Horse ambulance (same grant as thoroughbred)
Northam Harness Racing Club	Tractor Track lighting consultation
Pinjarra Harness Racing Club	Track renovation Parade ring track entrance Warning siren Machinery shed fencing Stall thermal detectors Stall fans Home straight fencing Water tanks
Wanneroo Trotting Training Club	Water cart repairs
Williams Harness Racing Club	Horse urinal

The following grants were provided to greyhound race clubs in FY2023:

Venue	Grant
	Cannington/Northam - Safe chase lure
	Cannington - Track refurbishment design
WAGRA	Cannington - Photo finish camera
	Cannington - Isolynx timing system



DISCLOSURES AND LEGAL COMPLIANCE



Image: Jockeys arriving at the mounting yard in style ahead of The Quokka.

OPINION OF THE AUDITOR GENERAL



Auditor General

INDEPENDENT AUDITOR'S REPORT

2023

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 on 31 July 2023, 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 2023 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 misstatements, 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.auasb.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 the State's financial reporting framework (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 the State's financial reporting framework during the year ended 31 July 2023.

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 Engagement 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 2023. 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 2023.

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 controls 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, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instructions 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 management relating to the report 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management 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 2023, 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 my 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 my 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.

The auditor's report relates to the financial statements and key performance indicators of Racing and Wagering Western Australia for the year ended 31 July 2023 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.

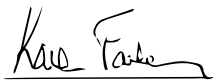


Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 October 2023

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements 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 reporting period ended 31 July 2023 and the financial position as of 31 July 2023.

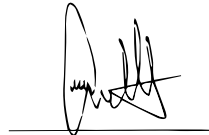
At the date of signing, we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.



Karen Farley SC
Chair
RWWA Board
16 October 2023



Catherine Ferrari
Acting Chair
RWWA Audit and
Risk Committee
16 October 2023



Leslie Crockett
Chief Financial Officer
16 October 2023

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 July 2023

Income	Notes	2023 \$000	2022 \$000
Revenue			
WATAB Margin	2.1	352,649	357,949
Other revenue	2.4	31,586	24,394
Interest income		3,499	1,559
Total Revenue		387,734	383,902
Gains			
Gains on disposal of non-current assets	6.5	925	464
Fair value gain on investments	7.2	2,143	-
Total Gains		3,068	464
Total Income		390,802	384,366
Expenses			
Expenses			
Cost of sales	4.1	95,455	91,847
Wagering tax	4.2	50,101	51,754
Racing services	4.3	41,209	33,491
Wagering services	4.3	102,995	97,496
Support services	4.3	51,890	44,006
Grants and subsidies to racing	3.2	34,442	33,070
Distributions to racing and sports	3.1	202,423	169,780
Total Expenses		578,515	521,444
Loss before income from State Government		(187,713)	(137,078)
Income from State Government			
WA Racefields income	2.2	126,509	126,931
Betting tax income	2.3	38,390	36,279
(Loss)/Profit for the period		(22,814)	26,132
Other Comprehensive Income			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	8.8	(1,376)	1,659
Changes in fair value of financial assets	8.8	195	80
Total other comprehensive income		(1,181)	1,739
Total Comprehensive (Loss)/Income for the period		(23,995)	27,871

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 2023

Assets	Notes	2023 \$000	2022 \$000
Current Assets			
Cash and cash equivalents	7.3	86,366	187,352
Other financial assets	7.2	-	19,925
Inventories	6.9	503	488
Receivables	6.10	11,676	10,672
Other current assets	6.11	11,002	9,950
Non-current assets classified as held for sale	6.4	452	2,826
Total Current Assets		109,999	231,213
Non-Current Assets			
Other financial assets	7.2	98,191	1,722
Other non-current assets	6.11	251	1,524
Property, plant and equipment	6.1	42,722	39,888
Right-of-use assets	6.2	10,099	13,432
Capital works in progress	6.7	10,946	6,902
Intangible assets	6.6	12,131	15,222
Total Non-Current Assets		174,340	78,690
Total Assets		284,339	309,903
Liabilities			
Current Liabilities			
Payables	6.12	53,023	51,446
Lease liabilities	6.13	4,078	4,477
Provisions	5.1	9,249	9,898
Total Current Liabilities		66,350	65,821
Non-Current Liabilities			
Payables	6.12	1,115	1,110
Lease liabilities	6.13	6,422	8,940
Provisions	5.1	3,438	3,023
Total Non-Current Liabilities		10,975	13,073
Total Liabilities		77,325	78,894
Net Assets		207,014	231,009
Equity			
Contributed equity	8.8	69,193	69,193
Reserves	8.8	137,821	161,816
Total Equity		207,014	231,009

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 2023

	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 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	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	8.8	-	-	-	-	-	-
Transfers between reserves		-	26,132	-	-	(26,132)	-
Total		-	26,132	-	-	(26,132)	-
Balance at 31 July 2022		69,193	142,917	17,902	997	0	231,009
Balance at 1 August 2022		69,193	142,917	17,902	997	0	231,009
Surplus/(deficit)	8.8	-	-	-	-	(22,814)	(22,814)
Other comprehensive income/(loss)	8.8	-	-	(1,376)	195	-	(1,181)
Total comprehensive income/(loss) for the year		-	-	(1,376)	195	(22,814)	(23,995)
Transactions with owners in their capacity as owners:							
Other contributions by owners	8.8	-	-	-	-	-	-
Transfers between reserves		-	(22,814)	-	-	22,814	-
Total		-	(22,814)	-	-	22,814	-
Balance at 31 July 2023		69,193	120,103	16,526	1,192	0	207,014

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 2023

Cash Flows from Operating Activities	Notes	2023 \$000	2022 \$000
Receipts			
Receipts from customers		2,235,678	2,219,566
GST receipts on sales		48,898	46,303
Other receipts		24,374	16,661
Interest received		3,499	1,559
Payments			
Customers		(1,871,946)	(1,860,688)
Creditors		(246,486)	(244,084)
Employee benefits		(56,696)	(46,890)
Distributions, grants and subsidies		(236,868)	(202,849)
Interest paid		(6)	(1)
GST payments on purchases		(25,873)	(23,816)
GST payments to taxation authority		(23,402)	(22,240)
Other payments		(24,362)	(15,099)
Net cash used in operating activities	7.3	(173,190)	(131,578)
Cash Flows from Investing Activities			
Receipts			
Proceeds from sales of non-current assets		3,722	2,864
Payments			
Purchase of non-current physical assets		(15,346)	(12,445)
Payments for investments in financial assets		(76,373)	-
Net cash used in investing activities		(87,997)	(9,581)
Cash Flows from Financing Activities			
Payments			
Principal elements of lease payments		(4,698)	(4,767)
Net cash used in financing activities		(4,698)	(4,767)
Cash Flows from State Government			
WA Racefields income		126,509	126,931
Betting tax income		38,390	36,279
Net cash provided by State Government		164,899	163,210
Net increase/(decrease) in cash and cash equivalents		(100,986)	17,284
Cash and cash equivalents at the beginning of period		187,352	170,068
Cash and cash equivalents at the end of period	7.3	86,366	187,352

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 2023

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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 (RWVA) 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 RWVA on 16th October 2023.

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.

RWVA 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 2023

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:

Long service leave	Section 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 2023

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 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i></p> <p>This Standard amends AASB 16 to add measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 to be accounted for as a sale.</p> <p>There is no financial impact.</p>	1-Jan-24
<p><i>AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants</i></p> <p>This Standard amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The Standard also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.</p> <p>There is no financial impact.</p>	1-Jan-24
<p><i>AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.</i></p> <p>This Standard amends AASB 13 including adding authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>The Agency has not assessed the impact of the Standard.</p>	1-Jan-24
<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-24
<p><i>AASB 17 Insurance Contracts</i></p> <p>This Standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. It was amended by AASB 2022-8 to take effect for Not-For-Profit insurance contracts from 1 July 2026.</p> <p>The Agency has not assessed the impact of the Standard.</p>	1-Jul-26
<p><i>AASB 2021-7C Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i></p> <p>This Standard further defers (to 1 January 2025) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associate or joint venture. The standard also includes editorial corrections.</p> <p>The Agency has not assessed the impact of the Standard.</p>	1-Jan-25
<p><i>AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector</i></p> <p>This Standard amends AASB 17 and AASB 1050 to include modifications with respect to the application of AASB 17 by public sector entities.</p> <p>This Standard also amends the following Standards to remove the temporary consequential amendments set out in AASB 2022-8 since AASB 4 and AASB 1023 do not apply to public sector entities for periods beginning on or after 1 July 2026: (a) AASB 1; (b) AASB 3; (c) AASB 5; (d) AASB 7; (e) AASB 9; (f) AASB 15; (g) AASB 119; (h) AASB 132; (i) AASB 136; (j) AASB 137; (k) AASB 138; (l) AASB 1057; and (m) AASB 1058</p> <p>There is no financial impact.</p>	1-Jan-26

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

1.5 Initial application of Accounting Standards

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

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.

There is no financial impact.

AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

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 require 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.

There is no financial impact.

AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

This Standard makes editorial corrections to various Australian Accounting Standards and AASB Practice Statement 2 Making Materiality Judgements.

There is no financial impact.

AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments

This Standard amends: (a) AASB 1; (b) AASB 3; (c) AASB 5; (d) AASB 7; (e) AASB 9; (f) AASB 15; (g) AASB 17; (h) AASB 119; (i) AASB 132; (j) AASB 136; (k) AASB 137; (l) AASB 138; (m) AASB 1057; and (n) AASB 1058, to permit public sector entities to continue applying AASB 4 and AASB 1023 to annual periods beginning on or after 1 January 2023 but before 1 July 2026.

There is no financial impact.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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.

	2023	2022
	\$000	\$000
2.1 WATAB Margin		
Margin on Turnover inclusive of GST	382,430	388,599
Goods and Services Tax	(29,781)	(30,650)
	352,649	357,949

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 2023

	2023 \$000	2022 \$000
2.2 Income from State Government		
WA Racefields income	126,509	126,931
	<u>126,509</u>	<u>126,931</u>

WA Racefields income represents \$126.5M (2022: \$126.9M) 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
Income from State Government

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.

	2023 \$000	2022 \$000
2.3 Betting tax income		
Betting tax income	38,390	36,279
	<u>38,390</u>	<u>36,279</u>

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.

	2023 \$000	2022 \$000
2.4 Other Revenue		
Other revenue ^(a)	25,216	17,658
Unclaimed dividends (Racing) ^(b)	6,370	6,736
	<u>31,586</u>	<u>24,394</u>

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 2023

3 Industry funding

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

	2023 \$000	2022 \$000
3.1 Distributions to Racing and Sports		
Thoroughbreds	130,308	107,178
Harness	41,653	36,195
Greyhounds ^(a)	30,098	26,112
Sports ^(b)	364	295
	202,423	169,780

(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.

	2023 \$000	2022 \$000
3.2 Grants and Subsidies to racing		
Grants ^(a)	18,484	19,672
Other subsidies ^(a)	15,958	13,398
	34,442	33,070

(a) Included in Grants and Other Subsidies is a total amount of \$851,000 (2022 : \$546,000) 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 2023

4 Expenditure

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

	2023 \$000	2022 \$000
4.1 Cost of Sales		
Cost of Sales mainly include pooling fees, product fees and rebates on wagering activities.	95,455	91,847
	<u>95,455</u>	<u>91,847</u>

	2023 \$000	2022 \$000
4.2 Wagering Tax		
Betting Tax Point of Consumption (POC) Tax - WA ^(a)	49,669	50,737
Point of Consumption (POC) Tax - Other	432	1,017
	<u>50,101</u>	<u>51,754</u>

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

	2023 \$000	2022 \$000
4.3 Racing, Wagering and Support Services		
Employee Benefit Expense ^(a)	56,767	48,113
Depreciation and Amortisation Expense	14,272	16,583
Finance Costs	296	327
Supplies and Services	49,353	45,005
Advertising and Promotions	48,648	42,791
Communications	4,675	4,138
Accommodation	2,772	2,035
Loss on Investments	-	1,038
Impairment Expense	-	124
Other Expenses ^(b)	19,311	14,839
	<u>196,094</u>	<u>174,993</u>

(a) An amount of \$6,070,000 (2022: \$4,836,000) was paid to Government Employees Superannuation Board, a related party of RWWA.

(b) An amount of \$3,996,000 (2022: \$4,237,000) 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 2023

5 Employee benefits & Other Provisions

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

	2023 \$000	2022 \$000
5.1 Provisions		
Current		
Employee benefits provision	4,758	4,385
Annual Leave ^(a)	3,818	4,735
Long Service Leave ^(b)	<u>8,576</u>	<u>9,120</u>
Other provisions		
Employment on-costs ^(c)	546	574
Make good provision	127	204
	<u>673</u>	<u>778</u>
	<u>9,249</u>	<u>9,898</u>
Non-Current		
Employee benefits provision		
Long Service Leave ^(b)	1,982	1,379
	<u>1,982</u>	<u>1,379</u>
Other provisions		
Employment on-costs ^(c)	126	86
Make good provision	1,330	1,558
	<u>1,456</u>	<u>1,644</u>
	<u>3,438</u>	<u>3,023</u>

(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	3,112	3,394
More than 12 months after the end of the reporting period	1,646	991
	<u>4,758</u>	<u>4,385</u>

(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	1,305	1,308
More than 12 months after the end of the reporting period	4,495	4,807
	<u>5,800</u>	<u>6,115</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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.

	2023 \$000	2022 \$000
Employment on-cost provision		
Carrying amount at start of period	660	587
Additional provisions recognised	3,440	3,046
Payments/other sacrifices of economic benefits	(3,428)	(2,973)
Carrying amount at end of period	<u>672</u>	<u>660</u>
Make good provision		
Carrying amount at start of period	1,762	1,665
Reassessment of provisions recognised	(230)	176
Payments/other sacrifices of economic benefits	(75)	(79)
Carrying amount at end of period	<u>1,457</u>	<u>1,762</u>

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 2023

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 2023

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		2023	2022
Compensation Band (\$)			
1 - 10,000	(a)	-	2
20,001 - 30,000	(a)	-	1
30,001 - 40,000		-	1
50,001 - 60,000		4	2
60,001 - 70,000		2	3
70,001 - 80,000		1	1
110,001 - 120,000		1	1
		\$000	\$000
Short term employee benefits		505	503
Post employment benefits		49	46
Other long term benefits		-	-
Termination benefits		-	-
Total compensation of members of the accountable authority		554	549

Compensation of senior officers		2023	2022
Compensation Band (\$)			
0 - 50,000	(a)	-	1
50,001 - 100,000	(a)	1	-
100,001 - 150,000	(a)	1	-
250,001 - 300,000		-	1
300,001 - 350,000		-	2
350,001 - 400,000		2	2
400,001 - 450,000		2	-
450,001 - 500,000		-	1
500,001 - 550,000	(a)	1	-
550,001 - 600,000	(a)	1	1
600,001 - 650,000		1	-
		\$000	\$000
Short term employee benefits		2,774	2,386
Post employment benefits		278	238
Other long term benefits		132	135
Termination benefits		382	-
Total compensation of senior officers		3,566	2,759

(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 2023

6 Operating assets and liabilities

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

	2023 \$000	2022 \$000
6.1 Property, plant & equipment		
Freehold Land		
At fair value	18,272	15,278
Accumulated impairment losses	-	-
	<u>18,272</u>	<u>15,278</u>
Buildings		
At fair value	13,426	11,081
Accumulated depreciation	(266)	(46)
	<u>13,160</u>	<u>11,035</u>
Leasehold Improvements		
At cost	7,981	6,720
Accumulated depreciation	(7,046)	(6,594)
	<u>935</u>	<u>126</u>
Infrastructure		
At cost	5,535	5,370
Accumulated depreciation	(5,258)	(5,176)
	<u>277</u>	<u>194</u>
Machinery, Plant & Equipment		
At cost	7,299	6,697
Accumulated depreciation	(5,876)	(5,399)
	<u>1,423</u>	<u>1,298</u>
Computer Equipment		
At cost	55,581	55,512
Accumulated depreciation	(47,527)	(44,937)
	<u>8,054</u>	<u>10,575</u>
Furniture and Fittings		
At cost	4,147	4,685
Accumulated depreciation	(3,597)	(3,503)
	<u>550</u>	<u>1,182</u>
Motor Vehicles		
At cost	521	870
Accumulated depreciation	(470)	(670)
	<u>51</u>	<u>200</u>
	<u>42,722</u>	<u>39,888</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

6.1 Property, plant & equipment continued

The valuation of freehold land for the year ended 31 July 2023 was performed by the Western Australia Land Information Authority on 1 July 2022. The results of the revaluation were reflected in the financial statements for the year ended 31 July 2023. 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: \$14,517,000 (2022: \$11,753,000); current use of land \$3,755,000 (2022: \$3,525,000); market value of buildings \$6,568,000 (2022: \$4,508,000); current use of buildings \$6,592,000 (2022: \$6,527,000).

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 2023

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 2023

6.1 Reconciliation of Property, plant & equipment

	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	Total \$'000
2023									
Carrying amount at start of period	15,278	11,035	126	194	1,298	10,575	1,182	200	39,888
Additions	-	-	-	-	-	-	-	-	-
Transfer to/(from) work in progress	5,438	2,199	1,261	166	580	121	(52)	(75)	9,169
Disposals	-	-	-	-	-	-	-	(47)	(47)
Classified as held for sale	(375)	(48)	-	-	-	-	-	-	(423)
Impairment	-	-	-	-	-	-	-	-	-
Revaluation increments/(decrements)	(2,069)	693	-	-	-	-	-	-	(1,376)
Depreciation	-	(719)	(452)	(83)	(455)	(2,642)	(11)	(27)	(4,489)
Carrying amount at end of period	18,272	13,160	935	277	1,423	8,054	550	51	42,722
2022									
Carrying amount at start of period	18,993	11,085	252	354	265	4,162	242	103	35,456
Additions	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-
Transfer to/(from) work in progress	-	272	-	49	1,364	10,069	1,167	21	13,132
Disposals	(2,175)	(225)	-	-	-	-	-	(33)	(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)	(33)	(3,656)	(227)	(8)	(4,979)
Carrying amount at end of period	15,278	11,035	126	194	1,298	10,575	1,182	200	39,888

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

6.2 Right-of-Use assets

	Buildings \$000	Motor Vehicles \$000	Total \$000
At 1 August 2022			
Gross carrying amount	25,504	1,066	26,570
Accumulated depreciation	(12,798)	(340)	(13,138)
Carrying amount at start of period	12,706	726	13,432
Additions	-	213	213
Reassessments ^(a)	1,006	7	1,013
Depreciation	(4,254)	(305)	(4,559)
Carrying amount at 31 July 2023	9,458	641	10,099
Gross carrying amount	25,505	1,190	26,695
Accumulated depreciation	(16,047)	(548)	(16,595)

(a) Reassessments include adjustments to lease terms of fully amortised leases.

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 2023

6.2 Right-of-Use assets continued

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

	2023 \$000	2022 \$000
Depreciation expense of right-of-use assets	4,559	4,796
Lease interest expense	290	326
Expenses relating to variable lease payments not included in lease liabilities	-	-
Short-term leases	1	16
Low-value leases	-	6
Gains or losses arising from sale and leaseback transactions	-	-
Total amount recognised in the Statement of Comprehensive Income	4,850	5,144

The total cash outflow for leases in 2023 was \$4,698,000 (2022: \$4,767,000)

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 2023

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
2023				
Non-Current assets classified as held for sale (Note 6.4)	-	452	-	452
Land (Note 6.1)	-	14,517	3,755	18,272
Buildings (Note 6.1)	-	6,568	6,592	13,160
	-	21,537	10,347	31,884
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

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
2023		
Fair value at start of period	3,525	6,527
Additions	-	-
Revaluation increments recognised in Other Comprehensive Income	230	425
Depreciation Expense	-	-
Fair value at end of period	3,755	6,952
2022		
Fair value at start of period	3,375	5,977
Additions	-	278
Revaluation decrements recognised in Other Comprehensive Income	150	541
Depreciation Expense	-	(269)
Fair value at end of period	3,525	6,527

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 2023

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 2023

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 2023	Description and fair value as at 31 July 2022	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Land \$3,755,000	Land \$3,525,000	Current Replacement Cost Method	Selection of land with similar approximate utility	Higher value of similar land increases estimated fair value
Buildings \$6,592,000	Buildings \$6,527,000	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 2023

	2023 \$000	2022 \$000
6.4 Non-current assets classified as held for sale		
Opening balance		
Freehold land	2,305	-
Buildings	521	-
	2,826	-
Assets reclassified as held for sale		
Freehold land	375	2,305
Buildings	48	521
	423	2,826
Revaluation decrement		
Freehold land	-	-
Buildings	-	-
	-	-
Total assets classified as held for sale		
Freehold land	2,680	2,305
Buildings	569	521
	3,249	2,826
Less assets sold		
Freehold land	2,410	-
Buildings	387	-
	2,797	-
Closing balance		
Freehold land	270	2,305
Buildings	182	521
	452	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.

	2023 \$000	2022 \$000
6.5 Net gain on disposal of non-current assets		
Proceeds from disposal	3,722	2,864
Carrying amount of disposal	(2,797)	(2,400)
Net gain	925	464

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 2023

6.6 Intangible Assets

Year ended 31 July 2023	Computer Software \$000	Domain Names \$000	Total \$000
At 1 August 2022			
Gross carrying amount	82,286	25	82,311
Accumulated depreciation	(67,064)	(25)	(67,089)
Carrying amount at start of period	15,222	-	15,223
Additions	2,133	-	2,133
Amortisation expense	(5,224)	-	(5,224)
Carrying amount at 31 July 2023	12,131	-	12,132
Year ended 31 July 2022	Computer Software \$000	Domain Names \$000	Total \$000
At 1 August 2021			
Gross carrying amount	73,832	25	73,857
Accumulated depreciation	(60,311)	(25)	(60,336)
Carrying amount at start of period	13,521	-	13,521
Additions	8,470	-	8,470
Amortisation expense	(6,769)	-	(6,769)
Carrying amount at 31 July 2022	15,222	-	15,222

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 RWWA 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
Web site costs	3 to 5 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.

Web Site Costs

Web site costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a web site, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a web site, to the extent that can be reliably measured, are capitalised to the extent that they represent probable future economic benefits.

Domain Names

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

6.7 Capital Works In Progress

	Property, Plant & Equipment \$000	Intangible Assets \$000	Total \$000
2023			
Carrying amount at start of period	2,663	4,239	6,902
Additions	12,503	2,843	15,346
Transfer to/(from) work in progress	(9,169)	(2,133)	(11,302)
Carrying amount at end of period	5,997	4,949	10,946
2022			
Carrying amount at start of period	10,443	5,615	16,058
Additions	5,351	7,094	12,445
Transfer to/(from) work in progress	(13,131)	(8,470)	(21,601)
Carrying amount at end of period	2,663	4,239	6,902

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

6.8 Impairment of Assets

As at 31 July 2023 RWWA had no impairment of assets (2022 : \$124,000).

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 2023

	2023	2022
	\$000	\$000
6.9 Inventories		
Current		
Inventories not held for resale:		
At Cost		
Tickets	406	389
Agency Spares and Consumables	97	99
	503	488

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.

	2023	2022
	\$000	\$000
6.10 Receivables		
Current		
Trade Receivables	2,432	1,068
Accrued Revenue	435	221
Other Debtors	9,093	9,541
Allowance for expected credit losses	(284)	(158)
	11,676	10,672
Reconciliation of changes in the allowance for expected credit losses:		
Balance at start of period	158	69
Expected credit losses expense	172	89
Amounts written off during the period	(46)	-
Balance at end of period	284	158

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 2023

	2023 \$000	2022 \$000
6.11 Other Assets		
Current		
Prepayments	11,002	9,950
	<u>11,002</u>	<u>9,950</u>
Non-Current		
Prepayments	251	1,524
	<u>251</u>	<u>1,524</u>

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.

	2023 \$000	2022 \$000
6.12 Payables		
Current		
Trade Payables	7,431	1,639
Unclaimed Dividends and Refunds	4,149	4,099
TAB Payables and Account Betting Deposits	27,472	22,808
Other Payables	3,157	8,126
GST Payable	1,651	2,027
Accrued Expenses	9,164	12,747
	<u>53,023</u>	<u>51,446</u>
Non-Current		
Agents deposits and property bonds	1,115	1,110
	<u>1,115</u>	<u>1,110</u>

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 2023

	2023	2022
	\$000	\$000
6.13 Lease liabilities		
Current	4,078	4,477
Non-Current	6,422	8,940
Total lease liabilities	10,500	13,417

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 2023

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 & Poors 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 2023

7.1 Financial Instruments continued

(b) Categories of Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2023 \$000	2022 \$000
Financial Assets		
Cash and cash equivalents	86,366	187,352
Financial assets at fair value through profit or loss (FVTPL)	77,962	19,925
Financial assets at amortised cost ^(a)	30,086	10,672
Financial asset at fair value through other comprehensive income (OCI)	1,819	1,722
	196,233	219,671
Financial Liabilities		
Financial liabilities at amortised cost ^(a)	62,922	63,946
	62,922	63,946

(a) These amounts exclude GST recoverable/payable to the Australian Taxation Office (statutory receivable/payable).

(c) Credit risk exposure

The following table discloses RWWA's credit risk exposure for trade receivables using a provision matrix.

	Total \$000	Days past due			
		Current \$000	31-60 days \$000	61-90 days \$000	>91 days \$000
2023					
Expected credit loss rate		0%	0%	0%	35%
Estimated total gross carrying amount at default	2,432	521	1,043	58	810
Expected credit losses	(284)	-	-	-	(284)
2022					
Expected credit loss rate		0%	0%	0%	33%
Estimated total gross carrying amount at default	1,068	324	214	48	482
Expected credit losses	(158)	-	-	-	(158)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

7.1 Financial Instruments continued

(c) Liquidity Risk and Interest Rate Exposure

The following table details RWVA'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 %	Interest Rate Exposure				Maturity Dates								
		Carrying Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non Interest Bearing \$'000	Nominal Amount \$'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				
2023														
Financial Assets														
Cash and cash equivalents	3.99%	86,366	40,661	44,747	958	86,366	-	-	-	-	-	-	-	-
Other financial assets		98,191	-	-	98,191	-	-	-	-	-	-	-	-	1,819
Receivables ^(a)		11,676	-	-	11,676	-	-	-	-	-	-	-	-	-
		196,233	40,661	44,747	110,825	196,233	-	-	-	-	-	-	-	1,819
Financial Liabilities														
Payables ^(b)		51,372	-	-	51,372	51,372	-	-	-	-	-	-	-	-
Lease Liabilities	2.00%	10,500	10,500	-	-	10,500	-	-	-	-	-	-	-	401
Agent Deposits and property bonds	4.06%	1,115	-	1,115	-	1,115	1,434	1,889	6,021	-	-	-	-	1,115
		62,986	10,500	1,115	51,372	62,986	1,434	1,889	6,021	-	-	-	-	1,516
2022														
Financial Assets														
Cash and cash equivalents	1.46%	187,352	-	186,236	1,116	187,352	25,030	-	-	-	-	-	-	-
Other financial assets		21,647	-	-	21,647	21,647	-	-	-	-	-	-	-	1,722
Receivables ^(a)		10,672	-	-	10,672	10,672	-	-	-	-	-	-	-	-
		219,671	-	186,236	33,436	219,671	25,030	-	-	-	-	-	-	1,722
Financial Liabilities														
Payables (c)	1.99%	49,419	-	-	49,419	49,419	-	-	-	-	-	-	-	-
Lease Liabilities	1.57%	13,417	13,417	-	-	13,417	-	-	-	-	-	-	-	3,892
Agent Deposits and property bonds		1,110	-	1,110	-	1,110	-	-	-	-	-	-	-	1,110
		63,946	13,417	1,110	49,419	63,946	-	4,477	5,048	-	-	-	-	5,002

(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 2023

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
2023					
Financial Assets					
Cash and cash equivalents ^(a)	44,747	(447)	(447)	447	447
Financial Liabilities					
Agent Deposits and property bonds	1,115	11	11	(11)	(11)
Total Increase/(Decrease)		(436)	(436)	436	436
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

(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 financial assets 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
2023			
Financial Assets			
Investment in financial assets at FVTPL	77,962	3,898	(3,898)
Investment in fixed interest bonds	18,410	921	(921)
2022			
Financial Assets			
Investment in financial assets at FVTPL	19,925	996	(996)

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 2023

	2023 \$000	2022 \$000
7.2 Other Financial Assets		
Current		
Short term investment in financial assets at FVTPL	-	19,925
	-	19,925
Non-Current		
Investment in fixed interest bonds at amortised cost	18,410	-
Investment in financial assets at FVTPL	77,962	
Unlisted shares at fair value through OCI	1,819	1,722
	98,191	1,722

Valuation of Investments

Investment in fixed interest bonds are measured at amortised cost. Investment in other financial assets are measured at fair value through profit and loss (FVTPL). Unlisted shares are measured at fair value through other comprehensive income (OCI).

For the year ended 31 July 2023 RWWA recognised fair value gains on its investments of \$2,143,000.

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

Fixed Interest bonds

Interest income is calculated using the effective interest method and recognised in profit or loss.

Financial Assets

Financial assets measured at fair value through profit and loss comprise of unit trusts, Australian and International equities, ASX listed fund ETFs and managed funds. Investments 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
2023				
Financial assets	8,949	69,013	-	77,962
Unlisted shares	-	-	1,819	1,819
2022				
Financial assets	-	19,925	-	19,925
Unlisted shares	-	-	1,722	1,722

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

	Valuation Technique	Inputs Utilised
Financial assets	Quoted prices: Unit	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 2023

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:

	2023 \$000	2022 \$000
Cash and cash equivalents		
Cash at bank	45,674	162,267
Cash on hand	32	55
Short-term deposits	40,661	25,030
	86,366	187,352
 <i>Reconciliation of profit to net cash flows used in operating activities</i>		
(Loss)/Profit for the period	(22,814)	26,132
Non cash items:		
Depreciation, amortisation and lease expense	14,562	16,813
Net gain on sale of property, plant and equipment	(925)	(464)
Impairment	-	124
Expected credit losses expense	172	-
Income from State Government	(126,509)	(126,931)
Betting tax income	(38,390)	(36,279)
(Increase)/decrease in assets:		
Receivables / Accrued Income	(2,823)	(568)
Current inventories	(15)	174
Prepayments	220	(5,145)
Increase/(decrease) in liabilities:		
Trade creditors ^(a)	7,381	(6,953)
Other creditors	(3,743)	48
Annual leave and long service leave provisions	59	1,151
Other current provisions	12	73
Change in GST Receivables/Payables ^(b)	(377)	247
Net cash used in operating activities	(173,190)	(131,578)

(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 2023

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:

	2023 \$000	2022 \$000
Within one year	6,261	1,737
	6,261	1,737
The capital commitments include amounts for:		
Racing Infrastructure	4,364	1,574
Racewalls rollout	136	-
IT systems	1,761	163
	6,261	1,737

Other Expenditure Commitments

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

	2023 \$000	2022 \$000
Within one year	8,984	28,565
Later than one year but not later than five years	-	-
	8,984	28,565

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

7.5 Contingent liabilities/(assets)

	2023	2022
	\$000	\$000
Contract performance guarantees exist over future rental payments on TAB Agencies	30	30

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

8 Other disclosures

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

	2023 \$000	2022 \$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	247	216
	247	216

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 2023

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 \$30,098,000 (2022 \$26,112,000) and grants and subsidies of \$851,000 (2022 \$546,000) from RWWA. WAGRA is not subject to operational control by RWWA.

	2023 \$000	2022 \$000
8.5 Supplementary Financial Information Write-offs		
(a) Write-offs		
During the financial year, \$46,000 (2022 \$0) was written off RWWA's Receivables under the authority of:		
of:		
The accountable authority	(46)	-
	<u>(46)</u>	<u>-</u>
(b) Losses through theft, defaults and other causes		
Losses of public money and public and other property through theft or default	-	-
Amounts recovered	-	-
	<u>-</u>	<u>-</u>
(c) Gifts of public property		
Gifts of public property provided by the Agency	-	-
	<u>-</u>	<u>-</u>

8.6 Events occurring after the end of the reporting period

There were no significant events that occurred after the reporting period.

	2023 \$000	2022 \$000
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.		
Balance at start of period	962	740
Receipts	747	902
Payments	(553)	(680)
Balance at end of period	<u>1,156</u>	<u>962</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

	2023 \$000	2022 \$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	142,917	116,785
Transfer from Retained Earnings	(22,814)	26,132
Balance at the end of the period	120,103	142,917
Asset revaluation reserve:		
Balance at the start of the period	17,902	16,243
Net revaluation increments/(decrements):		
Land	(2,069)	765
Buildings	693	894
Balance at the end of the period	16,526	17,902
Financial assets revaluation reserve:		
Balance at the start of the period	997	917
Net revaluation increments/(decrements):		
Financial Assets	195	80
Balance at the end of the period	1,192	997
Balance of reserves at end of the period	137,821	161,816
Retained earnings:		
Balance at the start of the period	-	-
Result for the period	(22,814)	26,132
Transfer to General Reserve	22,814	(26,132)
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 TI 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 2023

8.9 Schedule of income and Expense by Service

	Racing		Wagering		Unallocated		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
INCOME								
Revenue	-	-	352,649	357,949	-	-	352,649	357,949
Margin	18,302	14,127	9,729	10,069	3,555	198	31,586	24,394
Other revenue	-	-	-	-	3,499	1,559	3,499	1,559
Interest income	-	-	-	-	925	464	925	464
Gain on disposal of non-current assets	-	-	-	-	2,143	-	2,143	-
Fair value gain on investments	-	-	-	-	-	-	-	-
Total income	18,302	14,127	362,378	368,018	10,122	2,221	390,802	384,366
EXPENSES								
Costs of sales	5	-	95,449	91,847	1	-	95,455	91,847
Wagering Tax	-	-	50,102	51,754	-	-	50,102	51,754
Racing Services	41,209	33,491	-	-	-	-	41,209	33,491
Wagering Services	-	-	102,995	97,496	-	-	102,995	97,496
Support Services	-	-	-	-	51,890	44,006	51,890	44,006
Grants and subsidies	34,441	33,070	-	-	-	-	34,441	33,070
Distribution to racing and sports industries	202,059	169,485	364	295	-	-	202,423	169,780
Total Expenses	277,714	236,046	248,910	241,392	51,891	44,006	578,515	521,444
Profit/(Loss) before income from State Government	(259,412)	(221,919)	113,468	126,626	(41,769)	(41,785)	(187,719)	(137,078)
WA Racefields income	126,509	126,931	-	-	-	-	126,509	126,931
Betting Tax income	38,390	36,279	-	-	-	-	38,390	36,279
Other income from State Government	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	(94,513)	(58,709)	113,468	126,626	(41,769)	(41,785)	(22,814)	26,132

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 July 2023

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 2022 and 2023.

Significant variations are considered to be those in excess of 10% from their comparative and that the variation is more than 1% of the total cost of services for the previous year (\$5.2M).

Significant variances between actual results for 2022 and 2023

	Comment	2023	2022	Variance \$000
		Actual \$000	Actual \$000	
Revenue				
Margin	(1)	352,649	357,949	(5,300)
Other Revenue	(2)	31,586	24,394	7,192
Interest Income		3,499	1,559	1,940
Gains				
Gain on disposal of non-current assets		925	464	461
Fair value gain on investments		2,143	-	2,143
Expenses				
Cost of sales		95,455	91,847	3,608
Wagering Tax		50,102	51,754	(1,652)
Racing Services	(3)	41,209	33,491	7,718
Wagering Services		102,995	97,496	5,499
Support Services	(4)	51,890	44,006	7,884
Grants and subsidies to racing		34,441	33,070	1,370
Distribution to racing and sports	(5)	202,423	169,780	32,643
Total cost of services		578,515	521,444	57,071
WA Racefields income		126,509	126,931	(422)
Betting Tax income		38,390	36,279	2,111

Comment

- (1) Margin decreased in 2023 primarily due to the decrease in the total WA wagering market from its COVID impacted peak, along with a softening of the economy impacted by inflationary pressures and 9 official cash rate increases throughout the financial year.
- (2) Increases in other revenue primarily due to Western Trilogy Slot Race holder fees and dividend income from managed funds.
- (3) Increase in training and consulting costs is mainly as part of the improved welfare strategy across all codes.
- (4) Increases in support services for the additional contractor and salary expenses, including associated on-costs, in line with the increase in FTE.
- (5) Increase in distributions is primarily due to the strategic initiative to increase base stake payments across the racing codes to improve attractiveness and participation.

RELATIONSHIP TO GOVERNMENT GOALS

For the year ended 31 July 2023

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 Distribution to Industry	Margin per employee Profit per employee Return on Assets (operating profit as a percentage of total assets) Margin
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	Grants to industry (RWWA funded) Grants to industry (State Government funded)	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 years results have been explained in detail.

CERTIFICATION OF KEY PERFORMANCE INDICATORS

For the year ended 31 July 2023

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 2023.



Karen Farley SC
Chair RWVA Board
16 October 2023



Catherine Ferrari
Acting Chair RWVA Audit and Risk Committee
16 October 2023

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2023

Effectiveness Indicators		Description	2023 Actual	2023 Target	2022 Actual	2021 Actual	2020 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 RWMA places on this. A service that is reliable is necessary for the TAB to attract and retain customers.	99.94	99.96	99.99	99.98	100.00	The availability of the betting system during the year is comparable with prior year ratios.
Staff (FTE)		With staff employee benefits expense being one of the largest cost categories at RWMA, managing the FTE levels is an important part of ensuring an efficient competitive business.	440	433	407	396	367	The number of FTE at the end of 2022/23 was higher than 2021/22 reflecting the additional FTE required across the organisation 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.	253,898	262,893	253,930	261,453	213,017	The number of bets for 2023 is in line with last year but lower when compared with target. As per commentary below for margin variance to FY22, the number of bets processed is in line with total wagering market movement and reflects a decrease in average bet value.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2023

Efficiency Indicators	Description	2023		2022		2020		Result
		Actual	Target	Actual	Actual	Actual	Actual	
* Margin per employee	Margin per employee is a measure of the competitiveness of the business.	\$000	801	879	944	845	845	Margin per employee is down on prior year in line with decreased turnover and increase in FTE for 2022/23.
* Profit per employee	Profit per employee is down on prior year due to the decrease in operating profit, and increase in FTE.	\$000	396	480	579	456	456	Profit per employee is down on prior year due to the decrease in operating profit, 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.	%	61.3	63.1	79.9	83.0	83.0	ROA is down on the previous year due to decrease in operating profit for 2022/23. 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 2023

Effectiveness Indicators	Description	2023		2022		2020		Result
		Actual	Target	Actual	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.	202,423	195,275	169,780	159,016	147,989		The results are consistent with RWWA's 2023 distribution policy and reflect an increase on target and last year, due to the strategic initiatives to increase funding to the racing industry.
	% Change on prior year	19.2	15.0	6.8	7.5	1.9		
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.	18,484	36,479	19,672	4,332	4,194		Grants to industry were below target and lower than last year, due to timing delays of FY23 target spend.
Grants to Industry (WA Government Funded)		-	-	-	-	108		There were no WA Funded Grants to industry budgeted in the 2022/23 Financial Year.

Efficiency Indicators	Description	2023		2022		2020		Result
		Actual	Target	Actual	Actual	Actual	Actual	
* Margin	Margin is an important indicator of the capacity of RWWA to fund the racing industry and sports.	352,649		357,949	373,734	310,233		Margin decreased in 2023 primarily due to the decrease in the total WA wagering market from its COVID impacted peak, along with a softening of the economy impacted by inflationary pressures and 9 official cash rate increases throughout the financial year.
* 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.	174,295		195,448	229,305	167,274		Operating profit is lower than last year due to the decrease in margin and increase in expenses and subsidies to racing, offset by an increase in other revenue from investments and interest income.

* Targets have not been disclosed due to commercial sensitivity.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2023

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	2023		2022		2020		Result
		Actual	Target	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 ¹ is a key indicator of the drug testing regime impact on the industry.	100.0		99.8	100.0	100.0		
	Thoroughbreds %	99.8		99.5	99.6	99.7		The results are consistent with previous years.
	Harness %	100.0		99.9	99.7	99.9		
	Greyhounds %							
* 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		9.5	9.8	10.0		
	Thoroughbreds %	9.1		8.9	9.0	9.3		The results are consistent with previous years.
	Harness %	7.3		7.4	7.5	7.4		
	Greyhounds %							
* 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.	4.3		(1.5)	18.1			1.1 The results show a favourable growth against the previous year with a positive result from the launch of the WA Trilogy Tri Code carnival.

* Targets have not been disclosed due to commercial sensitivity.

KEY PERFORMANCE INDICATORS

For the year ended 31 July 2023

Efficiency Indicators	Description	2023		2022		2021		2020		Result
		Actual	Target	Actual	Actual	Actual	Actual	Actual	Actual	
Racing and Steward expenses per WA race meeting	<p>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.</p> <p>\$000 % Change on prior year</p>	47.53	41.55	40.10	35.58	32.80	10.81	12.82	8.48	<p>The results show an increase on last year through a combination of raceday and non raceday costs, including staff costs, marketing initiatives for WA racing and travel. The target included the change in meets for the year but not the associated expenses.</p>

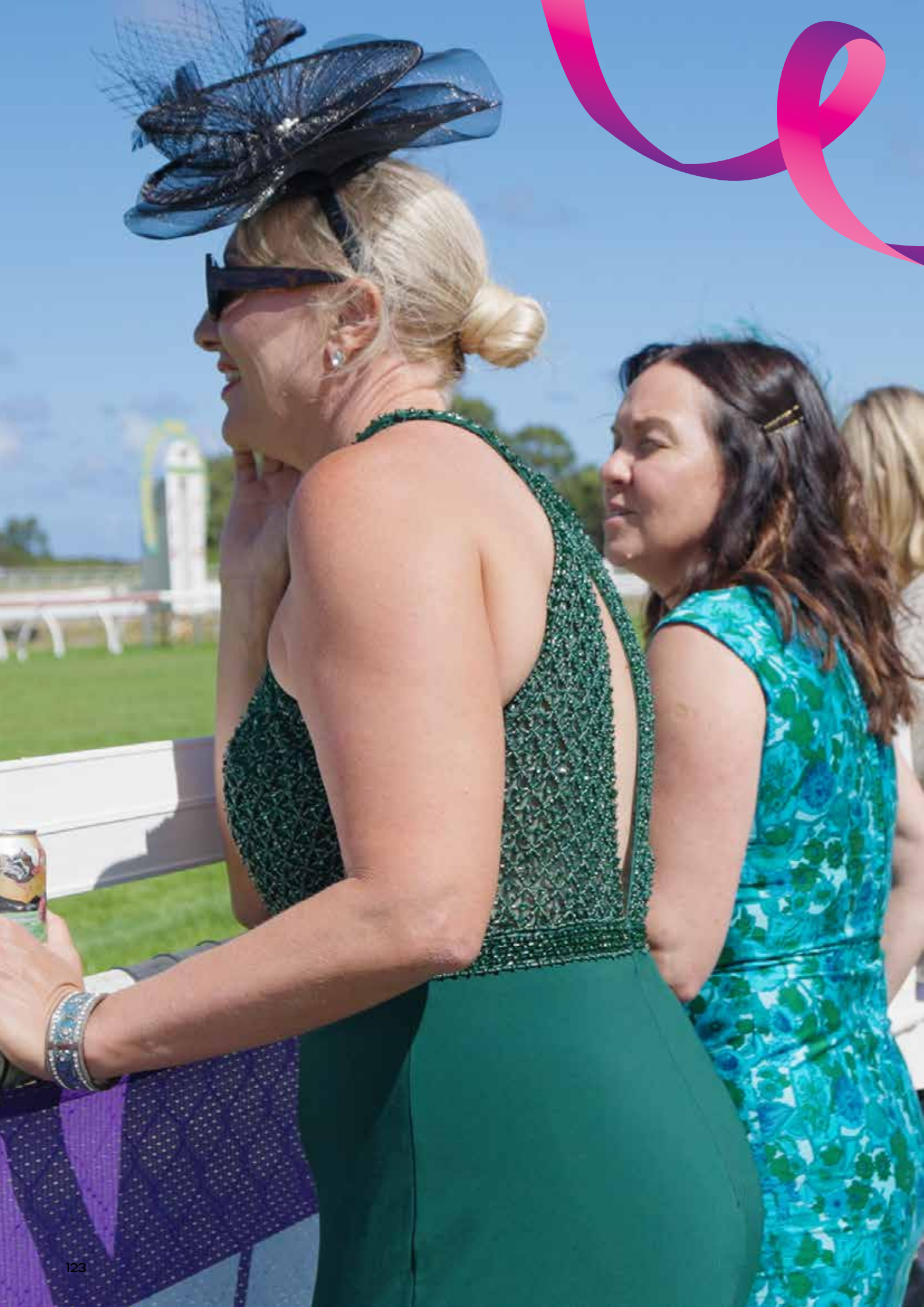




Image: Esperance Cup 2023

OTHER DISCLOSURES

Ministerial directions

No Ministerial Directives were received during the financial year.

OTHER LEGAL REQUIREMENTS

Unauthorised use of credit cards

Officers of the Agency hold corporate credit cards where their functions warrant usage of this facility. Despite each cardholder being reminded of their obligations annually under the Agency's credit card policy, 28 employees inadvertently utilised their corporate credit card for personal use. None of these matters were referred for disciplinary action as the Chief Finance 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.

	FY2023 \$
Aggregate amount of personal use expenditure for the reporting period	4,090
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	871
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	1,982
Aggregate amount of personal use expenditure remaining unpaid at the end of the reporting period	1,237

Advertising, market research, polling and direct mail

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 FY2023 was \$14.18M and was incurred as follows:

Supplier	\$000	Supplier	\$000
Advertising Agencies		Social and Content	
Brand Agency	10,792	Hamilton Content Creators	193
Clemenger	1,315	Brittany Taylor	88
Signifi Digital Media	22	Michael Heaton	98
CVW	61	Direct Mail	
OZGroup	2	Mobivate	354
Direct Booked Media		Optimove	554
Sports Entertainment Network (SEN)	64		
Seven West Media	42		
Network Ten	99		
Market Research			
Painted Dog	498		
Total			14,184

Record Keeping Plan statement

Our Record Keeping Plan was affirmed by the State Records Commission in August 2022, and is periodically reviewed. We continue to monitor and develop our records management processes to meet the needs of the organisation and the requirements under the *State Records Act 2000*.

GOVERNMENT POLICY REQUIREMENTS

Occupational safety, health and injury management

Our focus remains on ensuring we provide a safe environment for all team members, visitors and industry participants. We achieve this by promoting a proactive safety culture, implementing appropriate policies and procedures, facilitating training for senior leaders and managers, and working with key stakeholders and industry to ensure risks are identified and controlled. We regularly review our operations and our compliance with the *Work Health and Safety Act 2020* and the *Work Health and Safety (General) Regulations 2022*.

Measure	Results FY2021	Results FY2022	Results FY2023*	Target	Comments towards targets
Number of fatalities	0	0	0	0	Target achieved
Lost time injury and/or disease incidence rate	0.27	0.87	0.21	0 or 10% reduction in incidence rate	Target achieved
Lost time injury and/or disease severity rate	0	0.21	0.01	0 or 10% reduction in severity rate	Target achieved
Percentage of injured workers returned to work within 13 weeks	100%	100%	100%	Greater than or equal to 80%	Target achieved
Percentage of injured workers returned to work within 26 weeks	Not Applicable	Not Applicable	Not Applicable	Greater than or equal to 80%	Target achieved
Percentages of managers trained in occupational safety, health and injury management responsibilities (including refresher training within 3 years).	15%	17%	66%	Greater than or equal to 80%	Target not achieved

**Please note, to be consistent with previous reporting years, these figures do not include apprentice jockey injuries.*

BOARD AND COMMITTEE REMUNERATION

FY2023

Position title	Base salary	Type of remuneration	Sub-Committee Chair allowance (\$7,500.00 / annum per Committee)	Type of remuneration	Sub-Committee sitting fee allowance (\$300 / half-day; \$450 / full-day - annualised figures below)	Type of remuneration	Expenditure Allowance (Chair and Members - except Independent Members)	Type of remuneration	Period of membership**	Gross/actual remuneration for financial year
Chair	\$89,740	Annual	\$7,500	Annual	\$4,650	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$107,140
Member	\$45,000	Annual	\$7,500	Annual	\$3,150	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$60,900
Member	\$45,000	Annual	\$-	Annual	\$1,950	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$52,200
Member	\$45,000	Annual	\$-	Annual	\$3,000	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$53,250
Member	\$45,000	Annual	\$-	Annual	\$2,850	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$53,100
Member	\$45,000	Annual	\$7,500	Annual	\$9,900	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$67,650
Member	\$45,000	Annual	\$7,500	Annual	\$3,150	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$60,900
Member	\$45,000	Annual	\$-	Annual	\$2,850	Payment per meeting	\$5,250	Annual	Full FY 2022-23	\$53,100
Independent Committee Member	\$10,000	Annual	\$-	Annual	\$3,300	Payment per meeting	\$-	-	Full FY 2022-23	\$13,300
Independent Committee Member	\$10,000	Annual	\$7,500	Annual	\$-	-	\$-	-	Full FY 2022-23	\$17,500
Total	\$424,740		\$37,500		\$34,800		\$42,000			\$539,040

CONTACT INFORMATION

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