

Tasracing Pty Ltd

STATEMENT OF CORPORATE INTENT AND PERFORMANCE STATEMENT 2018-19

October 2018

I STATEMENT OF CORPORATE INTENT

1.1 Introduction

This Statement of Corporate Intent (SCI) for the 2018-19 financial year has been prepared in accordance with section 41 of the *Government Business Enterprises Act 1995*. It should be read in conjunction with the Members' Statement of Expectation of Tasracing.

1.2 Strategic Direction

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

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

2 PERFORMANCE STATEMENT

2.1 Introduction

This Performance Statement has been prepared in accordance with the Members' Statement of Expectations and sets out the key performance targets to be met by Tasracing in 2018-19.

2.2 Performance Statement

Table I presents the Performance Statement which captures the relevant financial and non-financial targets for the business. The Performance Statement presented is consistent with Tasracing's Corporate Plan for 2018-2019 to 2022-2023.

The financial measures include the key income statement metrics which show the profitability of the company and its success in generating revenues.

Non-financial measures show the volume of races and average starters per race which are key parameters. In conjunction with the volume of racing, track performance is included as the key indicator of the reliability and suitability of racing. Thoroughbred track performance is based on the industry standard track grading system as published by Racing Australia. Track performance targets have been set to accommodate some disruption from environmental factors however inclement weather remains an ongoing risk to the achievement of these targets.

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

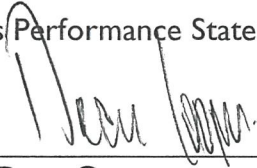
Table I – Tasracing Performance Statement FY2018-19

		2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
		\$ Million	\$ Million	\$ Million	\$ Million	\$ Million
Returns to Government						
	Guarantee Fees	0.19	0.18	0.17	0.15	0.13
	Dividend	0.00	0.00	0.00	0.00	0.00
Financial						
	NPAT	0.36	0.36	0.28	0.32	0.21
	Race Field Revenue	14.96	16.45	17.28	18.14	19.05
	Code Funding	24.51	25.49	26.51	27.57	28.67
	Assets and Facilities Maintenance	3.18	3.45	3.54	3.63	3.72
	Capital Expenditure	14.34	8.50	6.25	2.25	9.00
	Workers Compensation	0.80	0.80	0.80	0.80	0.80
	Wagering Turnover	633.57	696.92	731.77	768.36	806.78
Non-Financial						
		2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Thoroughbred	Number of races	570	570	570	570	570
	Total Starters	5,500	5,750	5,850	5,850	5,850
	Av. Starters Per race	9.6	10.1	10.3	10.3	10.3
Harness	Number of races	700	700	700	700	700
	Total Starters	6,800	7,000	7,100	7,200	7,300
	Av. Starters Per race	9.7	10.0	10.1	10.3	10.4
Greyhound	Number of races	1,600	1,600	1,600	1,600	1,600
	Total Starters	12,500	12,500	12,500	12,500	12,500
	Av.e Starters Per race	7.8	7.8	7.8	7.8	7.8
Thoroughbred Track Performance						
	Summer (% of tracks presented good 3 to dead 5)	85%	85%	85%	85%	85%
	Winter (% of tracks presented good 3 to slow 7)	85%	85%	85%	85%	85%

**DIRECTORS STATEMENT AND
AGREEMENT OF SHAREHOLDING MINISTERS**

In signing this Performance Statement, the Board of Tasracing commits to the targets proposed for the 2018-19 financial year.

This Performance Statement has been agreed between:



Mr Dean Cooper
Chairman
Tasracing
On behalf of the Board

Date:



Hon Peter Gutwein MP
Treasurer



Hon Elise Archer MP
Minister for Racing

Date: 4th February 2018

Date: 5th December 2018