

2020/21 **ANNUAL REPORT**



**RACING
QUEENSLAND**

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2020/21 Annual Report

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Chairman's Letter

September 17, 2021

The Hon Grace Grace MP
Minister for Education
Minister for Industrial Relations and
Minister for Racing
PO Box 15033
CITY EAST QLD 4002

Dear Minister,

2020/21 ANNUAL REPORT FOR THE RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND

I am pleased to submit for presentation to the Parliament the 2020/21 Annual Report and financial statements for the Racing Queensland Board trading as Racing Queensland.

I certify that this Annual Report complies with:

- The prescribed requirements of the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2019, and
- The detailed requirements set out in the Annual Report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found at page 44 of this Annual Report.

Yours sincerely,



Steve Wilson AM
Racing Queensland Chair

Annual Report Requirements

Annual Report 2020/21 for the Racing Queensland Board trading as Racing Queensland

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Information on consultancies and overseas travel can be accessed through the Queensland Government Open Data website (www.qld.gov.au/data).

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This document has been prepared with all due diligence and care, based on the best available information at the time of publication. Racing Queensland holds no responsibility for any errors or omissions within this document. Any decisions made by other parties based on this document are solely the responsibility of those parties.

While the financial statements reflect a true and fair view of the financial position of Racing Queensland and its consolidated entities in accordance with the applicable accounting standards, RQ believes that more relevant financial comparisons are made using normalised results for the financial year ended June 30, 2021.

These normalised figures remove material non-recurring transactions (outlined on page 11) from the FY21 financial statements, providing the user a more realistic performance of RQ.

Any reference to normalised results within the annual report incorporate the adjustments above.

INTERPRETER SERVICES

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the RQ Annual Report, you can contact us on telephone (07) 3869 9777 and we will arrange an interpreter to effectively communicate the report to you.



FURTHER INFORMATION

Further information regarding this report may be obtained by contacting Racing Queensland as follows:

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Sandgate QLD 4017

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YOUR FEEDBACK

Racing Queensland values comments and welcomes feedback from readers.

To provide feedback, please email: info@racingqueensland.com.au

This publication can be accessed and downloaded from our website:
www.racingqueensland.com.au/Corporate/Our-Plan

Alternatively, hard copies of this publication can be obtained by emailing:
info@racingqueensland.com.au

Chairman's Report

The building blocks for a bright and prosperous future for the Queensland racing industry continue to be laid.

For a sixth year, I have enjoyed the honour of leading this enormous industry, which plays such an important role in the fabric of our state.

During this time, transformational change has been achieved so now we can “close the gap” with our rival states.

Pleasingly, our wagering market share, increased 3% to 16.9% as a measure of interest in our sport.

During 2020/21 normalised revenue grew to a record \$336 million, an increase of 19.2%, while returns to participants reached \$271 million up 22%, which was well above our targeted \$250 million.

While the funding and prize money gap with the southern states is still significant, RQ's revenue growth since 2015/16 has been strong.

On a five-year CAGR, RQ has enjoyed revenue growth of 11.8%, more than each of Victoria and NSW.

With the global pandemic impacting results, RQ recorded a \$6.2 million normalised consolidated profit versus \$4.3 million in FY20.

The organisation's future challenges remain, however, as the 'Minimum Payment Obligation' expired in January 2021, placing emphasis on the need for QTAB to meet its merger benefit expectations.

From a wagering perspective, FY21 was a record with turnover on Queensland product increasing by 29.7% to \$6.2 billion.

- Thoroughbreds - \$4.2 billion (+28.1%);
- Greyhounds - \$1.4 billion (+35.4%); and
- Harness - \$0.7 billion (+29.1%).

Race Field Fee Revenue grew by 35.5% to \$140.2 million while QTAB revenue improved 8.6% to \$81.8 million.

Our focus continues to monitor commercial efficiency so to ensure maximum returns to participants.

With a significant pipeline of major infrastructure projects outlined later in this report, the industry must be well positioned for the next 50 years.

During FY21, transformation of the Ipswich Turf Club was completed through a \$24.8 million project with the opening of the new Events and Entertainment Centre.

The new synthetic track at the Sunshine Coast Turf Club was completed in the lead-up to the Caloundra Cup. Works will continue on irrigation and drainage, along with the number two grass track and plough track, to be concluded by the end of 2021.

Importantly, RQ received business case approval for the \$37.5 million redevelopment of the Gold Coast Turf Club, which will bring night racing to Aquis Park for the 2024 Magic Millions.

Like the Sunshine Coast, a Polytrack will be installed to ensure the same synthetic surface is available throughout South East Queensland.

At the Greater Brisbane Greyhound Centre, detailed design and community engagement advanced to allow completion by early 2024.

RQ moved to a largely self-delivery model for country racing infrastructure to accelerate dozens of projects.

Further announcements were made in the final quarter of FY21 including a new \$1.3 million Events Centre at the Cairns Jockey Club, along with stabling upgrades across the state including Rockhampton and Toowoomba.

These strategic infrastructure projects will support our vibrant network of clubs, enhancing their facilities and sustainability.

In recent years, clubs have enjoyed major increases in funding, infrastructure and returns via the new media rights agreement.

Our strategic ambition remains to champion great racing events which connect Queenslanders.

Our season commenced with the introduction of the inaugural Queensland Spring Carnival which included seven weeks of feature racing headlined by the Weetwood Handicap and the Queensland Cup.

To support this concept, the Weetwood Handicap and the Toowoomba Cup were strategically shifted from their traditional autumn timeslots to coincide with the Carnival of Flowers festival.

The TAB Summer Racing Carnival then took centre stage, culminating with The Star Gold Coast Magic Millions Raceday, which maintained its standing as Queensland's largest wagering day with turnover of \$69 million (+18%).

TV ratings for the Magic Millions were encouraging, with the Seven network reaching 1.1 million viewers on the final day.

Pleasingly, Queenslanders were regularly seen in the big race winners' circle with Krone, Jonker, The Odyssey, Alpine Edge and The Harrovian among the victors.

The TAB Golden Greys Summer Carnival continues to strengthen, with Queensland's own Crazy Cool securing the Golden Ticket, while Victorian superstar Shima Shine snared the Gold Bullion with the people's dog, Tommy Shelby, also in the placings.

The new-look TAB Queensland Summer Harness Racing Carnival also paid immediate dividends.

With the Inter Dominion Carnival postponed due to COVID-19, a number of Queensland's biggest races were moved into the Summer Carnival, with the Group 1 TAB Blacks A Fake enjoying national coverage on the Seven network, marking the first time harness racing had been seen on free-to-air in Australia since 2018.

Despite the inclement weather, King Of Swing's victory was breathtaking.

In the New Year, another QTIS Jewel Day was run at the Gold Coast, with Rockhampton filly, Sweet Dolly, maintaining her unbeaten streak in the \$500,000 2YO Final.

The TAB Winter Racing Carnival, two years in the making, was a great success.

For the first time, Stradbroke Day featured three \$1 million races: the \$1.5 million Group 1 Stradbroke Handicap, the inaugural \$1.2 million Group 2 Q22, and the \$1 million Group 1 JJ Atkins for two-year-olds.

The lead up races were strong, with the Hollindale Stakes won by Zaaki before going on to dominate in the Doomben Cup and the Q22.

Over the 10-week Winter Carnival, wagering turnover was \$375 million, which was up 25% from the last 'normal' Carnival in 2019.

The TAB Winter Greyhound Racing Carnival was just as promising, with an exciting build up to the Sky Racing Brisbane Cup.

Having landed last year's Brisbane Cup with Black Opium, Victorian trainer Jason Thompson went back-to-back when Equalizer captured the \$375,000 Final.

Finally, the inaugural Constellations captured the attention of harness racing fans across Australia.

The introduction of The Rising Sun and The Golden Girl provided enticing lead-ups to the Blacks A Fake.

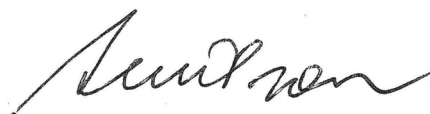
The only mare in The Rising Sun, Amazing Dream, secured the \$250,000 feature before causing a boilover a fortnight later in the Blacks A Fake.

Looking ahead, there is much promise with participants set to receive an additional \$28.9 million over the next two years as part of our Growth Plan made possible through the Palaszczuk Government's return of 35% of Point of Consumption Tax to the industry.

I would like to thank the Honourable Grace Grace, MP, for her ongoing commitment which has delivered significant Government support through the Point of Consumption Tax revenues and Country Racing Program renewal. Likewise, we thank the Honourable Stirling Hinchliffe for his distinguished three years as Minister.

We also acknowledge outgoing RQ directors, Max Walters OAM and Margaret Reynolds for their leadership and unwavering commitment to improve our industry.

Lastly, thanks to the RQ Board, Management and employees, ably headed by CEO Brendan Parnell, for continuing to lead during these unique and challenging times.



Steve Wilson AM
Racing Queensland Chair

CEO Report

The 2020/21 financial year shall be categorised under three key themes: Recovery, Reinvestment and Delivery.

RECOVERY

While the Queensland racing industry was fortunate enough to continue through the global pandemic, it was a challenging time for the community and our clubs, with limited ability to attract crowds and earn revenue for much of the first half of FY21.

With 128 clubs across the state, it was imperative that Racing Queensland acknowledged the critical role they play in our ecosystem, providing more than \$16 million in support measures to keep their doors open.

Unfortunately, 27 time-honoured country cup meetings were lost due to COVID-19, however, the industry sufficiently recovered to see crowds return to once again showcase the vibrancy of these major community events.

While the wagering landscape was abnormally inflated for much of the year due to the lack of sport, travel restrictions and the Federal Government's stimulus funding, betting revenues did decline in the final quarter of the year after the end of 'Job Keeper' and the return of sports.

The volatile trading period was further exaggerated by Tabcorp's 'Minimum Payment Obligation' concluding and with more than three years passing since the Tabcorp/Tatts merger, TAB's performance has still not reached expectations.

Unsurprisingly, the recovery of TAB's performance will be closely monitored.

In line with the Monteith Report, the third year back at headquarters for thoroughbred racing saw improved cushion and turf health at Eagle Farm.

While the turf plant has recovered strongly from the disease in early 2020, it continues to mature.

RQ will continue to monitor its progress with the Brisbane Racing Club through our joint Maintenance Control Group.

REINVESTMENT

Much of the gains from the abnormal wagering market – along with substantial elements of the Racing Infrastructure Fund – were approved for reinvestment during FY21.

The Ipswich Events and Entertainment Centre was officially opened in September and completed the largest RIF project to date at \$24.8 million.

In November, RQ announced a \$15.5million 'Industry Investment Plan' which included significant prize money increases; higher riding and driving fees; and important infrastructure funding for clubs.

The reinvestment in our clubs was designed to enhance their sustainability with facility and patron improvements.

While FY21 marked the end of the Queensland Government's viability funding for greyhound and harness racing and the Training Track Subsidy Scheme, the Palaszczuk Government announced on Stradbroke Day that they would be replaced by a 35% share of the Point of Consumption Tax revenues over the next two years.

This will enable RQ to make further investments into the industry including infrastructure and increasing returns to participants.

Additionally, the reinvestment into our biggest carnivals produced stellar results including:

- The 2021 TAB Queensland Winter Racing Carnival – With wagering turnover increasing by 25% since 2019, the Winter Carnival once again unearthed a number of national stars including Zaaki, Ayrton and our very own, Incentivise. Queensland's premier trainer, Tony Gollan, enjoyed Group 1 glory at his home track, as well as interstate during the Sydney autumn;
- The 2021 TAB Queensland Winter Greyhound Racing Carnival – The nation's biggest stars descended on Albion Park ahead of the \$375,000 Brisbane Cup and it lived up to its billing as one of the world's premier events. The return of the highly popular TAB Origin Greyhound Series was once again a winner, with NSW prevailing 2-1 after claiming the match race; and

- The 2021 TAB Queensland Constellations – No matter which way you cut it, the all-new Winter Carnival was a raging success. The introduction of The Rising Sun and The Golden Girl, both run at Group 1 level, provided mouth-watering lead-ups to the TAB Blacks A Fake. The broadcast coverage was enhanced with a raft of innovations including drone vision, which well and truly put Queensland back on the map.

Reinvestment into the country sector was elevated to a new level in FY21, despite the cancellations of many once-a-year race meetings in regional Queensland.

The conversion from non-TAB to TAB meetings continued with Bundaberg, Cloncurry, Gympie and Nanango put on the national stage with Sky Racing coverage, while Bowen, Dalby, Emerald and Roma all had further meetings converted.

Thanks to the support of the Country Racing Panel for this initiative, as it delivered more than \$500,000 in additional prize money into regional and remote Queensland.

Furthermore, I'd like to acknowledge the contribution of our Industry Advisory Panels for providing important input to the review of the strategic direction of racing in Queensland which will be incorporated into the review of our plans during FY22.

Progress against key objectives will continue to be published quarterly in the CEO scorecard, while carnival dashboards will be published weekly across all codes.

DELIVERY

Despite the impediments of lockdowns, delivery was a relentless objective and focus during FY21.

As part of the Country Racing Program, RQ moved the majority of projects to be club delivered.

During the year, 25 clubs received upgraded running rail and 16 clubs received upgraded starting barriers, while seven tie-up stall and jockey room upgrades were completed alongside a major track renovation at the Innisfail Turf Club.

The club delivery model was extended across the TAB sector too, with Townsville Turf Club overseeing the construction of its new raceday stalls thanks to a \$1.5 million RIF grant.

This continued Cluden Park's spectacular \$13 million re-development following the 2019 North Queensland floods.

In addition, Cairns, Rockhampton, Mackay, Gold Coast, Sunshine Coast and Toowoomba are also constructing new stables; improved patron facilities; and other important upgrades at their venues.

Delivery remains a critical focus area for Racing Minister Grace Grace, who returned to the portfolio in October, and has already delivered a range of important outcomes for the industry.

Minister Grace was instrumental in the delivery of the POCT returns; advancing the Gold Coast Turf Club's tracks and lights business case; and progressing the Greater Brisbane Greyhound Centre to community consultation phase.

Pleasingly, innovation and reform were extended to the delivery of new wagering partnerships with all major bookmakers and TABs in the renewal of their Race Field Fee arrangements.

In FY21, RFF revenue reached \$140.2 million and now accounts for 54% of wagering revenue.

The new partnerships will introduce increased promotion of Queensland racing on the national stage, although forecasts for FY22 are not expected to maintain the same levels due to the abnormal COVID-19 conditions over the past 12 months (retail closures, travel restrictions, government stimulus and limited sports).

Even with the COVID-19 constraints, racing managed to begin its journey to reconciliation with NAIDOC events delivered across all codes in 2020 and the launch of racing's first Reconciliation Action Plan.

Just as importantly, meaningful strides are being made in the animal care space following the Martin Inquiry recommendations, with an Off-Track Program established by RQ and the Queensland Racing Integrity Commission.

The QOTT Board has been established and initiatives to support the QOTT Program will be delivered throughout FY22.

In the greyhound code, a Race Meeting Injury Scheme was launched to provide better care for our racing canines on raceday.

Finally, in an industry which supports almost 40,000 participants including 7,500 volunteers and more than 12,500 full-time employees, there were some special people who were recognised during FY21.

The legendary Indigenous jockey and great mentor, the late Darby McCarthy OAM, was inducted into the Australian Racing Hall of Fame.

Darby rose from the sandhills of Cunnamulla to become a Group 1 winner, riding with aplomb in Queensland, nationally and internationally before becoming a role model for generations to come including Cathy Freeman.

The inspiring efforts of former Toowoomba jockey Ben Saunders were also honoured during FY21, with Ben, who is now a paraplegic after suffering a trackwork fall, being named as Finalist in the national Aspire Awards.

Last, but by no means least, trailblazing jockey Pam O'Neill was inducted into the Queensland Sport Hall of Fame.

Pam became the first female jockey to be inducted, and only the sixth in total, following Mick Dittman, Darby McCarthy, George Moore, Mel Schumacher and Neville Sellwood.

During her incredible career, Pam broke the glass ceiling for female riders and has left a legacy that has changed racing forever.

Her achievements have been acknowledged with the Pam O'Neill Stakes during the TAB Winter Carnival.

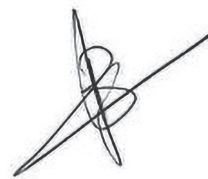
Finally, to witness the RQ team navigate the uncertainty of 2020 – working remotely for extensive periods while managing the

continuation of racing with our clubs and participants – deserves enormous credit during challenging times.

I'd also like to acknowledge outgoing QRIC Commissioners, Ross Barnett and Mark Ainsworth, for their leadership and support along the journey.

It's been a privilege to serve this enormous industry for the past three years and thanks to the RQ Board for its support of my renewal.

The coming years are ripe with further growth opportunities, opportunities that collectively can be achieved.



Brendan Parnell
Racing Queensland CEO

About Racing Queensland

Racing Queensland's primary function, under the Racing Act 2002, is to be the control body in relation to each of the board codes of racing (thoroughbred, greyhound and harness) and to manage the codes of racing.

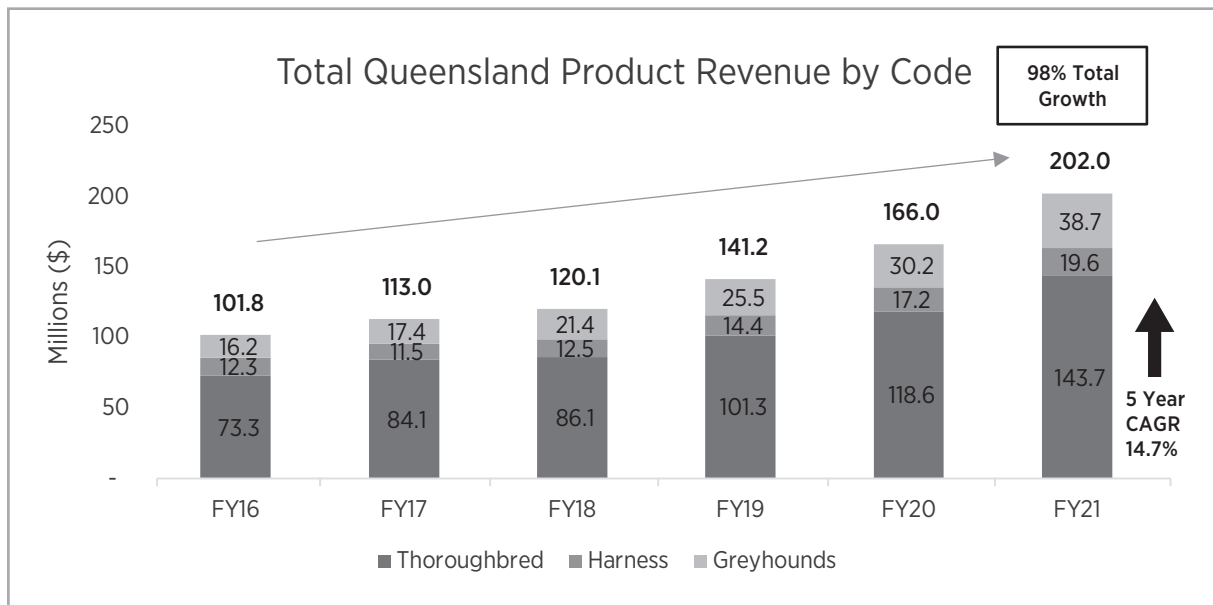
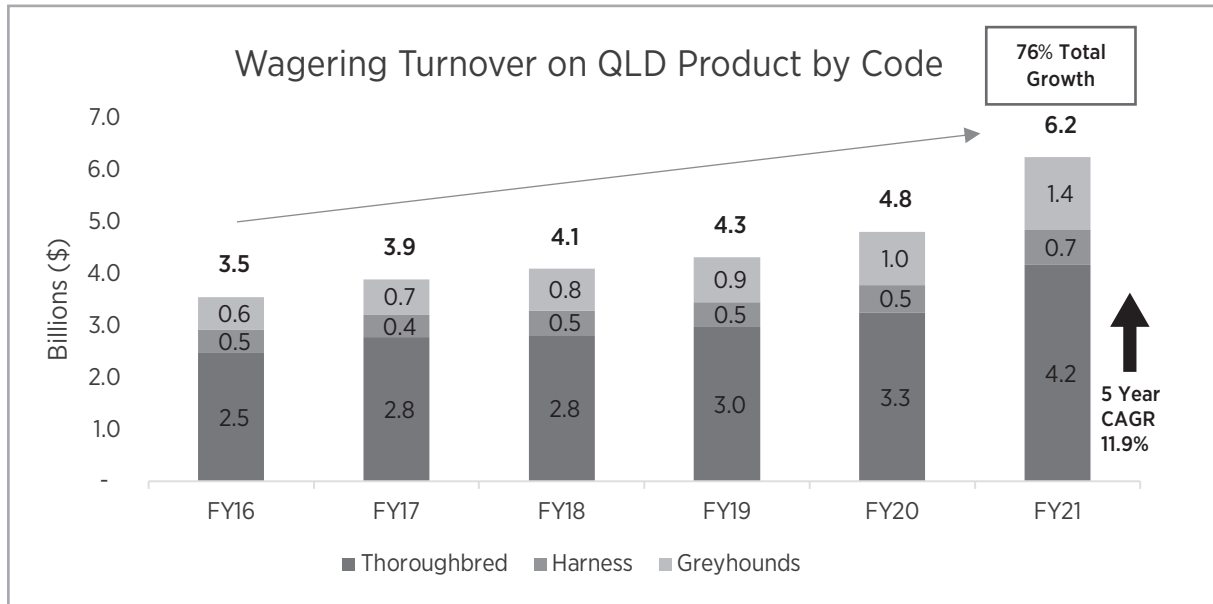
RQ must perform this primary function in a way that is in the best interests of the three codes collectively while having regard to the interests of each individual code.

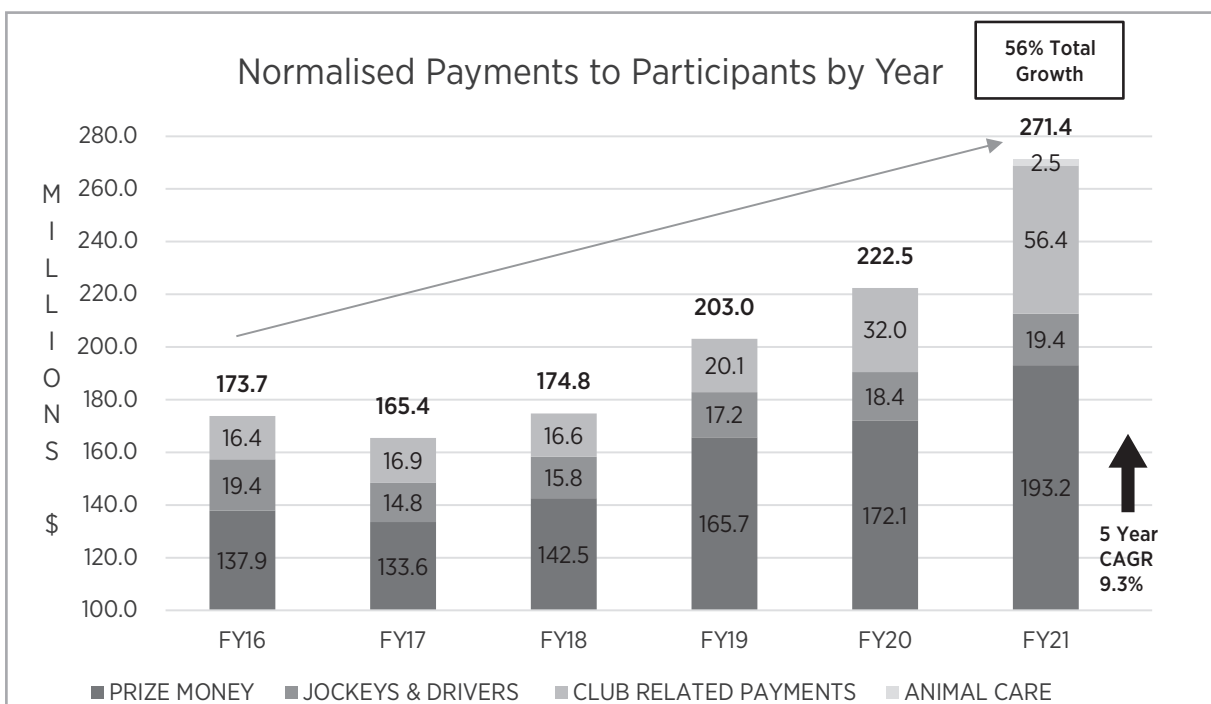
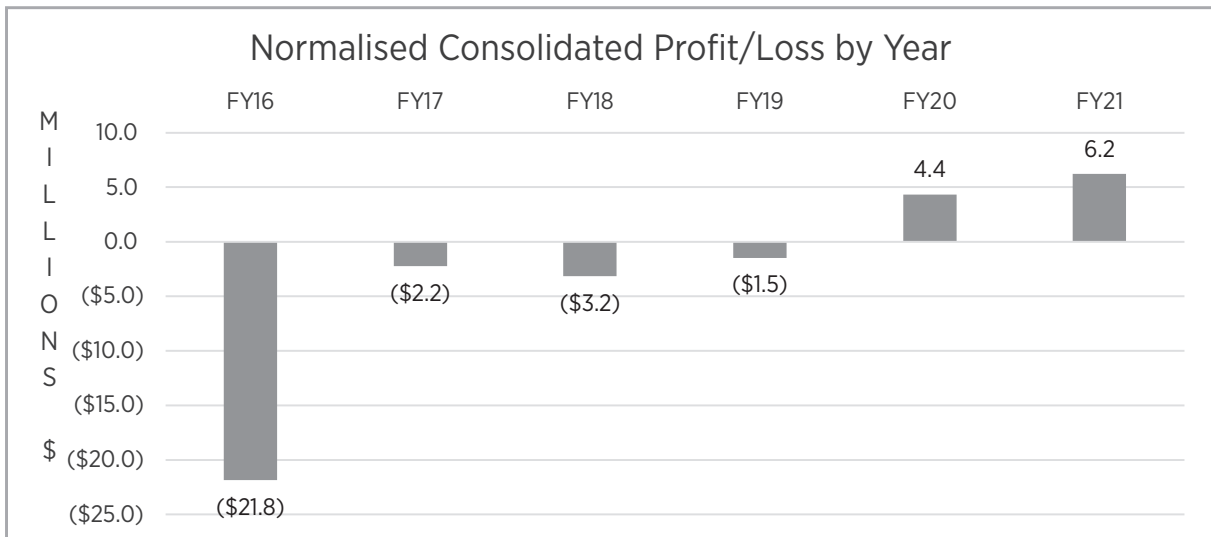
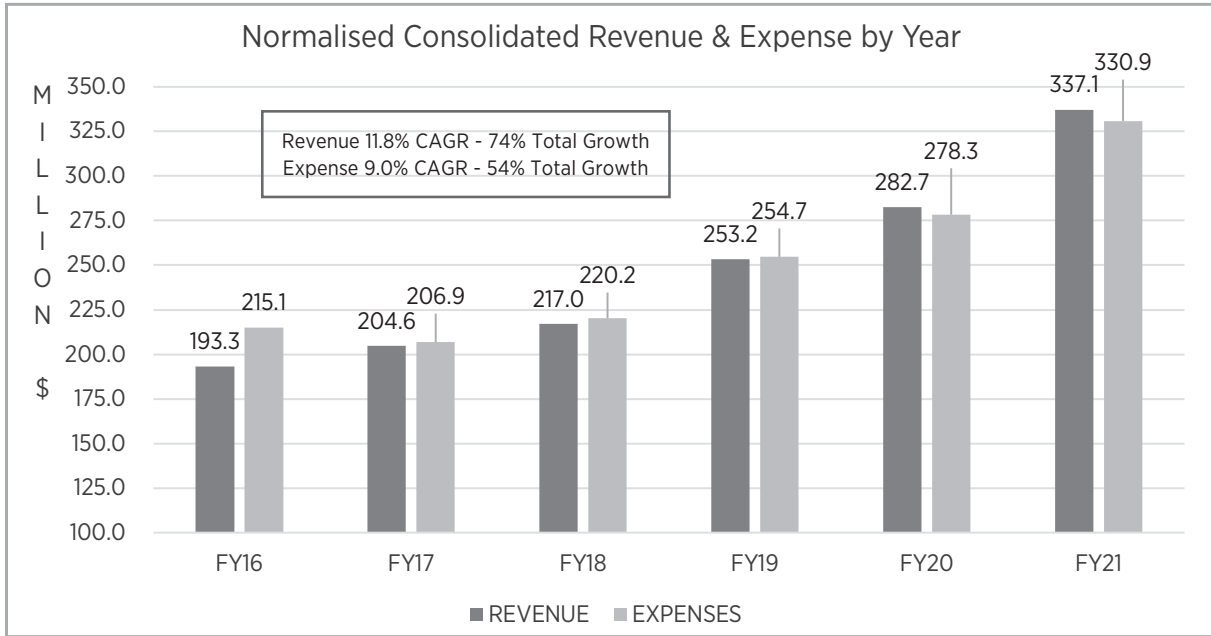
Under the Act, RQ has the following functions:

- Identifying, assessing and developing responses to strategic issues, including challenges relevant to each code and all the board codes of racing;
- Leading and undertaking negotiations with other entities about the strategic issues, and about agreements, that affect each code and all the board codes of racing;
- Identifying priorities for major capital expenditure for each code and all the board codes of racing;
- Developing and implementing plans and strategies for developing, promoting and marketing each code and all the board codes of racing;
- Making recommendations to the Minister as considered appropriate;
- Working collaboratively with the commission (the QRIC) and others to ensure the integrity of the racing industry in Queensland; and
- Considering a matter referred to the board by the Minister and reporting to the Minister about the matter.

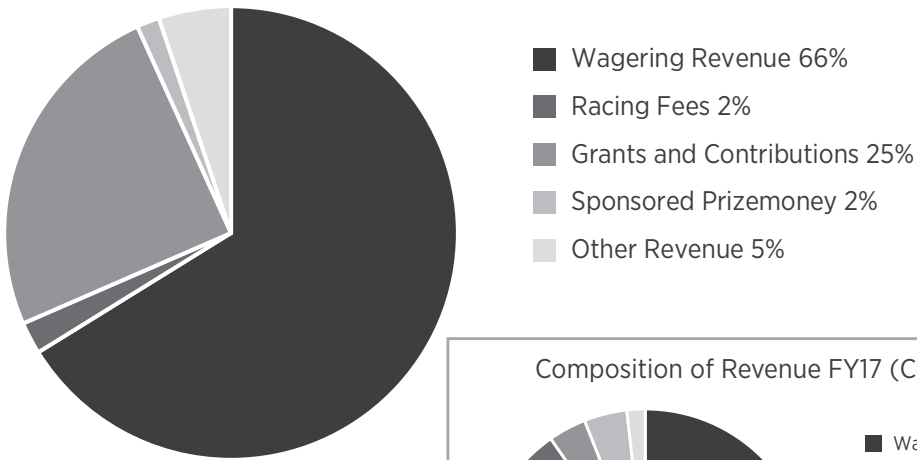
RQ maintains its head office at Racecourse Road in Deagon, Queensland.

Our Performance

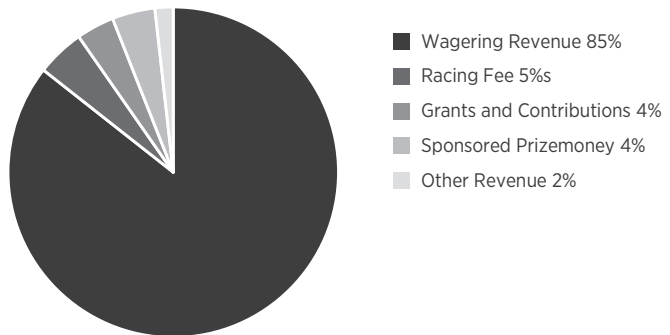




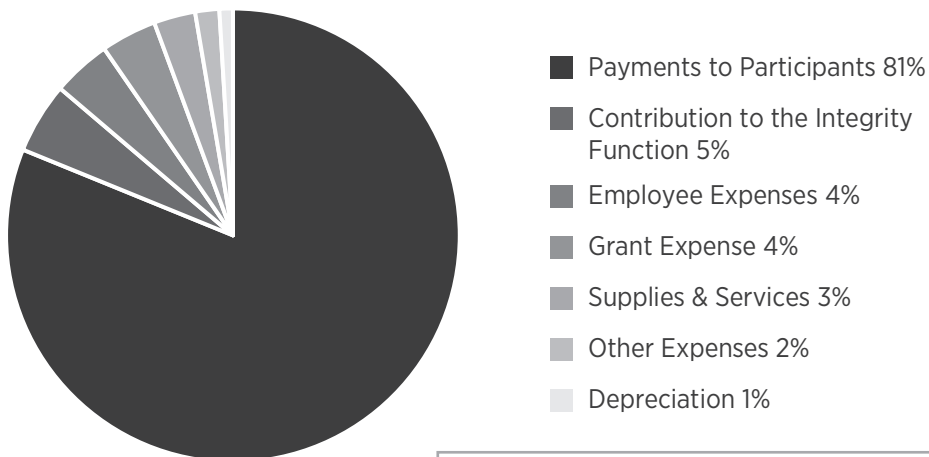
Composition of Revenue FY21 (Consolidated)



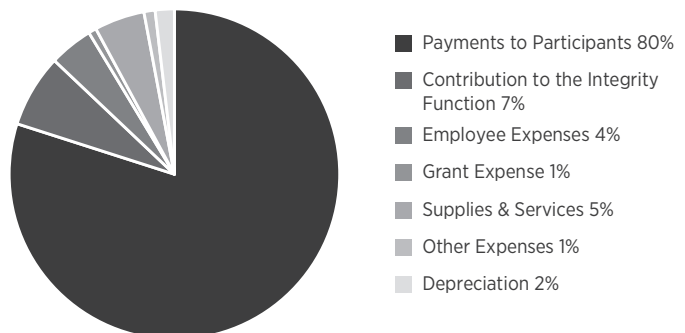
Composition of Revenue FY17 (Consolidated)



Composition of Expenditure FY21 (Consolidated)



Composition of Expenditure FY17 (Consolidated)



These normalised figures below remove material non-recurring transactions from the FY21 financial statements, providing the user a more realistic performance of RQ.

FY21 Racing Queensland Normalised Operating Result Reconciliation	
Financial Statements Parent Operating Result	10,624
Release of Jockey Superannuation Provision	-4,002
Greater Brisbane Greyhound Centre Grant Revenue Recognition	-989
Normalised Parent Operating Result	5,633
Financial Statements Consolidated Operating Result	11,204
Non-Recurring Parent Operating Result (Items Above)	-4,991
Normalised Consolidated Operating Result	6,213
FY20 Racing Queensland Normalised Operating Result Reconciliation	
Financial Statements Parent Operating Result	14,172
Greater Brisbane Greyhound Centre Grant Revenue Recognition	-7,169
Normalised Parent Operating Result	7,003
Financial Statements Consolidated Operating Result	11,531
Non-Recurring Parent Operating Result (Items Above)	-7,169
Normalised Consolidated Operating Result	4,362

Code Overview

Normalised Financial Performance by Code

	Total \$'000	Thoroughbred \$'000	Greyhound \$'000	Harness \$'000
Total Revenue	335,344	256,287	52,243	26,814
Total Expenditure	(290,271)	(225,383)	(33,857)	(31,031)
Gross Profit / (Loss)	45,073	30,904	18,386	(4,217)
Allocation of Overheads	(37,922)	(28,982)	(5,908)	(3,032)
Code Specific Net Profit / (Loss)	7,149	1,921	12,478	(7,250)
Non-code depreciation, interest revenue and gain/loss on sale of assets	(1,517)			
Normalised RQ Parent Profit / (Loss)	5,633			

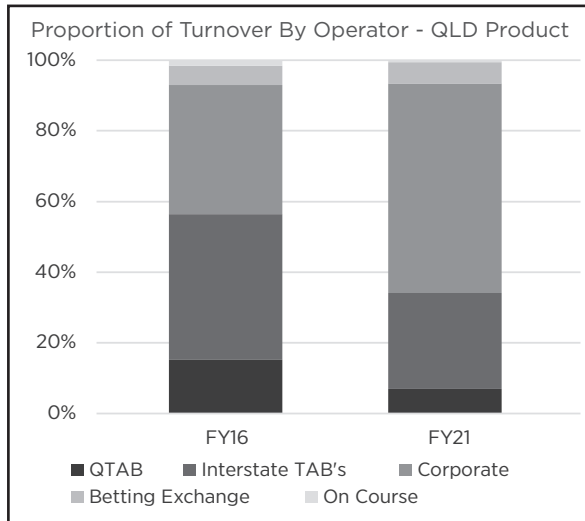
Notes: Due to rounding, numbers presented may not add up precisely to the totals provided. The normalised performance by code removes one-off events occurring in the financial year. Refer to "Our Performance" for details. Overheads (i.e. revenue and costs that are not code specific such as salaries, legal costs, consultancies and marketing) are allocated to each code based on the percentage of total direct revenue that code generates. For the FY21 year, that allocation was 76.4% for Thoroughbred, 15.6% for Greyhound and 8.0% for Harness. This allocation is consistent with prior years and is adjusted each year based on the actual results.

Total Prize Money and Breeding Scheme Payments by Code

	FY16 (\$M)	FY17 (\$M)	FY18 (\$M)	FY19 (\$M)	FY20 (\$M)	FY21 (\$M)	5 Year CAGR
Thoroughbred	107.0	106.6	112.7	129.1	130.1	146.2	6.4%
Greyhound	14.1	12.2	14.0	18.5	21.9	25.0	12.1%
Harness	16.8	14.4	15.8	18.1	20.1	22.0	5.5%
Total	137.9	133.2	142.5	165.7	172.1	193.2	7.0%

Note: Prize money excludes jockey and driver fees.

Thoroughbred Report



Key Queensland data

	TAB	Non-TAB*	TOTAL
Licensed clubs	21	96	117
Race meetings	452	214	666
Races	3,542	1,129	4,671
Race starters	32,921	8,617	41,538
Av. Field Size	9.29	7.63	8.89

Queensland product turnover

- FY21 Turnover \$4.2 billion
- FY21 YOY +28.1%
- 5 Year CAGR +11.1%

Queensland product revenue

- FY21 Revenue \$144 million
- FY21 YOY +21.1%
- 5 Year CAGR +14.4%

*Note: A number of licensed thoroughbred clubs conduct both TAB and non-TAB race meetings.

Over the course of the year, Racing Queensland conducted 452 TAB meetings – a 3.9% increase on 2019/20 – and featured 3,542 races with 32,921 starters.

Wagering turnover continued to trend upwards to almost \$4.2 billion – a stunning 28.1% increase – with revenue growing to \$144 million, up 21.1% from FY20.

Racing highlights and premierships

Queensland thoroughbred racing continued to go from strength-to-strength in 2020/21.

The season commenced with Queensland's inaugural Spring Carnival, which included seven weeks of feature racing headlined by the Weetwood Handicap and the Queensland Cup.

Fittingly, local trainer Lindsay Hatch and star mare, Jadentom, took out the Toowoomba feature, with a sweeping run down the outside of the field at odds of \$21.

Later in the year, the TAB Queensland Summer Racing Carnival again took centre stage, with 19 black-type races and almost \$20 million in prize money and bonuses, headlined by The Star Gold Coast Magic Millions Raceday.

The Summer Carnival also honoured one of Australia's most loved racehorses, Subzero, with the \$1 million 2400-metre Magic Millions Trophy renamed in his honour.

On the track, Master Jamie booked his spot in the 2021 TAB Stradbroke Handicap with victory in The Gateway, while Isotope continued to solidify her reputation as one of Queensland's top fillies with a pair of Listed triumphs.

At the Magic Millions, the Chris Waller-trained Shaquero, along with Aim for Peter and Paul Snowden, proved too strong in the two-year-old and three-year-old features at \$13 and \$31 respectively.

From a wagering perspective, the Summer Carnival set a new benchmark in the Sunshine State with record-breaking turnover throughout the nine-week campaign, with turnover growing by \$78 million to \$327 million (+31%).

Wagering highlights included the Grand Prix (+43%), Mooloolaba Cup (+47%) and TAB Wave (+38%) meetings enjoying strong growth, while the Magic Millions maintained its standing as

Queensland's largest wagering day with turnover growing to \$69 million (+18%).

Following the abandonment of the TAB Queensland Winter Racing Carnival in 2020, it returned bigger and better than ever in 2021.

Staged over 10 action-packed weekends, the Winter Carnival received a prize money increase to \$20.5 million – a \$2 million uplift from its 2019 counterpart – and featured 53 black-type races including eight Group 1s.

The Annabel Neasham-trained Zaaki announced himself to the nation as one of the premier weight-for-age stars with a Group 2 A.D. Hollindale Stakes triumph, followed up by a simply dominant seven-length win in the Group 1 Doomben Cup.

The six-year-old put the icing on the cake of his faultless winter campaign, cruising home to score in the inaugural \$1.2 million Group 2 Sky Racing Q22.

Incentivise for Steve Tregaea was among the other heroes to emerge, going from maiden winner to Caulfield and Melbourne Cup favourite in the space of two months.

Throughout the Winter Carnival, the stayer rattled off three straight wins by a cumulative margin of more than 30 lengths, highlighted by the Group 3 Tattersall's Cup.

Tofane was also breathtaking, claiming two Group 1 races – the time-honoured TAB Stradbroke Handicap, followed up a fortnight later with the Sky Racing Tattersall's Tiara.

It was almost not to be for the mare, after connections were intent to sell her at the Magic Millions Broodmare Sale in May.

In the premierships, Tony Gollan won his eighth consecutive metropolitan trainers' title, while Ryan Maloney was rewarded for his remarkable consistency since making the move to Queensland by claiming the metropolitan jockeys' crown.

Gollan's dominance over the past decade again reached new heights, recording 103 metropolitan winners and setting a new state record, once again, with 166.

2020 TAB Thoroughbred Awards

In September, RQ staged the 2020 TAB Queensland Thoroughbred Awards, hosted virtually due to COVID-19 restrictions.

Tony Gollan collected his seventh Queensland Trainer of the Year title, while Baylee Nothdurft was declared the state's best jockey.

Group 1 winner Alligator Blood capped off a stellar season by winning the 2020 Queensland Thoroughbred Horse of the Year.

The award winners were:

- Queensland Thoroughbred Horse of the Year – Alligator Blood (David Vandyke);
- Queensland Trainer of the Year – Tony Gollan;
- Queensland Jockey of the Year – Baylee Nothdurft;
- Queensland Apprentice of the Year – Baylee Nothdurft;
- Queensland 2YO Horse of the Year – Rothfire (Robert Heathcote);
- Queensland 3YO Horse of the Year – Alligator Blood (David Vandyke); and
- Queensland 4YO and Older Horse of the Year – Tyzone (Toby and Trent Edmonds).

QTIS highlights

The Queensland Thoroughbred Incentive Scheme continued to provide enhanced returns to participants.

This was best demonstrated through the payment of fillies' and mares' bonuses which exceeded \$1.5 million, while a further \$500,000 was returned to industry through cash bonuses, sales vouchers and breeder bonuses via QTISx.

Once again, breeders prospered through QTIS with more than \$400,000 in breeders' bonuses – a new record – which is likely to grow in coming years.

The flagbearers for QTIS on the track included Rothfire, Prince Of Boom, Alpine Edge, Sweet Dolly, Niccanova, The Odyssey, Apache Chase and Incentivise, who all performed admirably in Queensland.

In particular, Incentivise, who won a Sunshine Coast maiden in April and went on to record six straight victories culminating in a 12-length win in the Group 3 Tattersall's Cup, has been installed as the early favourite for the Caulfield and Melbourne Cups.

While Rothfire captured the attention of the nation with his stunning victory in the Group 2 Run To The Rose at Rosehill before injury struck in the Group 1 Golden Rose, denying him a start in The Everest.

Honours in the scheme's showpiece race, the \$1 million Magic Millions QTIS Open, were taken by The Odyssey, who has stamped himself as the poster boy for QTIS with his career prize money now exceeding \$1.6 million, all of which has been amassed in Queensland.

Over the past three years, The Odyssey has won the \$1 million Magic Millions QTIS Open Handicap, the \$300,000 QTIS Jewel 3YO and the \$500,000 QTIS Jewel 2YO.

Country Racing Report

Country Racing Program Expenditure

RACING QUEENSLAND Country Racing Program	FY21 (\$000)
Country Racing Program Grant Funding	15,000
Prize money paid non-TAB thoroughbred meetings	8,810
QTIS paid non-TAB thoroughbred meetings	690
Jockey Riding Fees, Superannuation and WorkCover for non-TAB meetings	3,383
Additional Country Racing Club Costs incurred by RQ*	5,963
Total Country Racing Expenditure	18,845
Net Over / (Shortfall) in Country Racing Program	3,845

*Note: Additional Country Racing Club costs include club meeting payments, marketing and overhead support functions within Racing Queensland and the Contribution to the Integrity Function (QRIC) paid to the Department of Agriculture and Fisheries.

The resilience of the Queensland racing industry was on full display throughout 2020/21, especially in the regions.

With COVID-19 still requiring significant programming changes, 27 time-honoured Cup meetings were lost from July to December, highlighting the significant impact on the country racing circuit.

To help offset the impact, RQ raised minimum prize money for non-TAB races from \$7450 to \$10,000 per race during the COVID-19 reduced schedule.

Nonetheless, Racing Queensland was still able to conduct 214 non-TAB meetings with 8,617 starters featuring in 1,129 races.

In total, RQ allocated \$9.5 million in non-TAB prize money and bonuses.

Country Racing Program

The Palaszczuk Government provided a further \$2.8 million in infrastructure funding for 37 race clubs across Queensland, creating or supporting more than 100 jobs, during FY21.

Key projects across the regions included:

- New or improved tie-up stalls at the Bluff Blackwater Amateur Race Club, Emerald Jockey Club, Longreach Jockey Club, Chinchilla Race Club, Mareeba Turf Club and Ewan Amateur Turf Club;
- Significant track works at the Alpha Jockey Club, Central Warrego Race Club, Oakey & District Race Club, Innisfail Turf Club and Bundaberg Race Club;
- Running rail improvements at the Longreach Jockey Club, Oak Park Race Club, Oakley Amateur Picnic Race Club and Cloncurry & District Race Club; and
- New or improved jockey rooms at the Jundah Race Club, Noorama Picnic Race Club, Herbert River Jockey Club and Monto Race Club.

Pleasingly, CRP was extended for a further two years by a returned Palaszczuk Government in FY21.

TAB Country Cups Challenge/ Country Stampede

A new sprinting series accompanied the TAB Country Cups Challenge in 2020, providing further opportunity for regional Queensland's best gallopers to race in the city.

The introduction of the TAB Country Stampede, which commenced in Dawson, Ewan and Mount Isa as part of a blockbuster opening day, ensured 16 qualifiers were staged across the state.

Despite being the oldest horse in the race – and the top weight – Hard Stride held on for Jason Judge to claim the inaugural edition.

In the Country Cups Final, there would be no denying Paniagua, with the Alex Malliff-trained star winning a host of admirers in the Far North and beyond through his deeds.

TAB Battle of the Bush

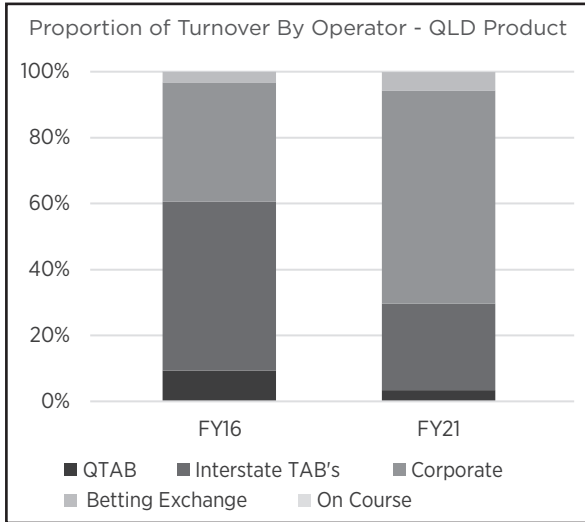
The highly popular TAB Battle of the Bush returned to the Queensland racing calendar in 2021 with a thrilling Final at Eagle Farm on Tattersall's Tiara Day.

With 16 qualifiers staged across the state, prize money was increased to \$200,000 and connections were once again afforded the opportunity to race on a Group 1 raceday.

Despite the presence of some of Australia's biggest name jockeys, David Reynolds remained loyal to Wendy Peel with the ride on Rather Salubrious.

The decision proved a masterstroke with an emotion-charged win as the mare held off Bollente and Ahwahneechee to add her name to the winners' list.

Greyhound Report



Queensland product turnover

- FY21 Turnover \$1.4 billion
- FY21 YOY +35.4%
- 5 Year CAGR +17.2%

Key Queensland data

	TAB	Non-TAB	TOTAL
Licensed clubs	6	0	6
Race meetings	637	1	638
Races	6,661	9	6,670
Race starters	49,904	56	49,960
Av. Field Sizes	7.49	6.22	7.49

Queensland product revenue

- FY21 Revenue \$39 million
- FY21 YOY +28.1%
- 5 Year CAGR +19.0%

Annual turnover for Queensland product surpassed \$1 billion for a second successive year, hitting a new record of \$1.4 billion which represents a 35.4% increase.

Revenue increased to \$39 million off the back of 28.1% growth.

Over the course of the financial year, Racing Queensland conducted 637 TAB meetings – an 11.0% increase on 2020/21 – and featured 6,661 races, representing a 13.2% increase from the previous year.

The industry welcomed new weekly race meetings at Townsville, alternating between a Friday afternoon timeslot, and the new Saturday morning timeslot created by Sky Racing purely for Australian greyhound racing product.

Capalaba also staged additional fortnightly race meetings on Wednesday afternoons.

Returns to participants grew to \$25 million – an increase of 14% on FY20 – due to additional prize money from extra race meetings at Townsville and Capalaba, and the delivery of \$1 million in new funding to the greyhound code via the industry investment plan which allowed sustainability payments to double from \$500 to \$1000 per eligible greyhound.

Racing highlights

The 2020/21 year could not have gotten off to a better start, with Black Opium delivering Victorian trainer Jason Thompson a fourth Brisbane Cup triumph.

The summer months saw the second ever TAB Golden Greys Summer Carnival shine at Albion Park, highlighted by the \$235,000 Group 1 Gold Bullion.

In addition to the Gold Bullion, the Group 3 Golden Ticket was again a feature of the Golden Greys, conducted as four-dog shootouts, with the Final as two-dog match races.

The Gold Bullion featured a star-studded field and was taken out by Victorian superstar Shima Shine in a dominant display, with another interstate raider in Tommy Shelby running third.

Golden Ticket winner, Crazy Cool, split the pair and was the first Queensland home, which speaks to the success of the match-race concept that provided the dog with a gateway to the Group 1 Final.

From a wagering perspective, the Gold Bullion meeting turned over more than \$5 million, with \$900,000 wagered on the feature event alone – a record for Queensland greyhound racing.

The TAB Golden Greys Summer Carnival winners were:

- Group 1 Gold Bullion (520m): Shima Shine;
- Group 2 Queensland Derby (520m): Sentenced;
- Group 2 Bogie Leigh Futurity (520m): Pump It;
- Group 3 Golden Ticket (520m): Crazy Cool;
- Group 3 Golden Sands (600m): Mepunga Isla; and
- Listed Gold Cup (710m): Sir Truculent.

Throughout the Autumn, a number of Queensland chasers achieved great success inter-state, highlighted by Golden Ticket winner Crazy Cool, who triumphed in the Group 2 Richmond Oaks Final in Victoria in March.

Farmor Beach and Maggie Moo Moo also flew the flag for the Sunshine State, qualifying for respective Group 1 finals at Wentworth Park over Easter.

After limited feature racing was held last year, the Winter Carnival returned with 12 Group and Listed races, as well as \$1.3 million in total prize money.

The \$375,000 Group 1 Sky Racing Brisbane Cup was once again the centerpiece of the Carnival, and it was a familiar story as Jason Thompson claimed a fifth Brisbane Cup thanks to a dominant four-length win by his star chaser Equalizer.

Sir Truculent also continued his affinity with Queensland, backing up his Listed Gold Cup triumph in summer with a stirring six-length romp in the Group 1 Queensland Cup for stayers.

In another Winter Carnival highlight, patrons descended on Albion Park to welcome the return of the hugely popular TAB Greyhound Origin Series, with fans decked out in their maroon and baby blue to cheer on their respective states.

Unfortunately, it wasn't to be for our Queenslanders, with the match race won by Jungle Deuce breaking the deadlock for NSW after Tony Brett's rising star Orchestrate claimed the Sprint for the Maroons, and Barsandi won the Distance for the Blues.

The Winter Carnival feature winners included:

- Group 1 Brisbane Cup (520m): Equalizer;

- Group 1 Queensland Cup Final (710m): Sir Truculent;
- Group 2 Flying Amy Classic Final (520m): Jungle Deuce;
- Group 3 Super Stayers Final (710m): Maggie Moo Moo;
- Group 3 Origin Sprint (520m): Orchestrate;
- Group 3 Origin Distance (710m): Barsandi;
- Listed Origin Match Race (520m): Jungle Deuce;
- Listed Brisbane Young Guns (520m): Orchestrate;
- Listed Carnival Chase Sprint Final (520m): Limited Edition;
- Listed Winter Chase Final (600m): Ninetymile King;
- Listed Dashing Corsair Final (710m): Zipping Niseko; and
- Listed Super Sprinters (520m): Equalizer.

In addition, RQ sought to expand interest – and increase exposure – for the provincial Cups held at Ipswich, Capalaba, Townsville, Bundaberg and Rockhampton.

The Group 2 Ipswich Cup was staged in the metropolitan timeslot on Thursday night and achieved excellent wagering results with \$4 million in turnover.

Both the Group 3 Rockhampton Cup and Group 3 Townsville Cup were held on Friday nights with the outcome at Townsville particularly successful with \$4 million in turnover.

For the first time, the Listed Bundaberg Cup was held on the Labour Day public holiday, and the Listed Capalaba Cup was staged in extraordinary circumstances after the track was flooded between the heats and the Final.

The Club worked tirelessly to clear the damage and present a safe surface for racing for the Final.

2020 Greyhound Awards

Classy Ethics, Farmor Beach and Oh Mickey were shortlisted for the 2020 TAB Greyhound of the Year, with a voting panel of nine judges narrowing the field to just three finalists.

It was the recently retired champion, Oh Mickey, who was crowned the state's premier chaser, capping off what was a stellar career.

Trained by Selena Zammit, Oh Mickey established himself as the top dog in Queensland's sprinting ranks, recording 15 wins and six placings from 29 starts last year.

He also announced himself on the national stage, claiming a two-length victory in the National Derby at Wentworth Park at just his seventh career start, before going on to claim the Group 2 Richmond Derby two months later.

A mainstay in the top races both here and inter-state, Oh Mickey's dominant year also earned him an invitation to the Group 1 Top Gun Sprinters in November.

Other Awards presented on the night included:

- Young Achiever – Jemma Daley;
- Woman in Racing – Pauline Byers;
- Outstanding Contribution Award – Lorraine Horton;
- Run of the Year – Sennachie;
- QRIC Welfare Award – Jo Wooler;
- Hall of Fame (Person) – Mick O'Byrne; and
- Hall of Fame (Greyhound) – High Earner.

Animal care

RQ continued to make greyhound care and welfare a primary focus, ensuring it is at the forefront of key decision making within the greyhound code.

A significant outcome during FY21 was a major reduction in greyhound race fatalities at Queensland race meetings, down by 58% on FY20.

While most injuries that occur are minor in nature, RQ has implemented a Race Meeting Injury Scheme to ensure appropriate care is available for greyhounds that sustain serious injuries.

The RMIS provides financial support to cover veterinary treatment and rehabilitation costs for greyhounds injured during race meetings or official stewards' trials.

Where costs exceed \$1,000 – and RMIS applies – RQ provides:

- 100% of the reasonable treatment costs (including the cost of all surgical procedures and associated expenses) for the 'eligible injury' up to a maximum RQ payment of \$5,500; and
- \$50 per week towards the rehabilitation of the greyhound for the duration of the rehabilitation plan prescribed by the veterinarian up to a maximum period of 13 weeks.

Injuries covered under RMIS include bone fractures, tendon and ligament injuries, and any other injury determined to be life threatening by the on-course veterinarian.

The scheme has proven successful in significantly reducing the number of greyhounds euthanised on-course due to injury at Queensland race meetings and official stewards' trials.

The RMIS also enables participants to obtain an accurate off-track diagnosis/prognosis for their seriously injured greyhound, so that a fully informed decision on appropriate treatment can be made.

During FY21, 51 applications were approved and processed for the RMIS, with more than \$200,000 paid to industry participants to cover the veterinary treatment and rehabilitation costs for injured greyhounds.

The RMIS was further supported by the Queensland Racing Integrity Commission's strengthened standard operating procedure relating to raceday euthanasia and assessment, where raceday euthanasia will only be considered by the on-course veterinarian when it would be inhumane not to do so.

Additionally, RQ and the QRIC investigates, assesses and reports on track injuries and incidents that result in serious injury while racing through the establishment of the Greyhound Injury Review Working Group.

The GIRWG maintains an injury recording system and data is continually monitored and trends analysed with the objective of improving race safety.

Race safety remains a primary focus and RQ continues to be proactive in the implementation of national recommendations regarding best practice in track safety and maintenance.

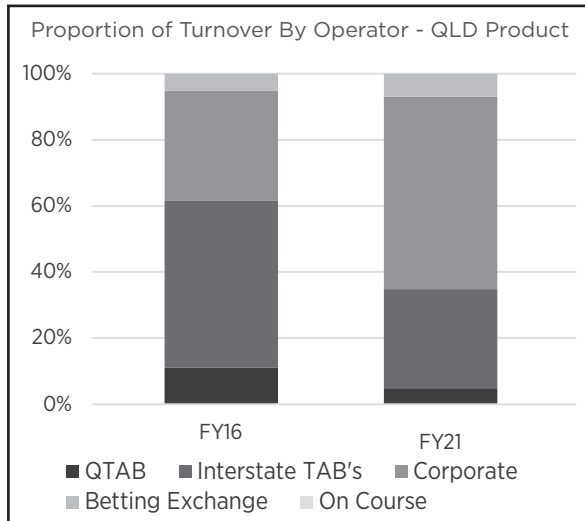
Track preparation and maintenance procedures have been standardised and stronger oversight of track management processes is now in place, with the appointment of a dedicated Greyhound and Harness Track Specialist.

To support this, Queensland greyhound racing clubs have been provided with the latest maintenance equipment to prepare their racing and training surfaces better – which provides safer, more consistent racing surfaces.

Monitoring of racing surfaces has greatly improved with the supply of testing equipment for Greyhound tracks (Clegg Hammer, Penetrometer, Moisture Gauge and Profile Inspection Tool).

Additionally, significant investment and upgrades to track infrastructure has been made by RQ, including providing \$120,000 in funding to the Capalaba, Ipswich, Rockhampton and Townsville Greyhound Racing Clubs to purchase Animal Transportation Vehicles.

Harness Report



Key Queensland data

	TAB	Non-TAB	TOTAL
Licensed clubs	4	1	5
Race meetings	299	1	300
Races	2,742	5	2,747
Race starters	24,094	38	24,132
Av. Field sizes	8.79	7.60	8.78

Queensland product turnover

- FY21 Turnover \$0.7 billion
- FY21 YOY +29.1%
- 5 Year CAGR +8.3%

Queensland product revenue

- FY21 Revenue \$20 million
- FY21 YOY +14.4%
- 5 Year CAGR +9.9%

The Queensland harness racing industry continued its upward trend in growth, amassing record-high of \$0.7 billion in turnover, representing a 29.1% increase on 2019/20.

Revenue also set a new benchmark of \$20 million, a 14.4% increase on last year's figures.

Over the course of the year, Racing Queensland conducted 299 TAB meetings – a 3.1% increase on FY20 – and featured 2,742 races, while Redcliffe hosted the sole non-TAB meeting on Melbourne Cup Day,

For a second successive year, TAB starters grew, with 24,094 starters representing a pleasing 9.0% increase on FY20.

Racing highlights and premierships

The 2020/21 year marked a new beginning for harness racing across the nation, as the season officially shifted to run on a calendar year basis.

The 18-month season came to a close in December 2020, with Pete McMullen the standout driver, notching up 205 wins in the sulky.

Unsurprisingly, premier trainer Grant Dixon dominated the premierships standings with 273 wins in the Sunshine State, 153 clear of his nearest rival.

He also finished atop the national standings, with 380 wins nation-wide across the extended season.

There were also a number of career milestones achieved, with both Nathan Dawson and Narissa McMullen notching up their 1,000th career-winning drive in 2020/21.

Meanwhile, Lola Weidemann became Queensland's first female driver – and just the second in Australia behind Kerryn Manning – to net 3,000 career wins.

Having been postponed earlier in the year, the TAB Blacks A Fake was temporarily shifted to headline a new-look Summer Carnival, alongside the Group 2 Queensland Cup and the Group 3 The Be Good Johnny Sprint.

One of Australia's most dominant pacers of recent times, King Of Swing, proved far too classy for his rivals, scoring a dominant 12-metre win over Queensland champ, Colt Thirty One in the Blacks A Fake.

In the lead-up events, Colt Thirty One secured The Be Good Johnny Sprint in a thrilling finish, while Cruz edged him out in the Queensland Cup.

Throughout March and April, Queensland's reinswomen set the tone nation-wide, with 76 winning drives resulting in more than \$15,000 being donated to WomenCan Team Teal, raising funds for ovarian cancer research.

This improved on their efforts from 12 months ago.

Innovation once again came to the fore, with a number of initiatives introduced to the code.

In late March, the drivers' colours initiative was officially launched, with a handful of the state's highest profile drivers turning out in new and exciting colours aimed at attracting new fans to the code.

Similarly, the TAB Trot Rods series continues to go from strength-to-strength with record-breaking wagering throughout the 2021 edition and broadcast enhancements including drone vision.

Having quickly established its position on the Queensland harness racing calendar, turnover on the Final grew by \$1.6 million (+117%), with Trot Rods heats averaging \$270,000 per race across the series.

The Group 1 winners throughout the year were:

- Blacks A Fake: King Of Swing;
- QBRED Triad 2YO Fillies: Jasper;
- QBRED Triad 2YO Colts & Geldings: Big Wheels;
- APG Brisbane Yearling Sale Final: Hes Sweet;
- QBRED Triad 3YO Fillies: Talent To Spare; and
- QBRED Triad 3YO Colts and Geldings: Manila Playboy.

2021 TAB Queensland Constellations

The inaugural TAB Queensland Constellations was a resounding success on and off the track with an electrifying build-up to the new Winter Carnival.

With the superstars of pacing from both sides of the Tasman in attendance, the Constellations

included two new Group 1 races – The Rising Sun and The Golden Girl – and the return of Queensland's only Grand Circuit event, TAB Blacks A Fake, to its traditional winter timeslot.

With social media abuzz in the lead-up to the major meetings, Amazing Dream, for Nathan Purdon, lived up to the hype with not one, but two incredible victories.

The Group 1 winners at the TAB Queensland Constellations were:

- Redcliffe Yearling Sale Final: Teddy Disco;
- The Rising Sun: Amazing Dream NZ;
- DJA Trotting Championship: Pink Galahs;
- Sunshine Sprint: Copy That NZ;
- The Golden Girl: Jaradas Delight;
- Blacks A Fake: Amazing Dream NZ;
- Queensland Derby: American Dealer NZ;
- Queensland Oaks: Momentslikethese;
- QBRED 2YO Fillies: Cat King Cole;
- QBRED 2YO Colts and Geldings: Awaywego; and
- Queensland Trotters Cup: Tough Monarch.

2020 TAB Queensland Harness Awards

In February, RQ staged the 2020 TAB Queensland Harness Awards in Brisbane.

Colt Thirty One confirmed his standing as one of the Sunshine State's greatest ever standardbreds after securing the top accolade.

The Grant Dixon-trained pacer was crowned the TAB Queensland Harness Horse of the Year for a third straight occasion, edging out fellow finalists Governor Jujon and Majestic Simon following another remarkably consistent campaign.

The son of Mach Three joined Blacks A Fake and Avonova as a three-time Horse-of-the-Year winner.

Not surprisingly, Dixon, who trained a nation-high 380 winners, was named both Australian and Queensland Trainer of the Year, among a raft of other accolades.

The award winners were:

- Queensland Harness Horse of the Year – Colt Thirty One;
- Queensland Trotter of the Year – Majestic Simon;
- Queensland Trainer of the Year – Grant Dixon;

- Queensland Driver of the Year – Pete McMullen;
- Queensland Concession Driver of the Year – Angus Garrard;
- Queensland Filly or Mare of the Year – Pelosi and Justalittle Torque;
- Queensland Aged Pacer of the Year – Colt Thirty One;
- Queensland Breeder of the Year – Burwood Stud; and
- Queensland Owner of the Year – Solid Earth P/L and Dr John Mammino.

QBRED highlights

QBRED enhancements continue to be rolled out with a range of initiatives during FY21.

The 3YO QBRED Triads returned to Group 1 level in May with Talent To Spare winning the Fillies' Final and Manila Playboy doing likewise in the Colts and Geldings.

Not to be outshone, Jasper landed the 2YO Fillies' Final and Big Wheels took out the Colts and Geldings.

To start the calendar year, the QBRED first-win bonus rose from \$10,000 to \$12,000, with the Shannon Price-trained Catch Phrase collecting the first cheque of the year courtesy of a victory at Redcliffe.

A number of other initiatives were rolled out including the introduction of the 'QBRED For Life' Group 3 features which are expected to form part of future Summer Carnivals.

Finally, on the breeding front, Transitional QBRED eligibility was introduced to allow Queensland breeders – and owners – with the opportunity to bring in-foal mares to Queensland from inter-state or New Zealand, with the resultant foal being eligible for the QBRED scheme.

Marketing and Events

The Queensland racing industry continued to make positive strides in 2020/21 as patrons returned to racecourses across the Sunshine State.

The introduction of a Spring Carnival saw the time-honoured Weetwood Handicap relocate from its traditional autumn timeslot to headline seven weeks of feature racing.

Additional features included the Listed Brisbane Handicap and the \$125,000 Gold Coast Pink Ribbon Cup, which after 13 years of involvement, has established itself as Australia's largest official community fundraiser for the National Breast Cancer Foundation.

Along with the Toowoomba Cup and Guineas, the Weetwood was programmed to coincide with the city's Carnival of Flowers festival, expanding the opportunities for those on the Darling Downs and beyond.

In November, the spotlight was shone on NAIDOC Week as part of the industry's commitment to strengthening relationships with Aboriginal and Torres Strait Islander peoples.

To mark the occasion, Racing Queensland programmed a showcase NAIDOC Celebration race across each code featuring Indigenous ceremonial aspects including a Welcome to Country; Smoking Ceremony; and didgeridoo player.

Participants were also involved through specially commissioned handlers and strappers' bibs, saddle cloths, harness helmet covers, harness colours and winners' presentation rugs.

At the conclusion of each race, the winning connections received a NAIDOC Week Trophy.

With restrictions easing across the state, Summer Carnivals were able to return, with each code enjoying its moment in the sun.

The TAB Queensland Summer Racing Carnival set a new benchmark with record-breaking turnover throughout the nine-week campaign.

Staged from Coast to Coast, turnover on the 2020/21 Summer Carnival grew by \$78 million to \$327 million (+31%) on a year-on-year basis.

Wagering highlights included the Grand Prix (+43%), Mooloolaba Cup (+47%) and TAB Wave (+38%) meetings enjoying strong growth.

The jewel in the Summer Carnival crown, The Star Gold Coast Magic Millions, maintained its standing as Queensland's largest wagering day with turnover growing to \$69 million (+18%).

For a successive year, the TAB Golden Greys set tongues wagging, culminating with the \$235,000 Group 1 Gold Bullion.

Once again, the Golden Greys proved a hit with punters, enjoying turnover growth of 48% and revenue growth of 54%.

The meeting for the Gold Bullion Final set a new Queensland wagering turnover record of \$5.2 million.

Not to be outshone, the new-look TAB Queensland Summer Harness Racing Carnival paid immediate dividends.

With the Inter Dominion Carnival postponed due to COVID-19, a number of Queensland's biggest races, including the Group 1 TAB Blacks A Fake, were parachuted into the Summer Carnival.

Unsurprisingly, the TAB Blacks A Fake was the highest turnover race for the Carnival at more than \$778,000.

While the dominant victory of King Of Swing impacted revenue on the race, the Blacks A Fake enjoyed national coverage on the Seven network, marking the first time harness racing had been seen on free-to-air in Australia since 2018.

At the conclusion of FY21, a revamped RQ website was deployed, providing a more user-friendly experience including changes to the main navigation with the elevation of strategic priorities such as 'Animal Care', 'Infrastructure' and 'Careers and Development'.

RQ enjoyed strong website growth of 11% in total visitation and 16% for unique visitors.

Pleasingly, social impressions increased by close to 8% to reach more than 85 million during FY21.

With newsrooms across Queensland contracting, RQ used the opportunity to bring a number of content roles in-house to extend its internal capability, along with reducing its reliance on third-party providers.

During the course of FY21, almost 20,000 news stories were published across the nation, with RQ syndicating its content to a variety of TV, radio and digital outlets.

A number of other campaigns were rolled out over the course of the year including:

- TAB Battle of the Bush;
- TAB Origin Greyhound Series;
- TAB Trot Rods; and
- Drivers' colours.

Infrastructure

With more than \$280 million in projects either completed or in the pipeline there is a significant commitment to racing infrastructure in Queensland.

However, there is need for more to achieve the organisation's ambitions which will be realised by a combination of options including through development of Albion Park, RQ's improving commercial performance as well as contributions from Government, Clubs and third parties.

FY21 Performance

During 2020/21, the \$24.8 million redevelopment of the Ipswich Turf Club was completed, while the new synthetic track at the Sunshine Coast Turf Club was also delivered as part of \$8.9 million worth of works.

During 2021/22, the SCTC will also deliver a multi-million-dollar project to construct more than 100 new stables at Corbould Park.

RQ has contributed \$1.5 million to the project.

Further stabling activities will occur at Toowoomba and Rockhampton, with Townsville also exploring opportunities through a development application.

At Clifford Park, the Toowoomba Turf Club received \$600,000 to build 24 stables and four feed and tack rooms.

Toowoomba also received a further \$500,000 to build a new permanent marquee to be located adjacent to the parade ring.

In Central Queensland, the Rockhampton Jockey Club took receipt of \$1 million to deliver two new stable buildings, comprising of 40 stables and eight feed and tack rooms.

On the infield, the running rail at the Rockhampton Greyhound Racing Club was replaced, while home and back straight stewards' vision will soon be installed at the Bundaberg, Rockhampton, and Townsville tracks.

In the Sugar City, the finishing touches on a \$130,000 facility upgrade of the Mackay Turf Club were completed.

The members' deck area was enhanced with the installation of windows and louvres, while a CCTV system was also installed at Ooralea

Racecourse, along with a new solar system, which is expected to save the club 22% in future electricity costs.

At Cluden Park, the multi-million-dollar transformation of the Townsville Turf Club continued, with the delivery of new raceday stalls and wash bays.

The \$1.5 million project was funded out of the Racing Infrastructure Fund.

Further North, and the Cairns Jockey Club will soon receive a \$1.3 million Events Centre at Cannon Park.

A development application to build the Events Centre was approved by Cairns Regional Council in FY21 and will feature a function room and kitchen with a bar and dining area overlooking the course at the end of the home straight.

In South East Queensland, RQ submitted, and received, business case approval for the \$37.5 million redevelopment of the Gold Coast Turf Club, which will bring night racing to Aquis Park.

The GCTC also completed a \$700,000 replacement of the Dome, providing a new function area near the finishing post, which RQ contributing \$300,000 to the project.

On the Peninsula, the Redcliffe Harness Racing Club underwent a \$515,000 transformation to improve its on-course amenities.

The upgrades included the refurbishment of the restaurant and bar area on the middle floor of the grandstand; delivery of a new tote room; new carpets, tiling, painting, glazing reconfigurations, plumbing fixtures and fittings; and the installation of automatic sliding doors.

Finally, detailed design and community engagement advanced on the \$39 million Greater Brisbane Greyhound Centre, with RQ seeking relevant approvals in FY22.

Concept planning continues with Cox Architects, whilst Professor David Eager and other consultants continue to refine the racetrack designs to enhance safety outcomes.

Funding summary – Approved Racing Infrastructure Fund projects

Project \$'000	GRANT DEED FUNDING	ACTUAL PROJECT COSTS FOR THE LIFE OF THE PROJECT TO THE 30/06/2021	FUNDS RECEIVED FROM GOVERNMENT FOR THE LIFE OF THE PROJECT TO 30/06/2021
Greater Brisbane Greyhound Centre	38,965	8,161	9,741
Gold Coast lights and track	31,500	269	711
Sunshine Coast synthetic track*	2,400	3,138	0
Townsville Turf Club raceday stalls	1,500	1,500	1,425
Feasibility and planning work	1,500	1,040	1,500
TOTAL	75,865	14,109	13,377

*Sunshine Coast synthetic project was co-funded by Sunshine Coast Racing, Sunshine Coast Turf Club, Racing Infrastructure Fund and Racing Queensland.

Historical Infrastructure Projects

Over the past seven years, more than \$138m has been invested in infrastructure projects across the state (refer table below):

	Club	Track	Year	Project	Total Cost (excl. GST)
1	Beaudesert	Beaudesert	2013	Upgrade and widen course proper	\$3.8 million
2	CJC	Cairns	2013	Course proper renovation including improved cambers and new irrigation	\$1.9 million
3	MTC	Mackay	2013	New course proper and commercial development of patron facilities	\$8.2 million
4	TTC	Toowoomba	2014	Revert course proper to turf	\$6.9 million
5	BRC	Eagle Farm	2014/15	Eagle Farm track redevelopment	\$10 million
6	GCTC	Gold Coast	2014	Commercial development of patron facilities & equine pool	\$17.2 million
7	BRC	Eagle Farm	2015	Infield works and tunnel (RIF loan)	\$12 million
8	BRC	Eagle Farm	2015	Infield stables (BRC funded)	\$25 million
9	TTC	Townsville	2015	New course proper and maintenance facilities	\$6.9 million
10	BRC	Eagle Farm	2017	Eagle Farm track remediation works & infrastructure replacement	\$7.2 million
11	APHRC/ RHRC	Albion Park/ Redcliffe	2019/ 2020	Track refurbishment	\$1.0 million
12	TTC/MTC	Townsville/ Mackay	2017/ 2019	Track rectification works	\$0.8 million
13	ITC	Ipswich	2020	New commercial building, tie-up stalls, track and irrigation upgrade, widening works to T.L Cooney Ave	\$24.8 million
14	C&RCWP*	Various	2020	285 Country & Regional Projects	\$7.6 million

	Club	Track	Year	Project	Total Cost (excl. GST)
15	TTC	Townsville	2021	New raceday stalls	\$1.5 million
16	BRC	Eagle Farm/ Doomben	2021	Critical racing infrastructure	\$1.1 million
17	Various	Various	2018-21	Infrastructure projects <\$0.75m	\$2.8 million
	Total				\$138.7 million

Note: *Country and Regional Works Program (C&RCWP) is a separate program to the Country Racing Program which is not included in these figures.

Infrastructure Outlook

RQ anticipates surpassing the recent achievements by delivering more than \$150 million of critical infrastructure over the next three plus years.

This program is outlined below and will also include new harness facilities, various on-course stabling and facility upgrades including the spectator precinct at Eagle Farm.

	Club	Track	Year	Project	Total Cost* (excl. GST)
1	GBGC (BGRC & IGRC)	GBGC	2024	New greyhound facility with construction of three tracks (one-turn, two-turn and straight) and development of patron and participant facilities	\$39 million
2	SCTC	Sunshine Coast	2021	Construct new synthetic track and improve drainage and other training facilities	\$8.9 million
3	GCTC	Gold Coast	2024	Construction of new tracks (new synthetic then widen course proper with improved camber and drainage along with upgraded training tracks), tunnel and lights for night racing	\$37.5 million
4	Various	Various	2022-24	Increase on-course stabling, subject to funding and building approvals	\$TBD
5	APHRC	State Harness Centre	TBD	Construct new metropolitan harness track and facility, subject to planning, funding and approvals	\$TBD
6	BRC	Eagle Farm	TBD	Upgrades of Eagle Farm spectator precinct, subject to planning, funding and approvals	\$TBD
7	SCTC	Sunshine Coast	2022	Expanded on-course stabling (majority club funded)	\$4.8 million
8	Various	Various	2022-24	Facility upgrades and key asset replacements	\$24 million
9	Greyhound	Various	2022-24	Major regional track upgrades	\$TBD
10	Harness	Various	2022-24	Provincial track upgrades	\$TBD
11	BRC	Doomben	TBD	Construct lights for night racing, subject to planning, funding approvals	\$TBD

Note: *Forecast costs at time of estimate are before construction cost inflation and scale or scope upgrades.

Queensland Off-The-Track Program

The Queensland Off-The-Track Board was established as a result of the Martin Inquiry report titled ‘Inquiry into animal cruelty in the management of retired Thoroughbred and Standardbred horses in Queensland’.

As a consequence, the Queensland Government fully supported, or supported in principle, all 55 recommendations made by the Martin Inquiry, including the establishment of a Queensland Off-The-Track Program.

During 2020/21, the QOTT Board was established to operate and manage the QOTT Program, including all decisions, policies, programs and reporting relating to the retirement of thoroughbred and standardbred horses from racing and breeding activities in Queensland.

The QOTT Board includes experienced members with extensive knowledge who are committed to improving OTT horse welfare:

- Ms Sharon Cowden, Inaugural Independent Chair
- Mr Brendan Parnell, Chief Executive Officer, Racing Queensland;
- Mr Paul Brown, A/Commissioner, Queensland Racing Integrity Commission;
- Mr Basil Nolan, President, Thoroughbred Breeders Queensland Association;
- Dr Holly Lewis, President, Equine Veterinarians Australia;
- Mr Daren Garrard, President, BOTRA Queensland;
- Mr Kelly Schweida, Vice-President, Australian Trainers Association – QLD Branch;
- Mr Cameron Partington, Representative, Thoroughbred Alliance;
- Dr Mandy Paterson, Principal Scientist, RSPCA Queensland; and
- Ms Catherine Collier, Representative, Equestrian Queensland.

Having convened monthly since December, the QOTT Board reviewed the various off-the-track programs operating domestically – and

internationally – and drew on the successful elements of those programs to establish its Queensland model.

This includes the adoption of a number of world-best practices – underpinned by the ‘Principles of Aftercare’ which is set by the International Forum for the Aftercare of Racehorses.

The first initiatives supported by the QOTT Board commenced in 2021/22 via a ‘Subsidised Lessons Program’ and a partnership with Riding for the Disabled.

Further initiatives will be rolled out in FY22 including a Grants Program to assist existing rehomingers within the community to support retired racehorses who come into their care, along with an additional program, which will assist with stimulating demand for retired racehorses.

The QOTT Program is funded via a one percent prize money levy for thoroughbred and harness racing which was introduced by RQ on January 1, 2020.

In accordance with recommendation 7.4 of the Martin Inquiry, a table outlining QOTT financials can be found below:

Opening balance as at July 1, 2020	\$0.7m
Levy withheld from prize money in FY20/21	\$1.6m
Less costs incurred during FY20/21*	(\$0.1m)
Levy balance as at June 30, 2021	\$2.2m

*The costs incurred were related to legal fees (trademark applications), salaries and other employee related costs of the dedicated QOTT program employees.

With the first initiatives supported by the QOTT Board commencing in FY22, the direct reporting against recommendation 7.3 of the Martin Inquiry will be deferred until the FY22 RQ Annual Report.

RQ strategy

Racing Queensland's Strategic Plan (FY21-24) is a key component of the organisation's performance management framework.

During 2020/21, RQ had a vision to become the number one sporting industry in the Sunshine State, while championing great racing and events which connect Queensland communities.

In order to achieve this ambition, five pillars were developed including key performance indicators to track and measure RQ's progress against the Plan.

These were set against six timeless values consisting of:

- Making a difference;
- Achieving excellence;
- Earning and showing respect;
- Doing what we say;
- Valuing team above self; and
- Demonstrating great leadership.

To maintain transparency, a summary of how RQ was tracking against its Key Performance Indicators was published at www.racingqueensland.com.au after each quarter.

Commercial

Manage and drive the commercial performance of the business of racing in Queensland

Key Performance Indicators:

- Grow and diversify revenue;
- Develop and launch iconic events;
- Increase market share;
- Winter and Summer Carnivals enhanced;
- Partnerships with commercial bodies; and
- Target benchmark efficiencies for RQ expenditure.

RQ continues to make significant progress against its commercial KPIs.

Whilst acknowledging the abnormal trading environment which has been stimulated by the lack of sport, travel restrictions and Federal Government's stimulus funding, RQ was able to grow normalised total revenue, as a parent company, by 19.2% to \$336 million.

At the same time, net wagering revenue (excluding PoCT deductions and including

sponsorship income) increased by 18.6% from FY20 to \$259.0 million.

As reported in the Chairman's Report, RQ's market share, comparatively to the other states, increased 3% on a year-on-year basis, rising to 16.9%, while RQ's efficiency sat well under the 11% target, concluding FY21 at 8.4% of total revenue.

The introduction of a Spring Carnival for thoroughbreds, including the iconic Weetwood Handicap, was warmly received, while the harness racing Winter Carnival was reimagined with the TAB Queensland Constellations.

This included the inaugural running of Queensland's newest iconic race: The Rising Sun.

RQ continued its relationship with a number of commercial bodies including TAB and Magic Millions.

Industry Sustainability

Create a sustainable racing industry in Queensland

Key Performance Indicators:

- Grow returns to participants;
- Grow interest (attendance and reach);
- Increase participation; and
- Improvements to animal care outcomes including delivery of after career programs.

Industry sustainability was again at the forefront of RQs strategic and operational plans throughout FY21.

Once again, record payments to participants were delivered, increasing to \$271.4 million (+22%).

The ongoing impact of the global pandemic continued to impact attendances across the state, despite enjoying 25.5% year-on-year growth.

Snap lockdowns impacted major meetings including the TAB Wave during the Summer Carnival and iconic events such as Birdsville and the Cairns Amateurs.

RQ invested heavily in club related infrastructure projects as well as increasing club funding.

As a result, total club related expenses of \$56.4m was 76.4% higher than last year.

The one percent prize money levy on thoroughbred and harness racing continued in FY21 and was utilised to fund the Queensland Off-The-Track Program, which was established as a major initiative arising from the Martin Inquiry.

The first initiatives supported by the QOTT Board commenced in early FY22 via a 'Subsidised Lessons Program'.

Proactively, RQ also introduced a Race Meeting Injury Scheme for greyhounds to provide financial support for veterinary treatment and rehabilitation costs for greyhounds injured during race meetings or official stewards' trials.

Infrastructure

20 plus year plan to meet operational requirements, customer expectations and leverage industry assets

Key Performance Indicators:

- On time and on budget;
- New greyhound and harness tracks delivered;
- Four metropolitan standard thoroughbred tracks (Brisbane premium enhancements);
- Development opportunities to extract value and support with club diversification; and
- Improve community racing facilities.

Reinvestment in the Queensland racing industry was a key theme throughout FY21

In FY21, RQ expended \$6.95 million to support asset upgrades on Tier 1 and Tier 2 clubs in accordance with RQ's Asset Management Framework.

The finishing touches on the \$24.8 million Ipswich Turf Club redevelopment were delivered, while detailed design and community engagement advanced on the \$39 million Greater Brisbane Greyhound Centre.

In addition, RQ submitted, and received approval of, a business case for the \$37.5 million redevelopment of the Gold Coast Turf Club, which will bring night racing to Aquis Park.

The delivery of a new synthetic track at the Sunshine Coast Turf Club was completed as part of \$8.9 million worth of works at Caloundra,

while the Townsville Turf Club took receipt of their \$1.5 million raceday stalls.

During FY21, RQ moved to a significant self-delivery model for country racing infrastructure to help accelerate dozens of projects.

Masterplanning continues at a number of venues across Queensland including Deagon, Ipswich and Cluden Park.

Organisational

Develop organisational systems and capability to improve performance delivery and efficiencies

Key Performance Indicators:

- Grow engagement;
- Recognition as an employer of choice;
- Reduce staff turnover; and
- Improve diversity and inclusion.

RQ continues to make inroads on its organisational KPIs.

High performing organisations have engaged workforces where employees are highly motivated, genuinely connected to their work and positively promote the organisation to others.

During FY21, employee engagement increased by 11.4% from a percentage favourable score of 61% in 2019 to 68% in 2021, following an independent pulse survey.

Simultaneously, RQ's separation rate was 17.7%, which is the lowest since FY16.

RQ is committed to providing a safe and inclusive workplace where diversity is embraced, and all employees are treated fairly and with respect.

In November, the spotlight was shone on NAIDOC Week as part of the industry's commitment to strengthening relationships with Aboriginal and Torres Strait Islander peoples.

To mark the occasion, RQ programmed a showcase NAIDOC Celebration race across each code featuring Indigenous ceremonial aspects including a Welcome to Country; Smoking Ceremony; and didgeridoo player.

Similar activities occurred in March, with RQ celebrating the social, economic, cultural, and political achievements of women in the lead up to International Women's Day.

Community

Racing to be recognised as a significant contributor to the Queensland community

Key Performance Indicators:

- Grow economic and community contribution of racing;
- Grow student enrolments;
- Grow recognition of industry scale and impact; and
- Grow community partnerships.

The Queensland racing industry's annual contribution to the state's economy has grown by 5.5% to more than \$1.6 billion, new economic data revealed.

During FY21, RQ published its latest Size and Scope Report which was delivered by IER - a specialist in the tourism, events and entertainment industries - and outlines the economic benefit of the racing industry to the Sunshine State.

Since publishing its 2017/18 Report, the Queensland racing industry has seen its value-added contribution to the state's economy grow to a record-high \$1.61 billion.

At the same time, 1,070 extra full-time jobs were created, with the industry now responsible for employing 12,643 Queenslanders.

RQ used a number of mediums to positively promote the industry's size and scale, including owned and third-party media channels.

A number of community partnerships were delivered throughout FY21 including the annual WomenCan Team Teal campaign, which raised more than \$15,000 for ovarian cancer research.

RQ also staged the inaugural Coral Coast Shield across Rockhampton, Mackay, Townsville and Cairns, which saw \$25,000 donated to four charities across Central and Northern Queensland.

Student enrolment numbers continue to climb, with RQ recording a 23.5% increase from FY20 to FY21.

While the global pandemic has impacted the RTO's ability to attend a number of face-to-face recruitment activities, RQ targeted regional areas by taking part in a CQ University career expo visiting Gladstone, Rockhampton and Emerald.

Further work was conducted at the Careers and Employment Expo in Brisbane which was attended by almost 11,500 people.

Advancing Queensland's priorities

The Queensland Government's objectives for the community are built around Unite and Recover - Queensland's Economic Recovery Plan.

The objectives are long-term and can only be achieved by everyone involved working together.

During 2020/21, Racing Queensland was able to contribute to the Queensland Government's objectives for the community in the following ways. They were:

Safeguarding our health:

Safeguard people's health and jobs by keeping Queensland pandemic-ready.

The Queensland racing industry's steadfast commitment to remaining COVIDSafe was a hallmark throughout FY21.

Working closely with the Queensland Government and its health agencies, RQ was able to implement strict biosecurity measures, including patron-free race meetings, to ensure the continuation of racing during this challenging period.

Other measures at various times included mandatory temperature testing for on-course personnel attending race meetings; a 14-day self-isolation period for any licensee - Queensland or otherwise - who travelled from inter-state; and restrictions around training, trackwork and inter-state animal transport protocols.

This ensured more than 12,500 Queenslanders were able to continue to draw a wage, while our race clubs did an incredible job of keeping their doors open without patrons.

Supporting jobs:

Support increased jobs in more industries to diversify the Queensland economy and build on existing strengths in agriculture, resources and tourism.

The Queensland racing industry plays a significant role in the state's economy.

Independent economic analysis released in FY21 reported the industry was directly responsible for sustaining 5,802 full-time equivalent jobs across the state.

When flow-on employment impacts are considered, the total FTE impact generated by the Queensland racing industry rose to 12,643 jobs.

Prior to the global pandemic, an economic report commissioned by RQ found the Magic Millions generated an incredible 91,104 total visitor nights and \$49.8 million of total economic impact, with Queensland's richest raceday and the yearling sales in January and May contributing to the tourism windfall.

In addition to the Magic Millions, the two-day Amateurs Carnival in Far North Queensland generated 11,110 visitor nights and \$3.6 million in direct economic impact, while the iconic Birdsville Races was responsible for 55,872 visitor nights and \$5.4 million to the state's economy.

Backing small business:

Help small business, the backbone of the state's economy, thrive in a changing environment.

The Queensland racing industry's annual contribution to the state's economy has grown by 5.5% to \$1.61 billion.

At the same time, 1,070 extra full-time jobs were created, with the industry now responsible for employing 12,643 Queenslanders.

Importantly, 46% of the value added contribution is realised in regional economies, underlining the industry's importance to the state as a whole.

Across Queensland, there are 62 towns each year who host a raceday as the highlight for that community's social calendar, showcasing everything that is great about local food, fashion and on-course entertainment.

Making it for Queensland:

Grow manufacturing across traditional and new industries, making new products in new ways and creating new jobs.

The Queensland racing industry is supported by a large supplier network in a mutually beneficial way.

For many suppliers of goods and services, a strong racing industry forms an important part of the critical mass of their client base.

The supplier network broadly contains those providing a direct service or product to the industry as well as those down-the-line businesses who provide the raw materials and manufacturing that drive the products on offer.

Industries include:

- Professional, Scientific and Technology Services: 1,535 FTE and \$191.9 million in economic contribution;
- Agriculture, Forestry & Fishing: 842 FTE and \$122.1 million in economic contribution; and
- Administrative Services: 666 FTE and \$113.7 million in economic contribution.

Building Queensland:

Drive investment in the infrastructure that supports our recovery, resilience and future prosperity.

The future of the Queensland racing industry looks prosperous with more than \$100 million in infrastructure projects either recently completed or in the pipeline.

Approved infrastructure projects include:

- \$39 million Greater Brisbane Greyhound Centre;
- \$37.5 million Gold Coast Turf Club redevelopment;
- \$8.9 million Sunshine Coast Turf Club redevelopment;
- \$1.3 million Cairns Jockey Club Events Centre; and
- \$515,000 Redcliffe Harness Racing Club upgrade.

Growing our regions:

Help Queensland's regions grow by attracting people, talent and investment, and driving sustainable economic prosperity.

During FY21, the RQ Board approved a new People Strategy that focuses on four key pillars. They were:

- Employee experience – Implement an Employer Value Proposition; build an aligned and engaged workforce; achieve diversity and inclusion outcomes; develop technology and create a safe and healthy workplace for all;
- Purposeful leadership – Drive leadership capability and service excellence; bring our values and behaviours to life in every interaction; work collaboratively as a team and lead effectively through change;
- Reward and recognition – Evaluate performance fairly, reward and recognise contribution appropriately; lean into difficult conversations regularly and hold each other accountable for living RQ's values and achieving outcomes; and

- Buy, borrow and build talent – Create a talent pipeline to attract, motivate, develop and retain employees; use performance data to inform the new three-year REM strategy and drive data-driven decision making; and elevate business and people performance.

Investing in skills:

Ensure Queenslanders have the skills they need to find meaningful jobs and set up pathways for the future.

Education and training remain vitally important for the continued growth and success of the Queensland racing industry.

Student enrolment numbers to continue to climb, with RQ recording a 23.5% increase from FY20 to FY21, with the organisation's Registered Training Organisation offering nationally recognised programmes for a cross-section of roles including apprentice jockeys and stable hands.

To assist with its recruitment drive, RQ targeted regional areas by taking part in a CQ University career expo visiting Gladstone, Rockhampton and Emerald.

Across the state, approximately one in four race clubs boasts partnerships with primary, secondary, trade and/or tertiary institutions.

Backing our frontline services:

Deliver world-class frontline services in key areas such as health, education and community safety.

As part of its Corporate Social Responsibility, RQ is directly involved in a number of activities that support the health outcomes of Queensland.

Over the course of FY21, RQ supported a number of charities including Riding for the Disabled, The Caves and District Lions Club, CQ Rescue Helicopter Service and Ronald McDonald Family Retreat Palm Cove through the Coral Coast Shield.

Additional charities included Cancer Council Queensland; Smart Pups Assistance Dogs; R U OK?; and the Australia New Zealand Gynaecological Oncology Group.

More broadly, the racing industry continues to play an important role in the development and preservation of social and community benefits across the state, which has a positive impact in terms of family socialisation and volunteerism.

The majority of these social impacts are initiated through club activities, both on racedays and non-racedays, as well as the partnerships they form with many community organisations.

Protecting the environment:

Protect and enhance our natural environment and heritage for future generations and achieve a 50 per cent renewable energy target by 2030.

The Queensland racing industry continues to play its role in adopting processes and policies that have a positive impact on the environment.

Examples include: Use of bore water and council treatment plants; Effluent water usage; timed and low flow irrigation; rain storage tanks, dams and storm water feeds; and signage promoting water savings.

Additionally, a number of clubs have programs in place to utilise solar energy or save electricity.

This includes: Installation of panels for solar generation; lighting and power programming to save energy; energy efficient light fittings (LED); and watering in off-peak times.

Machinery-of-Government Changes

Following the 2020 Queensland election, a Machinery-of-Government change added the racing portfolio to the Department of Education from November 12.

It previously formed part of the former Department of Local Government, Racing and Multicultural Affairs.

Human Rights

RQ activities furthering the objects of the Human Rights Act in 2020-2021 included enhanced employee wellbeing and health programs during COVID-19, implementing a Reconciliation Action Plan and cultural awareness training, promoting RQ's values including showing respect for others, and regularly reviewing its processes for dealing with complaints.

During the reporting period, RQ did not receive any human rights complaints and reviewed internal and industry policies and procedures for consistency with the provisions of the Human Rights Act.

Public Sector Ethics Act 1994

RQ requires the highest standards of ethical behaviour from its employees.

As part of its performance management framework, bi-annual reviews are conducted for all RQ employees, with employee behaviour against the organisation's timeless values equally weighted against operational duties.

All employees are required to declare any real or perceived conflict of interests in the racing industry.

Board members and Executives are required to notify of changes on a monthly basis and new employees must complete a declaration prior to commencement or as required due to a change in circumstances.

Directions from the Minister

There were no Ministerial directions issued under section 44 of the Racing Act 2002 to Racing Queensland in 2020/21.

RQ Structure

Corporate Governance

The Racing Queensland Board (trading as Racing Queensland) was established under section 6 of the Racing Act 2002 on July 1, 2016.

RQ is a statutory body under the Financial Accountability Act 2009 and Statutory Bodies Financial Arrangements Act 1982 and a unit of public administration under the Crime and Corruption Act 2001.

RQ's governance structure has been established to set direction and oversee performance. Information about strategic and operational performance is provided by the organisation's analytics, human resource and financial systems.

Strategic and operational direction is communicated and managed through its Strategic Plan, as well as a structured risk management process.

Governance

The Racing Queensland Board has seven members, constituted in accordance with the Racing Act 2002, and is the governing body for the organisation.

The Board members for 2020/21 were:

- Mr Steve Wilson AM (Chairperson);
- Ms Sharon Dawson (Deputy Chairperson);
- Mr Dale Cartwright (Member);
- Mr Chris Edwards (Member – commenced June 2021);
- Mr Graham Quirk (Member);
- Ms Margaret Reynolds (Member – concluded May 2021);
- Ms Jodie Jones (Member – commenced June 2021);
- Ms Jane Seawright (Member); and
- Mr Max Walters OAM (Member – concluded May 2021).

Each accountable officer and statutory body must ensure a governance framework, appropriate for the accountable officer's department or the statutory body, is established.

Governance, for a statutory body, is the way the statutory body manages the performance of its functions and operations. RQ's governance incorporates the cultural and operational aspects of the organisation that are influenced by its actions and decisions and includes the concepts of:

- Openness and transparency;
- Integrity and accountability;
- Due care; and
- Public defensibility.

RQ's management and committees oversee all major activities and areas of decision making and ensure the organisation has a clear direction, operates efficiently and fulfils its legislative responsibilities. These groups are:

- Racing Queensland Board;
- Executive Leadership Team;
- Audit and Risk Committee; and
- Remuneration and Human Resources Committee.

RQ Board

Steve Wilson AM

Chair

Steve Wilson had an extensive career in the investment industry in Australia and the United Kingdom. He led the Brisbane stockbroker Wilsons to become a national leader in emerging companies and established investment management companies Hyperion and ASX 200 listed Pinnacle Investment Management Group.

He is Chair of the Committee for Brisbane Advisory Council, Wilvest Group and a Director of Racing Australia.

He previously chaired Wilson Group Ltd, Pinnacle Investment Holdings, South Bank Corporation, Hyperion Asset Management, St John's Cathedral Completion Fund and Queensland Rugby Union and was a Director of Telstra, Tourism Queensland, Great Barrier Reef Foundation and Councillor of QUT.

He was awarded an Order of Australia for services to the finance industry and community and the BDA Gold Medal award for his role in transforming South Bank.

Sharon Dawson

Deputy Chair & Chair of Remuneration & HR Committee

Sharon Dawson is the CEO of the Dawsons Group, a diversified heavy engineering and services company operating nationally from workshops in Cairns, Townsville, Mt Isa and Charters Towers.

A Far North Queensland local, Sharon is committed to regional economic development and has held previous roles with Ports North, Advance Cairns, Cairns Chamber of Commerce and TAFE North Queensland.

Sharon has a strong knowledge of country and regional racing.

Dale Cartwright

Member

Dale Cartwright is the Managing Director and Principal of the Cartwright Property Group, a highly recognised and accredited member of the Queensland real estate industry he established in 2003.

Dale enjoys all aspects of the three codes of racing and has a long-standing personal interest in the greyhound industry.

His deep understanding of the greyhound industry and its heritage is valuable in informing his views of the future of the sector.

Dale is Deputy Chair of Greyhounds Australasia, and chairs the Greyhound Industry Advisory Panel meetings.

He is also a former President of the Brisbane Greyhound Racing Club.

Chris Edwards

Member (Term commenced June 17, 2021)

Chris Edwards is a senior executive with RPS Group, a global infrastructure design and delivery firm with 5,000 staff in 125 countries.

Previously, he worked with the Queensland Government leading the design and delivery of \$4.5 billion in social and economic infrastructure investment as a Program and Project Director.

Prior achievements in infrastructure projects over 25 years has enabled Chris to apply his knowledge and experience to the challenges now faced by many boards in monitoring and evaluating success associated with benefits realisation, governance, transparency, risk/audit processes and the setting of strategic transformational objectives linked to the delivery of major capital programs and projects.

A graduate of both the Project Management Institute (PMP, PMI-RMP, PMI-PBA) and the Australian Institute of Company Directors, he currently serves on the Boards of: Professional Engineers of Queensland where he is also the Chair of the Risk and Audit Committee; EIDOS Institute; and Metro South Health and Hospitals Board Capital Assets Committee.

Chris has been a member of AICD since 2008 and in 2010 he was awarded the status of Fellow of AICD as recognition of his prior commitment to non-executive directorships.

Jodie Jones

Member (Term commenced May 1, 2021)

Jodie Jones has extensive experience as a Principal and Deputy Principal of State Primary Schools in the Central Queensland and metropolitan Brisbane areas, and therefore has a passion for education and training.

Having been involved in the harness racing industry as an owner and breeder for more than 30 years, she is the wife to a trainer/driver, and also boasts a daughter who has become a successful trainer/driver in her own right.

Jodie has been a committee member for a variety of racing clubs and associations in Central Queensland and Brisbane. She is a life member of the Queensland Junior Harness Racing Association Inc. and has previously held a stablehand's licence.

While appointed as the harness representative, she has a keen interest in the other two codes of racing, having previously been involved in ownership of thoroughbreds.

Jodie is a Board member of Harness Racing Australia and chairs the Industry Advisory Panel meetings for harness racing.

Her knowledge of the racing industry, and strong leadership skills, will enable the next exciting phase of harness racing to project into the future with many exciting projects on the horizon.

Graham Quirk

Member

Following 34 years in public life including three years as Deputy Mayor and eight years as Lord Mayor of Brisbane, Graham Quirk handed over the reins of City Hall to pursue his passion for breeding racehorses and Auctioneering.

During his time as Lord Mayor and as Chairman of the Council of Mayors (SEQ) Graham proposed an Olympic and Paralympic Bid and oversaw the pre-feasibility and full feasibility studies for the bid.

Graham grew up at Doomben and fondly recounts how the champion Gunsynd (The Goondiwindi Grey) walked up and down his street every day before heading to Tommy Smith's stables in Sydney.

Although appointed as the Thoroughbred representative, Graham has held an interest in all racing codes and became a licensee in Queensland at 17 years of age.

Jane Seawright

Member

Jane Seawright is an experienced corporate and commercial lawyer and governance advisor, with broad sector experience in health, resources, technology, sport, infrastructure and the arts.

Based in Townsville, she runs a successful legal consultancy, and brings to Racing Queensland extensive board and professional experience and expertise in strengthening and guiding organisations through periods of change and growth.

Jane is currently Chair of TAFE Queensland, and is a non-executive director of Netball Australia, following a successful five-year term as Chair of Netball Queensland.

She is a Fellow of the Australian Institute of Company Directors, and a non-executive director of The Australian Festival of Chamber Music, a non-executive director of QCN Fibre Pty Ltd (a State Government-owned joint venture between Powerlink and Energy Queensland), and an inaugural Member of the National Sports Tribunal.

In 2018, she was honoured with the QSport Volunteer of the Year Award.

Margaret Reynolds

Member (Term concluded April 30, 2021)

Margaret Reynolds boasts more than 50 years involvement in harness racing as a breeder, owner and licensee and was previously the Secretary/Treasurer of the Queensland Breeders Owners Trainers Reinspersons Association.

Margaret is a former Director, and current executive member, of Harness Racing Australia and was also Secretary/Manager of North Queensland Harness Racing Club, Marketing Manager of Albion Park Harness Racing Club, Hospitality Catering Manager of Rocklea Harness Racing Club and served on the Committees of most of the state's clubs.

Margaret was the first female to be appointed to a harness racing committee in Queensland and is very passionate about the sport of racing.

She is the recipient of awards for service to the industry including the national meritorious award and the prestigious Pegasus award.

Margaret has been in the retail industry for 48 years including roles as the overseas and state buyer for Myer and David Jones.

Max Walters OAM

Member & Chair of Audit & Risk Committee (Term concluded April 30, 2021)

Max Walters was a senior executive with the Seven Network for 26 years and is a lifelong follower of racing across all codes.

Max's initial background is finance and he is a Fellow of the Institute of Chartered Accountants.

During his career, he has been responsible for highly successful marketing, promotional and broadcast agreements between the Seven Network and both the South Australian Jockey Club and the Brisbane Racing Club.

Max was awarded the Order of Australia Medal in 2011 for Services to Cricket, the Community and the Media.

Attendance of Board Meeting and Committees

Position	Name	No. Ordinary Board Meetings attended	No. of Special Board meetings attended	No. of ARC meetings attended	No. of REM & HR meetings attended	Total
Chair of the Board / ARC Member	Steven Wilson AM	13	2	0	0	15
Deputy Chair / Chair REM & HR	Sharon Dawson	11	2	0	2	15
Board Member	Margaret Reynolds	13	2	0	0	15
Board Member	Dale Cartwright	11	1	0	0	12
Board Member / Member REM & HR (Appointed to REM 27/11/19)	Graham Quirk	13	2	0	1	16
Board Member / Chair ARC / Member REM & HR	Maxwell Walters	13	2	4	2	21
Board Member / Member ARC (Appointed to ARC 29/05/19)	Jane Seawright	12	2	4	0	18
ARC Member	Rick Dennis	0	0	4	0	4

In addition to the Board Members identified above as members of the Audit and Risk Committee, Rick Dennis is an independent member of the Racing Queensland Audit and Risk Committee. Mr Dennis is a chartered accountant with 35 years' experience in commerce in Australia, Asia-Pacific and globally. Rick had over 30 years with global professional services firm Ernst & Young. After retiring from EY in 2015, Rick was appointed to a number of boards of Australian companies, including three ASX listed companies. Rick holds degrees in Law and Commerce from the University of Queensland, and is a member of the Australian Institute of Company Directors and Institute of Chartered Accountants. Mr Dennis' remuneration as a member of the Audit and Risk Committee was \$6,600.

Key Management Personnel

Racing Queensland's management oversees the organisation's strategic direction and performance.

The group is assisted by the Audit and Risk Committee and the Remuneration and Human Resources Committee.

Key activities include:

- To lead and facilitate the commercial aspects of racing on behalf of the industry relating to wagering, racing calendar, infrastructure and media rights;
- To engage and support race clubs and venues through licensing, funding assistance and shared services;
- To provide transparent allocation and distribution of returns to participants;
- To promote and market the three codes of racing;
- To develop and construct new and existing racing facilities;
- To partner with the Queensland Racing Integrity Commission to deliver world-class integrity and welfare outcomes;
- To provide training and career pathways for industry;
- To build a culture of high performance; and
- To establish effective governance, reporting and accountability frameworks.

The key management personnel during 2020/21 were:

Chief Executive Officer

Brendan Parnell

EGM Commercial

Geoff Quinlan

- Finance;
- Procurement;
- Business Analysis;
- Wagering and Partnerships; and
- Commercial Development.

EGM Development and Construction

Samantha Evans

- Infrastructure Strategy and Development;
- Master Planning and Development; and
- Capital Projects.

EGM Operations

Adam Wallish

- Racing Operations and Strategy;
- Tracks and Racecourse Development;
- Registered Training Organisation; and
- Animal Care including Queensland Off The Track (QOTT).

EGM People and Business Services

Michelle McConachy

- Strategic Human Resources Management;
- Workplace Health, Safety and Welfare;
- Jockey and Driver Welfare;
- Information Technology;
- Enterprise Risk Management;
- Employee Communications; and
- Interim carriage of Legal Services from April to July 2020.

EGM Marketing, Communications and Stakeholders

Mary Collier

- Corporate Affairs;
- Marketing and Events;
- Government Liaison;
- Corporate Strategy Development; and
- Board Services (until December 2020).

EGM Legal and Regulatory, and Board Secretary

Dan Gosewisch (commenced July 2020)

- Legal Services and External Legal Partnerships; and
- Board Services (from January 2021).

EGM Club Partnerships and Assets

Melinda Martin

- Club Licencing and Compliance;
- Club Commercial Development;
- Asset Management and Industry Performance; and
- Facilities Management.

Our People

Racing Queensland is committed to building a culture of high performance where every employee is instrumental in achieving its strategic objectives and elevating business performance.

RQ is also committed to providing a safe and healthy workplace and ensuring practices will not compromise the physical or mental health, or safety or welfare, of any employees, contractors or visitors at its workplaces.

On July 1, a new Board-endorsed Workplace Health, Safety and Welfare Strategy was launched, and a new Workplace Health and Safety Policy Statement was published.

In FY21, employee engagement increased by 11.4%, due to a continued focus on creating a diverse and inclusive workplace, where every employee feels valued and supported.

The employee engagement pulse survey results emphasised the high value employees place on working for an organisation that champions flexible work arrangements and achieving work/life balance, that translates into improved attraction, retention and motivation.

RQ acknowledges that navigating the global health pandemic was achieved by engaging, enabling and empowering employees to deliver results and demonstrate agility in challenging and unfamiliar territory.

Across FY21, employees spent an average of 20 weeks' working from home thereby relying on communication of factual, timely and relevant information to ensure business continuity and access to the latest information on COVID-19 directives and support services.

Targeted communications were essential in maintaining connection, fostering trust and assisting employees, and the racing industry, to navigate the acute impacts of the pandemic.

Critical to the success of maintaining business continuity and working remotely, was the delivery of key information technology strategic initiatives that ensured employees were enabled to work effectively and efficiently wherever and whenever they needed to.

RQ launched a full-day Corporate Induction program for new employees and those returning from parental leave.

It included a comprehensive overview of business operations, as well as an introduction to the racing industry and mandatory Workplace Behaviours training.

RQ was the first Principal Racing Authority in Australia to launch a Reconciliation Action Plan, following endorsement of RQ's Reflect RAP by Reconciliation Australia in September 2020.

Commissioned artwork by Aboriginal Artist, Charlie Chambers Jnr titled 'The Gathering' featured in NAIDOC Week celebrations and on employee email signatures.

In the final quarter of FY21, RQ commenced work on an Employer Value Proposition.

The EVP will define the essence of RQ's employment brand and describe the unique set of benefits an employee receives in return for the skills, capabilities and experience they bring.

The separation rate at June 30 was 17.7%.

During the period, two employees received redundancy packages at a cost of \$40,109.

Employees who did not accept an offer of a redundancy were offered case management and reasonable attempts were made to find alternative employment placements.

Actual FTE was 102.41 at June 30, which was comprised of 98.65 full-time, 3.64 part-time and 0.12 casual employees.

In FY21 there were:

- Twenty-one fixed-term employees engaged; where particular skills or subject matter expertise was required to deliver on specific projects or key elements of the strategic plan; and
- More than 90 temporary flexible work arrangements approved; to support employees in maintaining appropriate work/life balance, enhance employee wellbeing and assist with managing the conflicting demands between work and other responsibilities.

RQ's bespoke performance management framework is a 'pay for performance' system directly linked to remuneration and talent strategies. Management calibrates performance twice a year to ensure alignment between business results and individual performance.

The RQ Board approved a new three-year remuneration strategy that is designed to drive further cultural change and support the organisation’s ability to effectively manage, measure and reward performance in a fair and consistent manner.

Following the annual remuneration review in August, the RQ Board and Executive decided not to pay salary increases in 2020 given the impact of the health pandemic on the racing industry, community and economy.

Several structural changes were made during FY21, including the realignment of executive portfolios, retitling of executive roles and reporting line changes of a number of functions.

The Development and Construction portfolio was expanded to include additional resources to support delivery of the comprehensive capital works program and associated projects.

The Commercial portfolio was expanded to include a new in-sourced procurement function and additional resourcing in the Finance function, which was temporary and permanent.

The Racing Operations portfolio now includes reporting lines to the Queensland Off-The-Track employees, which complements the existing animal care function.

The Marketing and Events function was realigned to the retitled executive portfolio of Marketing, Communications and Stakeholders.

The People and Business Services portfolio was retitled and expanded to include a new standalone Enterprise Risk Management function and dedicated resource.

RQ provides industry-specific education as a Registered Training Organisation based at Deagon.

Training is also offered at select venues across the state, with the development of a robust talent pipeline critical to the long-term sustainability of racing in Queensland.

The RTO delivers a range of nationally recognised training programs to support new industry participants, along with managing the RQ Apprentice Jockey Coaching Program.

While the Queensland Racing Integrity Commission is primarily responsible for integrity and welfare standards in Queensland, RQ oversees a range of welfare initiatives including the Jockey Injury Management Program and a new Jockey/Driver Maternity Leave Scheme, which are both managed by the WHS Team.

Service milestones celebrated in FY21 were:

5-years	5 employees
10-years	0 employees
15-years	1 employee
20-years	0 employees

Committees

Audit and Risk Committee

The Audit and Risk Committee was established in 2016/17 and operates under a charter which is reviewed annually and approved by the Racing Queensland Board.

The role of the Committee is to provide advice to the Board on risk, control and compliance frameworks, including RQ’s external accountability and responsibilities.

The internal audit function is independent of RQ’s management – and external auditors – and is outsourced to Protiviti.

The effectiveness of the internal audit function is monitored by the Committee, with the outsourced internal auditor attending quarterly meetings, while presenting the annual audit plan and internal audit reports directly to the Committee and to the external auditors.

As per the plan, audits were completed in FY21 in the following areas:

- Payroll (December 2020);
- Fraud and Corruption Control (April 2021); and
- Privacy (June 2021).

The Board maintain a risk appetite that guides the decision-making frameworks across the organisation.

RQ’s risk management and internal audit activities are cognisant of key legislative requirements, such as the Racing Act 2002 and Financial Accountability Act 2009.

The activities were also undertaken with due regard to the Queensland Treasury Audit Committee Guidelines 2012.

The Committee endorsed the appointment of a dedicated resource to manage risk, with a Risk and Compliance Manager commencing in a newly created role in March.

The Committee approved a new Enterprise Risk Management strategy in May.

Audit Committee Meeting	QAO Report Delivered	QAO Recommendations Considered
August 13, 2020	Interim Report	Ministerial approval control relating to spend >\$1m not adequately applied; Sole source procurement practices not adequately justified; Procurement practices inconsistently implemented; Enhance the review of related party transactions; Lack of long-term asset management plan in place; and Use of electronic signatures best practice.
December 11, 2020	Draft 2021 External Audit Plan	No recommendations provided in this paper; Provided draft timetable of significant audit events for 2021; and Restated prior issues raised and a status of those that had been closed out.
February 11, 2021	Briefing Paper	Insufficient validation of banking details changes by suppliers and racing participants; Lack of segregation of duties in accounts payable processes; and Lack of segregation of duties between preparer and reviewer roles for bank reconciliations.
May 13, 2021	Briefing Paper	Review of RQ's position papers was completed; Significant improvement in procurement practices was noted and prior issues closed out; and Other matters regarding suggested process improvements to assurance statement, land valuations and gifts and benefits register.

Remuneration and Human Resources Committee

The Remuneration and Human Resources Committee was established in 2016/17 and operates under a charter which is reviewed annually and approved by the Racing Queensland Board.

The role of the Committee is to provide oversight of human resources strategies and the over-arching principles and parameters of remuneration policy across the organisation to foster quality of management practices.

Key agenda items of this Committee include:

- Ensuring effective systems of human resources, performance management and remuneration are established and maintained;
- Setting key performance areas for the CEO and the regular review of the CEO's performance;
- Endorsing employee policies, guidelines and procedures; and

- Monitoring compliance with applicable laws and regulations.

RQ's remuneration and human resources activities are cognisant of key industrial instruments, such as the Industrial Relations Act 2016.

The activities were also undertaken with due regard to the Mercer Job Grade and Remuneration framework implemented at RQ in FY17.

In FY21, the Committee approved a new three-year remuneration strategy; a new three-year people strategy; updated employee turnover targets; an updated Code of Conduct; a revised Fraud and Corruption Control Plan; new Employment Agreement contract templates; an updated Employee Handbook that includes all Guidelines, Procedures and Fact Sheets; treatment of the legislated increase to the superannuation guaranteed contribution; talent management and succession planning activities; and six new and/or revised internal guidelines, which included purchased leave and study assistance.

Other reporting requirements

Information systems and record keeping

During 2020/21, the delivery of key information technology strategic initiatives ensured employees were enabled to work effectively and efficiently wherever and whenever they needed to.

Commencing in July, all employees were issued with a new laptop as a means of delivering improved productivity and supporting working from home directives due to COVID-19.

RQ completed the re-cabling of the Deagon head office to improve speed and connectivity and enhance technological systems.

The IT team supported the office renovation, which included enhanced technological capability and facilities offered in the refurbished Boardroom at Deagon.

The 'Records Management Project' progressed, with new file nomenclature implemented and

business unit files transferred to the newly implemented ISO standard by June 30.

RQ's internal audit provider conducts regular audits of general IT controls and cyber security, with the next internal audit on cyber security scheduled for 2021/22.

External scrutiny

RQ was not subject to external scrutiny for this reporting period.

Section 12 Racing Act 2002

Section 12 of the Racing Act 2002 requires RQ to expend at least 5.32 per cent of the net product fee generated from QTAB for the financial year on prize money related to non-TAB thoroughbred races conducted by non-TAB thoroughbred clubs.

The table below demonstrates that RQ has fulfilled its obligations under the Act.

RACING QUEENSLAND Section 12 Racing Act 2002	FY21 (\$000)
Product Fee Variable	\$89,217
Product Fee Fixed	\$16,014
QTAB wagering revenue	\$105,231
Interstate Race Field Fees deducted by QTAB	(\$23,528)
Overseas Race Field Fees deducted by QTAB	(\$2,752)
QTAB wagering deductions	(\$26,280)
Net QTAB Product and Program fee paid to Racing Queensland	\$78,951
5.32% of Net Product Fee as RQ's prize money obligation under section 12 Racing Act 2002	\$4,200
Prize money paid non-QTAB (TAB) thoroughbred meetings	\$8,810
QTIS paid non-QTAB (TAB) thoroughbred meetings	\$690
Total non-TAB thoroughbred prize money paid	\$9,499

Glossary of Terms and Acronyms

Glossary of terms which may have been used in this report are contained in the table below:

Term	Definition
Board	The Board of Racing Queensland;
Breeding Incentive Scheme	A scheme that provides an incentive for Queensland-bred race animals to be purchased and raced in Queensland through the provision of bonus prize money;
Code	The type of racing, being one of the following: thoroughbred, harness or greyhound;
Control Body	An organisation that exists for the purpose of controlling racing for a particular code or codes empowered by the Racing Act 2002;
Country Racing	A standard of racing below Metropolitan and Provincial. For thoroughbred racing this can also refer to non-TAB races;
Group 1, 2, and 3	A level of quality in terms of performance and prizemoney ascribed to a particular race as set by the Australian Pattern Committee. Group 1 is the highest level. May also be referred to as 'black-type races;'
Integrity	The standards and required behaviours applied to the conduct of races, the rules associated with racing and the resulting confidence, all things being equal, by the public in a fair and equitable race outcome;
Metropolitan racing	Is the highest classification of race meeting. This classification is determined by the Control Body, in Queensland this is Racing Queensland;
Non-TAB meeting	A meeting on which TAB does not, or is unlikely, to offer wagering;
Normalised	The removal of material non-recurring financial transactions from the statutory financial statements;
Off-course	Wagering activities conducted outside of a race course venue;
On-course	Wagering activities conducted at a race course venue;
Pacing or pace	Used to describe the particular style of harness racing in reference to the horses' gait;
Pari-mutuel	Traditional wagering market with floating (variable) odds based on a total market pool of funds wagered, also known as the 'Tote;'
Principal Racing Authority	A state-based organisation that exists for the purpose of managing and administering racing for a particular code or codes;
Prize money	Funds distributed to owners, trainers, riders, and drivers as a result of their animal winning or placing in a race;
Provincial	Major regional cities as designated by Racing Queensland;
QTAB	UBET QLD Limited ACN 085 691 738;
Race club	A not-for-profit association appointed by its members for the purpose of running race meetings at a particular venue;
Race Field Fees	The fee charged by Racing Queensland for the use of race field information for the purposes of wagering;

Term	Definition
Racing Infrastructure Fund	Established by the Queensland Government to set aside funds for use for racing infrastructure. The funds are principally drawn down from QTAB payments for its exclusive retail wagering licence in Queensland that is in place until 2044;
Rules of Racing	The rules relating to the participation in and conduct of a particular code of racing as formulated, published and enforced by the control body;
Stakeholders	Individuals, groups or organisations with specific interest in the Queensland racing industry;
TAB meeting	A meeting that is broadcast on television and/ or radio and enabling off-course wagering;
Trotting or Trot	Used to describe the particular style of harness racing in reference to the horses' gait;
Wagering	Gambling on code-specific racing product.

Acronyms which may have been used in this report are contained in the table below:

Term	Definition
2YO	Two-Year-Old in relation to a horses age;
3YO	Three-Year-Old in relation to a horses age;
4YO	Four-Year-Old in relation to a horses age;
CAGR	Compound annual growth rate
CEO	Chief Executive Officer;
GAL	Greyhounds Australasia Limited;
HR	Human Resources;
HRA	Harness Racing Australia;
IT	Information Technology;
POCT	Point of Consumption Tax;
PRA	Principal Racing Authority;
QBRED	A harness racing breeding scheme;
QOTT	Queensland Off-The-Track
QRIC	Queensland Racing Integrity Commission;
QTIS	Queensland Thoroughbred Incentive Scheme;
RIF	Racing Infrastructure Fund; and
RQ	Racing Queensland.

Compliance Checklist

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	• A letter of compliance from the accountable officer or statutory body to the relevant Minister/s ARRs – section 7	1
Accessibility	• Table of contents	ARRs – section 9.1 Inside cover
	• Glossary	ARRs – section 9.1 42-43
	• Public availability	ARRs – section 9.2 2
	• Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3 2
	• Copyright notice	Copyright Act 1968 ARRs – section 9.4 2
	• Information Licensing	QGEA – Information Licensing ARRs – section 9.5 2
General information	• Introductory Information	ARRs – section 10 3-7
	• Machinery of Government changes	ARRs – section 10.2, 31 and 32 32
	• Agency role and main functions	ARRs – section 10.2 7, 27-32
	• Operating environment	ARRs – section 10.3 8-11
Non-financial performance	• Government’s objectives for the community	ARRs – section 11.1 30-32
	• Other whole-of-government plans / specific initiatives	ARRs – section 11.2 N/A
	• Agency objectives and performance indicators	ARRs – section 11.2 27-29
	• Agency service areas and service standards	ARRs – section 11.3 27-29
Financial performance	• Summary of financial performance	ARRs – section 12.1 8-11
Governance – management and structure	• Organisational structure	ARRs – section 13.1 33-37
	• Executive management	ARRs – section 13.2 37
	• Government bodies (statutory bodies and other entities)	ARRs – section 13.3 N/A
	• Public Sector Ethics Act 1994	Public Sector Ethics Act 1994 ARRs – section 13.4 N/A

Summary of requirement	Basis for requirement	Annual report reference	
Governance - management and structure continued	• Human Rights	ARRs - section 13.5	32
	• Queensland public service values	ARRs - section 13.6	N/A
Governance - risk management and accountability	• Risk management	ARRs - section 14.1	33-40
	• Audit committee	ARRs - section 14.2	39-40
	• Internal audit	ARRs - section 14.3	41
	• External scrutiny	ARRs - section 14.4	41
	• Information systems and record keeping	ARRs - section 14.5	41
	• Information Security attestation	ARRs - section 14.6	N/A
Governance - human resources	• Strategic workforce planning and performance	ARRs - section 15.1	38-39
	• Early retirement, redundancy and retrenchment	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs - section 15.2	34-35, 38
Open Data	• Statement advising publication of information	ARRs - section 16	2
	• Consultancies	ARRs - section 33.1	https://data.qld.gov.au
	• Overseas travel	ARRs - section 33.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs - section 33.3	https://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA - section 62 FPMS - sections 38, 39 and 46 ARRs - section 17.1	80
	• Independent Auditor's Report	FAA - section 62 FPMS - section 46 ARRs - section 17.2	81-83

FAA Financial Accountability Act 2009
 FPMS Financial and Performance Management Standard 2019
 ARRs Annual report requirements for Queensland Government agencies

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733

FINANCIAL REPORT

For the Year Ended 30 June 2021

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General information

The financial statements cover both Racing Queensland Board as an individual entity and the consolidated entity consisting of Racing Queensland Board and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Racing Queensland Board's functional and presentation currency.

Racing Queensland Board is a statutory body incorporated and domiciled in Australia. Its registered office and principal place of business are:

6 Racecourse Road
Deagon
QLD 4017
AUSTRALIA

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 August 2021. The directors have the power to amend and reissue the financial statements.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
 ABN 80 730 390 733

Statements of comprehensive income

For the year ended 30 June 2021

	Note	Consolidated		Parent	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Revenue					
Wagering Revenue	2	223,759	182,040	223,759	182,040
Racing Fees		7,744	5,162	7,744	5,162
Grants and Contributions	3	83,664	93,070	83,664	93,070
Prize Money Sponsored Income		5,488	5,910	5,488	5,910
Other Revenue	4	4,639	3,669	4,497	3,451
Media Rights Revenue	5	12,804	-	12,804	-
Total Revenue and Other Income		338,098	289,851	337,956	289,633
Expenses					
Prize Money and Breeders Bonuses	6	(193,163)	(172,060)	(193,163)	(172,060)
Jockeys and Drivers (excluding Prize money)	7	(15,363)	(18,400)	(15,363)	(18,400)
Club Related Expenses	8	(54,331)	(32,207)	(56,431)	(31,994)
Animal Care	14	(2,467)	-	(2,467)	-
Contribution to the Integrity Function	9	(16,514)	(16,048)	(16,514)	(16,048)
Supplies and Services	10	(9,683)	(12,795)	(9,531)	(12,627)
Employee Expenses	11	(13,640)	(12,253)	(13,640)	(12,253)
Depreciation Expense	20,22	(3,130)	(5,992)	(1,624)	(3,520)
Grant Expenses	12	(12,992)	(4,665)	(12,992)	(4,665)
Other Expenses	13	(5,611)	(3,900)	(5,607)	(3,894)
Total expenses		(326,894)	(278,320)	(327,332)	(275,461)
Operating Result for the year		11,204	11,531	10,624	14,172
Other Comprehensive Income					
Items that will not be reclassified subsequently to profit or loss					
(Decrease)/Increase in Asset Revaluation Surplus		(37)	6,535	(20)	2,210
Increase in Fair Value Reserve		371	762	371	762
Other Comprehensive Income for the year		334	7,297	351	2,972
Total Comprehensive Income for the year		11,538	18,828	10,975	17,144
Operating Result for the year is attributable to:					
Non-controlling interest	29	(164)	(407)	-	-
Members of Racing Queensland Board		11,368	11,938	10,624	14,172
		11,204	11,531	10,624	14,172
Total Comprehensive Income for the year is attributable to:					
Non-controlling interest	29	(167)	226	-	-
Members of Racing Queensland Board		11,705	18,602	10,975	17,144
		11,538	18,828	10,975	17,144

The above statements of comprehensive income should be read in conjunction with the accompanying notes

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733

Statements of financial position

For the year ended 30 June 2021

	Note	Consolidated		Parent	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Assets					
Current assets					
Cash and Cash Equivalents	15	61,271	38,043	54,311	35,221
Trade Debtors	16	15,350	15,172	18,085	15,069
Loans Receivable	17	275	7,087	275	7,087
Other Current Assets	18	17,314	24,315	17,314	24,279
Total current assets		94,210	84,617	89,985	81,656
Non-current assets					
Loans Receivable	17	6,333	10,403	6,333	10,403
Other Financial Assets	19	7,054	6,682	38,312	28,126
Property, Plant and Equipment	20	123,680	121,731	67,510	77,277
Right-of-Use Assets	22	96	53	96	53
Total non-current assets		137,163	138,869	112,251	115,859
Total assets		231,373	223,486	202,236	197,515
Liabilities					
Current liabilities					
Trade and Other Payables	23	24,452	20,073	24,428	20,582
Provisions	24	2,196	4,074	2,196	4,074
Employee Benefits	25	1,445	1,250	1,445	1,250
Loans Payable	26	427	1,930	427	1,930
Lease Liabilities		31	46	31	46
Other Current Liabilities	27	5,993	6,907	3,991	6,907
Total current liabilities		34,544	34,280	32,518	34,789
Non-current liabilities					
Loans Payable	26	24,197	28,267	24,197	28,267
Employee Benefits	25	119	84	119	84
Lease Liabilities		63	11	63	11
Total non-current liabilities		24,379	28,362	24,379	28,362
Total liabilities		58,923	62,642	56,897	63,151
Net Assets		172,450	160,844	145,339	134,364
Equity					
Contributed Equity		123,144	123,144	120,152	120,152
Accumulated Surplus/(Deficit)		(1,563)	(12,931)	6,387	(4,237)
Asset Revaluation Surplus	28	38,897	38,931	14,103	14,123
Fair Value Reserve		4,697	4,326	4,697	4,326
Equity attributable to the members of Racing Queensland Board		165,175	153,470	145,339	134,364
Non-Controlling Interests	29	7,275	7,374	-	-
Total equity		172,450	160,844	145,339	134,364

The above statements of financial position should be read in conjunction with the accompanying notes

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
 ABN 80 730 390 733

Statements of changes in equity

For the year ended 30 June 2021

Consolidated	Contributed Equity \$'000	Assets Revaluation Surplus \$'000	Fair Value Reserves \$'000	Accumulated Surplus/v (Deficit) \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2019	123,144	33,242	3,564	(30,429)	7,012	136,533
Adjustment to opening balance*	-	-	-	5,347	-	5,347
Balance at 1 July 2019 - restated	123,144	33,242	3,564	(25,082)	7,012	141,880
Operating Result for the year	-	-	-	11,938	(407)	11,531
Other Comprehensive Income for the year	-	5,689	762	213	633	7,297
Total Comprehensive Income for the year	-	5,689	762	12,151	226	18,828
Transactions with members in their capacity as members:						
Gain on Investment in Subsidiaries	-	-	-	-	39	39
Contributions to Sinking Fund	-	-	-	-	97	97
Balance at 30 June 2020	123,144	38,931	4,326	(12,931)	7,374	160,844
Consolidated	Contributed Equity \$'000	Assets Revaluation Surplus \$'000	Fair Value Reserves \$'000	Accumulated Surplus/ (Deficit) \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2020	123,144	38,931	4,326	(12,931)	7,374	160,844
Operating Result for the year	-	-	-	11,368	(164)	11,204
Other Comprehensive Income for the year	-	(34)	371	-	(3)	334
Total Comprehensive Income for the year	-	(34)	371	11,368	(167)	11,538
Transactions with members in their capacity as members:						
Contributions to Sinking Fund	-	-	-	-	68	68
Balance at 30 June 2021	123,144	38,897	4,697	(1,563)	7,275	172,450

* Adjustment for transitional impact for change in accounting policy due to adoption of AASB 15 in 2019-20.

The above statements of changes in equity should be read in conjunction with the accompanying notes

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733

Statements of changes in equity

For the year ended 30 June 2021

Parent	Contributed Equity \$'000	Assets Revaluation Surplus \$'000	Fair Value Reserves \$'000	Accumulated Surplus/ (Deficit) \$'000	Total equity \$'000
Balance at 1 July 2019	120,152	11,913	3,564	(23,756)	111,873
Adjustment to opening balance*	-	-	-	5,347	5,347
Balance at 1 July 2019 - restated	120,152	11,913	3,564	(18,409)	117,220
Operating Result for the year	-	-	-	14,172	14,172
Other Comprehensive Income for the year	-	2,210	762	-	2,972
Total Comprehensive Income for the year	-	2,210	762	14,172	17,144
Balance at 30 June 2020	120,152	14,123	4,326	(4,237)	134,364

Parent	Contributed Equity \$'000	Assets Revaluation Surplus \$'000	Fair Value Reserves \$'000	Accumulated Surplus/ (Deficit) \$'000	Total equity \$'000
Balance at 1 July 2020	120,152	14,123	4,326	(4,237)	134,364
Operating Result for the year	-	-	-	10,624	10,624
Other Comprehensive Income for the year	-	(20)	371	-	351
Total Comprehensive Income for the year	-	(20)	371	10,624	10,975
Balance at 30 June 2021	120,152	14,103	4,697	6,387	145,339

* Adjustment for transitional impact for change in accounting policy due to adoption of AASB 15 in 2019-20.

The above statements of changes in equity should be read in conjunction with the accompanying notes

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
 ABN 80 730 390 733

Statements of cash flows

For the year ended 30 June 2021

	Note	Consolidated		Parent	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash flows from operating activities					
Inflows:					
Receipts from Customers		271,620	181,518	271,653	181,100
Grants and Other Contributions		83,664	98,031	83,664	98,031
GST Collected		32,207	23,420	32,207	23,420
Interest Received		450	542	450	516
Outflows:					
Payment to Suppliers and Employees		(325,546)	(262,672)	(327,710)	(262,694)
GST Paid		(14,446)	(13,178)	(14,442)	(13,159)
GST Remitted to ATO		(17,761)	(10,242)	(17,766)	(10,261)
Net cash provided by operating activities	30	30,188	17,419	28,056	16,953
Cash flows from investing activities					
Inflows:					
Payment by Related Party		4,650	1,255	2,650	1,255
Outflows:					
Purchase of Property, Plant and Equipment		(5,559)	(8,105)	(4,965)	(8,105)
Repayment to Related Party		(6,000)	(275)	(6,600)	(275)
Net cash used in investing activities		(6,909)	(7,125)	(8,915)	(7,125)
Cash flows from financing activities					
Outflows:					
Repayment of borrowings		(51)	(43)	(51)	(42)
Net cash used in financing activities		(51)	(43)	(51)	(42)
Net increase in cash and cash equivalents		23,228	10,251	19,090	9,786
Cash and cash equivalents at the beginning of the financial year		38,043	27,792	35,221	25,435
Cash and cash equivalents at the end of the financial year	15	61,271	38,043	54,311	35,221

The above statements of cash flows should be read in conjunction with the accompanying notes

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733

Notes to the financial statements

For the year ended 30 June 2021

1. Basis of Financial Statement Preparation

(a) Objectives and Principal Activities of Racing Queensland Board trading as Racing Queensland (RQ)

RQ is a statutory body responsible for all three Codes of Racing (Thoroughbred, Harness, and Greyhound) in Queensland established under the Racing Act 2002. The Minister for Education, Minister for Racing and Minister for Industrial Relations is responsible for this statutory body.

(b) Statement of Compliance

These general-purpose financial statements are prepared on a going concern basis.

RQ is a not-for-profit entity and has prepared these financial statements in compliance with Financial Accountability Act 2009 and section 39 of the Financial Performance Management Standard 2019. These financial statements comply with Queensland Treasury's Financial Reporting Requirements for reporting periods beginning on or after 1 July 2020. The financial statements have been prepared on an accrual basis, with the exception of the Statement of Cash Flows which are prepared on a cash basis in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and interpretations applicable for not-for-profit entities.

The historical cost convention is used unless otherwise stated.

(c) The Reporting Entity and Controlled Entities

The consolidated financial statements include all income, expenses, assets, liabilities and equity of the 'economic entity' comprising of RQ and the entity it controls. All transactions and balances internal to RQ have been eliminated in full. These financial statements are audited annually by the Queensland Audit Office (QAO).

RQ controls another entity which means that RQ has the power to control financial and operating policies so as to obtain benefits from its activities.

The Parent entity financial statements (titled "Parent") include all income, expenses, assets, liabilities and equity of the statutory body only.

The purpose and principal activities of the controlled entity is to own the land and racing infrastructure at the relevant race club. The controlled entity has a June financial year end. A summary of the financial information for this entity is included at note 29.

RQ's shareholding share in the controlled entity changed to 82.2% as at 30 June 2021.

Directly Controlled Entity	2021 (%)	2020 (%)
Sunshine Coast Racing Pty Ltd as trustee for the Sunshine Coast Racing Unit Trust	82.2	84.6

(d) Presentation

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2019-20 financial statements. Where required prior year classifications have been changed to match current year classifications.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733

Notes to the financial statements

For the year ended 30 June 2021

1. Basis of Financial Statement Preparation continued

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or RQ does not have an unconditional right to defer settlement beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

(e) New and Revised Accounting Standards

Changes in Accounting Policy

RQ did not voluntarily change any of its accounting policies during 2020-21.

Early Adoption of Accounting Standards and Interpretations

No accounting pronouncements were adopted early in the 2020-21 financial year.

New Accounting Standards and interpretations yet to be adopted

RQ has assessed the impact of future account standards issued but not yet effective and the preliminary assessment is there is no material impact.

(f) Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following notes:

- note 2 – Wagering Revenue and note 18 – Other Current Assets (QTAB MPO Top Up);
- note 16 – Trade Debtors (Allowance for Expected Credit Losses);
- note 20 – Property, Plant and Equipment (valuation and estimation of useful lives);
- note 24 – Provisions;
- note 25 – Employee Benefits.

(g) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chief Executive Officer and the Chairperson at the date of signing the Certificate of Racing Queensland Board.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733

Notes to the financial statements

For the year ended 30 June 2021

2. Wagering Revenue

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
QTAB Product Fee	115,308	108,126	115,308	108,126
QTAB Fixed Fee	16,014	16,014	16,014	16,014
QTAB MPO Top Up	18,239	22,012	18,239	22,012
QTAB Sport Retail	150	188	150	188
Race Field Fees Revenue	149,559	108,610	149,559	108,610
Gross Wagering Revenue	299,270	254,950	299,270	254,950
QTAB Race Field Fees Deduction	(33,525)	(32,833)	(33,525)	(32,833)
QTAB POC Tax Deduction	(32,581)	(34,914)	(32,581)	(34,914)
Queensland Product Rebate	(9,405)	(5,163)	(9,405)	(5,163)
	223,759	182,040	223,759	182,040

Accounting Policy

Wagering revenue is recognised when the revenue is earned and can be measured with a sufficient degree of certainty.

The Product Fee, Sport Retail and Race Field Fee revenue is recognised in the period that the related wagering activity occurs.

The Fixed Fee revenue is recognised on receipt as the terms of the agreement are not sufficiently specific.

During the financial year 2017-18, Tabcorp Holdings merged with the Tatts Group and UBET QLD (now referred to as "QTAB") became a subsidiary of Tabcorp. RQ and Tabcorp entered into a Deed of Understanding to consent to the scheme of arrangement and to continue with the previous Tatts Group Queensland Product and Program Deed.

Under this Deed, Tabcorp also committed to providing greater funding certainty in the form of minimum payment or 'Top Up', for RQ in relation to the fees that QTAB will deliver for calendar years 2018-2020.

The QTAB MPO top up expired in December 2020, with RQ calculating the top up payable in January 2021. Prior year figures are based on 12 calendar months compared to 6 months for the current year.

Deductions

QTAB deductions are comprised of overseas and inter-state race field fees incurred by QTAB (previously UBET QLD Ltd) in generating their wagering revenue and Point of Consumption (POC) Tax deductions made by QTAB on its wagering revenue from betting transactions with customers in Queensland, as a result of the introduction of the Betting Tax Act (2018).

The Queensland race information conditions effective 1 July 2019 provide a cap and potential rebate on race field fees for Authorised Operators whom have paid race field fees which exceed a certain percentage of the Operator's total assessable turnover.

Additional Disclosures

A POC Tax on the wagering revenue of betting operators arising from betting transactions with customers residing in Queensland was introduced by the State Government from 1 October 2018. Under the terms of the Queensland Product and Program Deed, RQ and QTAB are required to amend the Product Fee payable to RQ by an amount proportionate to the increase in the tax rate. The amount of POC Tax deducted by QTAB is the subject of dispute (refer to note 34).

The State Government committed to compensation payments to RQ for impacts from the implementation of the POC Tax. The State Government's POC Tax Compensation (disclosed in note 3) offsets the impact of the QTAB deduction.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
 ABN 80 730 390 733

Notes to the financial statements

For the year ended 30 June 2021

3. Grants and Contributions

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
POC Tax Compensation	32,581	34,914	32,581	34,914
Industry Viability Program	30,370	30,370	30,370	30,370
Country Racing Program	17,600	17,600	17,600	17,600
Training Track Subsidy Scheme	2,000	2,004	2,000	2,004
Greater Brisbane Greyhound Centre	989	7,169	989	7,169
Other	124	1,013	124	1,013
	83,664	93,070	83,664	93,070

Accounting Policy

POC Tax Compensation

This offsets QTAB's POC Tax deduction at note 2. RQ receives a fixed compensation each month based on an estimated full year deduction. Any variance between the actual QTAB deductions and compensation is addressed in the calculation of the estimated full year compensation for the following financial year. Any over compensation, which is a timing difference, is recognised as a contract liability in note 27.

Industry Viability Program

This contribution is the Queensland Government's initiative to support the ongoing viability of the three Codes of Racing. This grant is recognised on receipt at the beginning of each quarter.

Country Racing Program

Commencing from the 2017-18 financial year, a total of \$70.4 million over four years has been provided to support Country Racing. The funding is provided to enable RQ to maintain non-TAB racing in Queensland at similar levels delivered in 2016-17.

The funding comprises of \$15 million per annum to support Country Racing prize money (including the Queensland Thoroughbred Incentive Scheme), clubs, jockey riding fees, superannuation, WorkCover expenses, club meeting payments and RQ administration costs. If the required services are not provided according to the funding arrangements by the end of the financial year, the funding not spent is returned to the State.

The remaining \$2.6 million per annum is for Country Racing club infrastructure repairs and maintenance and asset replenishment. This grant is recognised on receipt at the beginning of each financial year over the term of the funding arrangement. Where the full \$2.6 million is not spent within one year, it can be added to the following years' infrastructure component. Infrastructure funding not spent at the conclusion of the Term should be returned to the State.

Training Track Subsidy Scheme

This scheme is an initiative of the Queensland Government to provide a subsidy to assist thoroughbred race clubs to offset the costs of maintaining thoroughbred training facilities. The Subsidy is recognised on receipt.

Greater Brisbane Greyhound Centre

During the financial year, Racing Queensland recognised \$1.0 million (2019-20:\$7.2 million) of grant revenue related to the reimbursement of costs associated with the Greater Brisbane Greyhound Centre. The Greater Brisbane Greyhound Centre is a Racing Infrastructure project.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Notes to the financial statements

For the year ended 30 June 2021

4. Other Revenue

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Sponsorship and Marketing Income	2,653	1,548	2,653	1,548
Miscellaneous Income	1,518	1,629	1,376	1,435
Interest Income	468	492	468	468
	4,639	3,669	4,497	3,451

Accounting Policy

Other revenue is recognised when the revenue is earned and can be measured with a sufficient degree of certainty.

5. Media Rights Revenue

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Media Rights Revenue	12,804	-	12,804	-
	12,804	-	12,804	-

Accounting Policy

RQ recognises revenue from Media Rights when the performance obligations under the Agreement has been fulfilled. From July 2020, RQ entered into a new media rights arrangement with SKY. In prior years, media rights revenue was paid by SKY directly to the racing clubs. Media rights revenue is passed through to race clubs. Refer to note 8.

6. Prize Money and Breeders Bonuses

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Prize Money - RQ Funded	174,437	151,835	174,437	151,835
Prize Money - Third Party Sponsored	5,488	5,910	5,488	5,910
Breeders Bonus	13,238	14,315	13,238	14,315
	193,163	172,060	193,163	172,060

Accounting Policy

Prize money payments include third party contributions of sponsored prize money. A corresponding amount is shown as Prize money Sponsored Income on the Statement of Comprehensive Income.

7. Jockeys and Drivers (excluding Prize money)

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Jockey Fees	8,757	11,622	8,757	11,622
Drivers Fees	1,602	1,348	1,602	1,348
Industry Insurance Expenses	5,004	5,430	5,004	5,430
	15,363	18,400	15,363	18,400

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Notes to the financial statements

For the year ended 30 June 2021

7. Jockeys and Drivers (excluding Prize money) continued

Accounting Policy

Jockey and driver fees contain riding fees paid to thoroughbred jockeys and harness drivers, jockey welfare and insurance.

Additional Disclosure

A court decision relating to payment of historical jockey superannuation claims was received during the financial year 2020-21. As a result, RQ has released a historical provision in Jockey Fees. Refer to note 24 for the corresponding provision.

8. Club Related Expenses

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Club Meeting Payments	22,434	24,846	22,434	24,846
Club Related Capital Works Expense	15,682	5,434	17,782	5,221
Media Rights and Broadcasting Expenses	12,804	1,022	12,804	1,022
Industry Insurance Expenses	1,772	618	1,772	618
Other Club Related Expenses	1,033	287	1,033	287
RQ Funded Broadcasting Expenses	606	-	606	-
	54,331	32,207	56,431	31,994

Accounting Policy

Club meeting payments comprise of funding to assist racing clubs to conduct racing meetings. From July 2020, RQ makes monthly payments to clubs in connection to a new media rights agreement. These payments offset the media rights revenue in note 5.

Additional Disclosure

In financial year 2019-20, the racing clubs were provided additional financial support via club meeting payments as a result of the COVID-19 pandemic. In financial year 2020-21, significant investment in club related assets was provided by RQ.

9. Contribution to the Integrity Function

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Contribution to the Integrity Function	16,514	16,048	16,514	16,048
	16,514	16,048	16,514	16,048

Accounting Policy

The Department of Agriculture and Fisheries (DAF) charges RQ a contribution towards the functions performed by the Queensland Racing Integrity Commission (QRIC). The functions of QRIC include licencing and registration of participants (not clubs), stewarding and animal welfare.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Notes to the financial statements

For the year ended 30 June 2021

10. Supplies and Services

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Administration	4,562	5,011	4,555	4,999
Venue Expenses	2,439	2,560	2,297	2,407
Race Day Expenses	489	2,441	489	2,441
Industry Insurance Expenses	449	827	449	827
QAO - external audit fees for the audit of the financial statements	185	202	185	202
Other expenses	1,559	1,754	1,556	1,751
	9,683	12,795	9,531	12,627

Total external audit fees quoted in the Queensland Audit Office (QAO) External Audit Plan for the financial year 2020-21 was \$185,000 for the Consolidated Group (2019-20: \$160,000).

11. Employee Expenses

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Employee Benefits				
Wages and Salaries	10,394	9,169	10,394	9,169
Superannuation	1,067	957	1,067	957
Annual Leave	882	842	882	842
Long Service Leave	71	65	71	65
Employee Related Expenses				
Payroll Tax	585	560	585	560
Workcover Insurance	91	77	91	77
Other Employee Related Expenses	550	583	550	583
	13,640	12,253	13,640	12,253

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

	2021	2020
Number of Full Time Equivalent	102	85

Accounting Policy

Wages and salaries, annual leave, long service leave, and employer superannuation contributions are regarded as employee benefits. Worker's compensation insurance and payroll tax are not employee benefits and are recognised separately as employee related expenses.

Wages, Salaries and Sick Leave

Wages and salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As RQ expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at their undiscounted values.

Prior history indicates that on average, sick leave taken each reporting period is less than the accrued entitlement. This is expected to continue in future periods. As it is unlikely that existing accumulated entitlements will be used by employees, no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, the expense is recognised as it is taken.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Notes to the financial statements

For the year ended 30 June 2021

11. Employee Expenses continued

Superannuation

RQ contributes to various accumulating Employee Superannuation Funds. Contributions are expensed in the period they are paid or payable. RQ's liability is limited to its contribution to these Funds.

12. Grant Expenses

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Country Racing Infrastructure	4,859	1,898	4,859	1,898
Loan Forgiveness	6,000	-	6,000	-
Training Track	2,000	2,005	2,000	2,005
Other	133	762	133	762
	12,992	4,665	12,992	4,665

Accounting Policy

Grant Expense comprise of the administration of the infrastructure repairs and maintenance and asset replenishment component of the Country Racing Program grant and the Training Track Subsidy Scheme on behalf of the Queensland Government (refer to details disclosed at note 3).

Additional Disclosure

During the financial year 2020-21, RQ waived \$6 million on the BRC Infield Loan Receivable (disclosed at note 17). By repaying this amount to the State government (via the Department of Education) the remaining loan payable balance has reduced and is disclosed at note 26.

13. Other Expenses

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Marketing Expenditure	4,758	2,611	4,758	2,611
Infrastructure Expense	90	220	86	220
Special Payments	100	128	100	128
Interest Expense	5	12	5	12
Other	658	929	658	923
	5,611	3,900	5,607	3,894

Additional Disclosures

The increase in marketing expenditure reflects a return of racing carnivals as well as increased promotion across the state that was not possible in the financial year 2019-20 due to COVID-19 restrictions.

Special payments include expenses that RQ is not contractually or legally obliged to make to other parties. In the financial year 2020-21, RQ made 5 special payments totalling \$100,083 and included the following payments over \$5,000:

- 5 ex-gratia payments to 5 employees on termination.

In the financial year 2019-20, RQ made 3 special payments totalling \$128,409 and included the following payments over \$5,000:

- 2 ex-gratia payments to 2 employees on termination, and
- 1 general damages payment to an employee on separation.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Notes to the financial statements

For the year ended 30 June 2021

14. Animal Care

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Animal Care	2,467	-	2,467	-
	2,467	-	2,467	-

Accounting Policy

RQ withholds 1% of prize money from thoroughbred and harness participants to fund animal care initiatives. The Queensland Off the Track (QOTT) Board was established to oversee the utilisation of this funding. The expense recorded above reflects a liability being recognised each week once prize money has been calculated. The financial year 2020-21 amount incorporates the levy withheld from 1 January 2020.

15. Cash and Cash Equivalents

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash at bank and On Hand	61,271	38,043	54,311	35,221
	61,271	38,043	54,311	35,221

The cash balances above include funding provided for country racing infrastructure, infrastructure projects funded through the racing infrastructure fund and not for the operational cash flow. The balance for the consolidated entity at 30 June 2021 was \$7,310,163 (2020: \$6,245,774). Unutilised funds on the projects will be returned to the Government.

16. Trade Debtors

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Trade Debtors	15,267	13,758	15,245	13,758
Less: Allowance for expected credit losses	(773)	(281)	(773)	(281)
	14,494	13,477	14,472	13,477
Sundry Receivables	517	1,682	3,274	1,580
Accrued Interest	27	13	27	12
GST Receivable	312	-	312	-
	15,350	15,172	18,085	15,069

Accounting Policy

Trade Debtors

Trade Debtors represent amounts owed to RQ at the end of the reporting period and recognised at the nominal amounts due at the time of sale or service delivery. Settlement is generally required within 30 days from the invoice date, except for racing participants where settlement is 60 days from the invoice date and wagering operators where settlement is required 10 business days from the invoice date.

Impairment of Trade Debtors

The loss allowance for trade debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact RQ's debtors.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Notes to the financial statements

For the year ended 30 June 2021

16. Trade Debtors continued

Where RQ has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. This occurs when the debt is over 121 days past due and RQ has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss. All known bad debts were written off as at the last date of the financial year.

The ageing of the receivables and allowance for expected credit losses for the Consolidated and Parent entity are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2021	2020	2021	2020	2021	2020
Consolidated	%	%	\$'000	\$'000	\$'000	\$'000
Current to 30 days	-	-	5,546	8,260	-	-
31 to 60 days overdue	-	-	127	346	-	-
61 to 90 days overdue	-	-	19	66	-	-
91 to 120 days overdue	-	-	22	3,815	-	-
121+ days overdue	8.1%	22.1%	9,553	1,271	773	281
Total			15,267	13,758	773	281

Movements in the allowance for expected credit losses are as follows:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Opening balance	(281)	(487)	(281)	(487)
(Increase)/Decrease in allowance recognised in operating result	(492)	206	(492)	206
Closing balance	(773)	(281)	(773)	(281)

There has been an increase in gross trade receivables at 30 June 2021 compared to 30 June 2020 primarily because of an increase in aged debt from small individual bookmakers and miscellaneous debtors (which includes the GST component on the disputed QTAB MPO Top Up Payment). The expected credit losses has increased by \$492,055 (2019-20: \$205,503 decrease).

Credit Risk Exposure of Receivables

The maximum exposure to credit risk at the balance date for receivables is the gross carrying amount of those assets inclusive of any allowance for expected credit losses.

No collateral is held as security and no credit enhancements relate to receivables held by RQ.

RQ deducts any aged debt from prize money won by participants and may not renew race field fee conditions for bookmakers who have aged debt.

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Notes to the financial statements

For the year ended 30 June 2021

17. Loans Receivable

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
BRC - Infield Project	-	1,930	-	1,930
Racing Infrastructure Fund	275	5,157	275	5,157
	275	7,087	275	7,087
Non-Current				
BRC - Infield Project	6,333	10,403	6,333	10,403
	6,608	17,490	6,608	17,490

Accounting Policy

Loans receivable are measured at amortised cost which approximates their fair value at reporting date. They are split between current and non-current assets using the principles set out in note 1 (d). Loans Receivable for the Racing Infrastructure Fund refers to costs incurred by RQ but not yet reimbursed from the Infrastructure Fund.

Additional Disclosures

Loan Receivable & Loan Payable - Brisbane Racing Club (BRC) Infield Project

The redevelopment of the Eagle Farm racecourse was funded by a loan from the Racing Infrastructure Fund. There are two separate funding deeds for this project with a loan receivable from BRC to RQ and a loan payable from RQ to Queensland Treasury. All repayments received from the BRC are transferred back to the Queensland Treasury. Deed variations for the 2018-19 and 2019-20 financial year has deferred the BRC's scheduled repayments into the future.

During the 2020-21 financial year, RQ has recognised a grant expense of \$6 million due to waiving this amount on the loan receivable from the BRC (disclosed at note 12). RQ has consequently repaid \$6.0 million on the infield loan payable to the QLD government (remaining loan payable balance at balance date is disclosed at note 26).

Loan Receivable - Racing Infrastructure Fund

The State government provides funding to RQ to administer infrastructure projects to support racing in the State. Any new infrastructure projects are funded on a milestone basis, with RQ receiving the next allocation once a milestone is reached.

18. Other Current Assets

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Contract Assets	15,310	23,444	15,310	23,408
Prepayments	2,004	871	2,004	871
	17,314	24,315	17,314	24,279

Accounting Policy

Contract assets arise from contracts with customers, and are transferred to receivables when RQ's right to payment becomes unconditional, this usually occurs when the invoice is issued to the customer.

Significant changes in contract assets balances during the year:

- Contract assets decreased by \$11.4 million as financial year 2019-20 included 6 months of the final year of the QTAB MPO top up (ceasing 31 December 2020) (refer to note 2); and
- Contract assets increased by \$2.8 million due to the new media rights agreement in place from financial year 2020-21.

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19. Other Financial Assets

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Investments in Subsidiaries				
Sunshine Coast Racing Unit Trust	-	-	31,258	21,444
Unlisted Securities				
Equity in Racing Australia Ltd	6,930	6,412	6,930	6,412
Equity in Racing Information Services Enterprise	124	270	124	270
	7,054	6,682	38,312	28,126

Accounting Policy

Investments in subsidiaries are accounted for using the carrying amount. These entities are consolidated into RQ's financial statements. Refer to note 1 (c) for RQ's controlling share percentage.

The investment in Racing Australia Ltd is accounted for at fair value through other comprehensive income, RQ has an 18% share. Racing Australia Ltd developed the national thoroughbred racing system used to administer nominations and race results.

The investment in Racing Information Services Enterprise is accounted for at fair value through other comprehensive income, RQ has a 16% share. Racing Information Services Enterprise developed the national harness racing system used to administer nominations and race results.

Additional Disclosure

During the financial year 2020-21, the ownership of stables and other assets located at the Sunshine Coast Turf Club were transferred from RQ to the Sunshine Coast Racing Unit Trust. RQ's Investment in Subsidiaries has increased by this transfer of assets valued at \$9.5 million (refer to fixed assets movement at note 20).

20. Property, Plant and Equipment

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Land - At Fair Value	58,387	57,669	52,457	51,739
Buildings, Tracks & Improvements - At Fair Value	88,890	90,580	23,654	34,824
Less: Accumulated depreciation	(29,650)	(28,388)	(10,780)	(10,961)
	59,240	62,192	12,874	23,863
Plant and Equipment - At Cost	2,070	3,904	1,703	3,535
Less: Accumulated depreciation	(1,065)	(2,452)	(833)	(2,277)
	1,005	1,452	870	1,258
Work in Progress - At Cost	5,048	418	1,309	417
	123,680	121,731	67,510	77,277

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20. Property, Plant and Equipment continued

Reconciliation of Property, Plant and Equipment

	Land \$'000	Buildings, Tracks and Improvements \$'000	Plant and Equipment \$'000	Work in Progress \$'000	Total \$'000
Consolidated					
Balance at 1 July 2019	45,953	65,243	1,802	149	113,147
Additions	7,169	251	-	684	8,104
Disposals	-	(14)	(93)	-	(107)
Revaluation increments	4,547	2,025	-	-	6,572
Write off of assets	-	-	-	(40)	(40)
Transfers in/(out)	-	273	102	(375)	-
Depreciation expense	-	(5,586)	(359)	-	(5,945)
Balance at 30 June 2020	57,669	62,192	1,452	418	121,731
Additions	-	-	-	5,565	5,565
Disposals	-	(111)	(246)	-	(357)
Revaluation increments	-	-	-	-	-
Revaluation decrements	-	(25)	(12)	-	(37)
Write off of assets	-	-	-	(138)	(138)
Transfers in/(out)	717	-	77	(794)	-
Depreciation expense	-	(2,817)	(267)	-	(3,084)
Balance at 30 June 2021	58,386	59,239	1,004	5,051	123,680
Parent					
Balance at 1 July 2019	41,215	27,675	1,546	148	70,584
Additions	7,169	251	-	684	8,104
Disposals	-	(14)	(93)	-	(107)
Revaluation increments	3,355	-	-	-	3,355
Revaluation decrements	-	(1,145)	-	-	(1,145)
Write off of assets	-	-	-	(40)	(40)
Transfers in/(out)	-	274	101	(375)	-
Depreciation expense	-	(3,178)	(296)	-	(3,474)
Balance at 30 June 2020	51,739	23,863	1,258	417	77,277
Additions	-	-	-	1,827	1,827
Disposals	-	(111)	(246)	-	(357)
Revaluation increments	-	-	-	-	-
Revaluation decrements	-	(8)	(12)	-	(20)
Write off of assets	-	-	-	(138)	(138)
Transfers in/(out)	717	-	77	(794)	-
Transfer to Investment in Sunshine Coast Racing	-	(9,497)	(4)	-	(9,501)
Depreciation expense	-	(1,374)	(204)	-	(1,578)
Balance at 30 June 2021	52,456	12,873	869	1,312	67,510

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20. Property, Plant and Equipment continued

Accounting Policy

Items of property, plant and equipment with a cost value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Buildings, Tracks & Improvement	\$2,000
Plant and Equipment	\$2,000

Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, all other costs incurred in getting assets ready for use, such as, architects' fees and engineering design fees. Any training costs are expensed as incurred. The cost of items acquired during the financial year has been judged by RQ to materially represent their fair value at the end of the reporting period.

Revaluations of Non-Current Physical Assets

Land, Buildings, Tracks and Improvements are measured at fair value and revalued every 3-5 years by an independent professional valuer. The last independent valuation took place in the 2019-20 financial year. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

Land

Effective date of last specific appraisal	30 June 2020 by Australis Asset Advisory Group
Valuation approach	Market-based assessment
Inputs	Standard valuation principles dictate that a Market Approach method (generally direct comparison) is a suitable primary methodology when assessing land, taking into account any adjustment factors that may apply, which include the restrictions on the land parcels.
Subsequent valuation activity	In the years that a comprehensive valuation is not completed, Australis will provide relevant indices for management to reassess fair values at year end.

Buildings, Tracks and Improvements

Effective date of last specific appraisal	30 June 2020 by Australis Asset Advisory Group
Valuation approach	Current replacement cost (due to no active market for such facilities)
Inputs	Internal records of the original cost of the asset are adjusted for contemporary technology and construction approaches. Significant judgement is also used to assess the remaining service potential of the asset, given local climatic and environmental conditions, projected usage and records of the assets current condition.
Subsequent valuation activity	In the years that a comprehensive valuation is not completed, Australis will provide relevant indices for management to reassess fair values at year end.

Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation is provided on a straight-line basis on all Buildings, Tracks and Improvements, and Plant and Equipment, over the estimated useful life of the assets. The assets' residual values, conditions and useful lives are reviewed, and adjusted if appropriate, at each reporting date based on assessments performed by internal asset managers.

Depreciation rates used for the different classes of assets are as follows:

Buildings, Tracks & Improvements	Range 1% - 50%
Plant and Equipment	Range 4% - 50%

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20. Property, Plant and Equipment continued

Impairment

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value since that last valuation was completed. Where indicators of a significant change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date. If an indicator of impairment exists, RQ determines the assets recoverable amount, which is the higher of the fair value less costs of disposal and the assets value.

Refer to note 21 for further information on fair value hierarchy.

21. Fair value Hierarchy

Financial instruments measured at fair value have been classified in accordance with the hierarchy described in AASB 13 Fair Value Measurement. The fair value hierarchy is categorised into three levels based on the observability of the inputs to fair valuation techniques:

- Level 1 represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2 represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- Level 3 represents fair value measurements that are substantially derived from unobservable inputs.

According to the above hierarchy, the fair values of each class of financial assets and liabilities carried at fair value are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Consolidated - 2021				
Other Financial Assets - Equity securities	-	7,054	-	7,054
Land	-	40	58,347	58,387
Buildings, Tracks and Improvements	-	225	59,015	59,240
Total assets	-	7,319	117,362	124,681
Consolidated - 2020				
Other Financial Assets - Equity securities	-	6,682	-	6,682
Land	-	40	57,629	57,669
Buildings, Tracks and Improvements	-	225	61,967	62,192
Total assets	-	6,947	119,596	126,543
Parent - 2021				
Other Financial Assets - Equity Securities	-	7,054	-	7,054
Land	-	40	52,417	52,457
Buildings, Tracks and Improvements	-	225	12,651	12,876
Total assets	-	7,319	65,068	72,387
Parent - 2020				
Other Financial Assets - Equity securities	-	6,682	-	6,682
Land	-	40	51,699	51,739
Buildings, Tracks and Improvements	-	225	23,638	23,863
Total assets	-	6,947	75,337	82,284

Due to the updated valuation performed by the external valuer during the financial year 2019-20, there were transfers from Level 2 to Level 3 for Land, Buildings, Tracks and Improvements.

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22. Right-of-Use Assets

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Non-Current				
Leased assets - At Cost	102	99	102	99
Less: Accumulated depreciation	(6)	(46)	(6)	(46)
	96	53	96	53

Accounting Policy

RQ measures all right-of use assets at cost subsequent to initial recognition and has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Details of Leasing Arrangements as Lessee

RQ enters leases for plant and equipment including motor vehicles, IT equipment and machinery. Some of these leases are short-term leases or leases of low value assets. Lease terms for plant and equipment leases that are recognised on balance sheet can range from 1 to 5 years.

23. Trade and Other Payables

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Trade Payables	23,256	17,638	23,233	18,146
Other Payables	1,196	1,051	1,195	1,051
ATO Jockey Superannuation	-	950	-	950
GST Payable	-	434	-	435
	24,452	20,073	24,428	20,582

Accounting Policy

Trade Payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, net of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30-day terms.

Additional Disclosures

Refer to note 24 for more information on the ATO Jockey Superannuation.

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24. Provisions

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Provision for Animal Care	2,192	-	2,192	-
Provision for Jockey Superannuation	-	4,001	-	4,001
Provision for QTISx	4	73	4	73
	2,196	4,074	2,196	4,074

Accounting Policy

Provisions are recorded when RQ has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected to be paid in a future period.

Additional Disclosures

Provision for Animal Care

The 1% Animal Care Levy was introduced to support animal care initiatives (refer to note 14 for more information).

Provision for Jockey Superannuation

Following the conclusion of a historical dispute with the ATO, the prior year provision for the superannuation contributions payable for certain jockeys was released during 2020-21 financial year. This is disclosed at note 7.

Provision for QTISx

The thoroughbred breeding incentive scheme QTIS was extended from 1 September 2019 to include a QTISx bonus for black-type and feature races conducted in Queensland. Winners of the QTISx bonuses will have the option of “doubling up” their winnings through the redemption of a voucher which can be applied to selected Queensland yearling sales. The provision for QTISx provides for the winners who have claimed a voucher that will be utilised as they make purchases throughout the eligible voucher period.

25. Employee Benefits

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Annual Leave	1,060	894	1,060	894
Long Service Leave	385	356	385	356
	1,445	1,250	1,445	1,250
Non-Current				
Long Service Leave	119	84	119	84
	1,564	1,334	1,564	1,334

Accounting Policy

Annual leave and long service leave liabilities are accounted for as short-term employee benefits if RQ expects to wholly settle such liabilities within the 12 months following the reporting date. Otherwise, annual leave and long service leave liabilities are accounted for as ‘other long-term employee benefits’ in accordance with AASB 119 and split between current and non-current components. Other long-term employee benefits are presented as current where RQ has no unconditional right to defer payment for at least 12 months after the end of the reporting period.

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25. Employee Benefits continued

Entitlements expected to be paid within the 12 months following balance date are recognised at their undiscounted value. For those entitlements not expected to be paid within the 12 months following balance date, the liabilities are recognised at their present value, calculated using yields on Australian Government bond rate at the end of the reporting period.

Long service leave liabilities are estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 8 years of qualifying service, the probability that they will reach the required minimum period of service has been considered in estimating the long service leave liability.

All directly associated on-costs (e.g. employer superannuation contributions, payroll tax, and workers' compensation insurance) are also recognised as liabilities where these costs are material.

26. Loans Payable

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Queensland Treasury - Infield Project	427	1,930	427	1,930
	427	1,930	427	1,930
Non-Current				
Queensland Treasury - RQ	17,864	17,864	17,864	17,864
Queensland Treasury - Infield Project	6,333	10,403	6,333	10,403
	24,197	28,267	24,197	28,267
	24,624	30,197	24,624	30,197

Accounting Policy

Loans payable are initially recognised at fair value, plus any transaction costs directly attributable to the loan payable. They are split between current and non-current liabilities as per the principles in Note 1(d). Any borrowing costs are added to the carrying amount of the loan payable to the extent they are not settled in the period in which they arise. RQ does not enter into transactions for speculative purposes, nor for hedging. No financial liabilities are measured at fair value through profit or loss.

Loan Payable - Queensland Treasury

Historically, the State of Queensland has provided loans to enable RQ to meet its obligations. The loan terms currently do not attract interest and there is no expectation to make repayments until it is financially viable to do so.

Loan Payable - Brisbane Racing Club (BRC) Infield Project

Refer to note 17 for details.

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27. Other Current Liabilities

	Consolidated		Parent	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Contract Liabilities	5,372	4,570	3,372	4,570
Other	621	2,337	619	2,337
	5,993	6,907	3,991	6,907

Accounting Policy

Contract liabilities are revenue deferred and recognised as or when the performance obligations are satisfied.

28. Asset Revaluation Surplus

	Land	Buildings, Tracks and Improvements	Total
	\$'000	\$'000	\$'000
Consolidated			
Balance at 1 July 2019	876	32,366	33,242
Revaluation Increments	4,478	9,964	14,442
Revaluation Decrements	(115)	(8,427)	(8,542)
Transfer to Retained Earnings	-	(211)	(211)
Balance at 30 June 2020	5,239	33,692	38,931
Balance at 1 July 2020	5,239	33,692	38,931
Revaluation Decrements	-	(34)	(34)
Balance at 30 June 2021	5,239	33,658	38,897
Parent			
Balance at 1 July 2019	455	11,458	11,913
Revaluation Increments	3,470	4,595	8,065
Revaluation Decrements	(115)	(5,740)	(5,855)
Balance at 30 June 2020	3,810	10,313	14,123
Balance at 1 July 2020	3,810	10,313	14,123
Revaluation Decrements	-	(20)	(20)
Balance at 30 June 2021	3,810	10,293	14,103

Refer to note 20 net revaluation increment/(decrement) of property, plant and equipment containing the details of the revaluation movements.

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29. Non-Controlling Interests

Non-controlling interests relate to equity investments held by Sunshine Coast Turf Club Inc. in Sunshine Coast Racing Unit Trust 17.8% (2019-20: 15.4%).

In relation to Sunshine Coast Racing Unit Trust, the non-controlling interest is held by way of units in the Unit Trust. It is the opinion of RQ that these units are in the nature of equity and not a financial liability.

Summary financial information for the Controlled Entity:

	Sunshine Coast Racing Unit Trust	
	2021 \$'000	2020 \$'000
Total Income	915	389
Total Expense	(1,663)	(4,130)
Operating Result	(748)	(3,741)
Other Comprehensive Income	362	-
Total Comprehensive Income	(386)	(3,741)
	2021 \$'000	2020 \$'000
Total Current Assets	7,363	3,518
Total Non-Current Assets	56,168	44,454
Total Assets	63,531	47,972
Total Current Liabilities	(6,836)	(220)
Total Non-Current Liabilities	(1,904)	(2,078)
Total Liabilities	(8,740)	(2,298)
Net Assets	54,791	45,674
Net Cash Increase/(Decrease) in Cash over the Reporting Period	4,138	465

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30. Reconciliation of operating result to net cash from operating activities

	Consolidated		Parent	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Operating Result for the year	11,204	11,531	10,624	14,172
Adjustments for:				
Adjustment to opening retained earnings*	-	5,347	-	5,347
Repayment to related parties	6,000	-	6,600	-
Depreciation and amortisation	3,130	5,991	1,624	3,520
Receipt from related party	(2,000)	-	-	-
Net loss on disposal of property, plant and equipment	356	107	356	107
Other	208	144	(172)	(517)
Change in operating assets and liabilities:				
Decrease in trade debtors	148	7,081	449	6,927
Decrease/(Increase) in other current assets	7,000	(12,296)	6,964	(12,084)
(Increase)/Decrease in accrued interest	(13)	63	(13)	59
Increase in GST	(746)	226	(747)	226
Increase in trade and other payables	7,000	4,993	6,470	5,146
Increase/(Decrease) in other current liabilities	1,741	(4,136)	(259)	(4,136)
(Decrease) in provisions	(3,840)	(1,632)	(3,840)	(1,632)
Net cash from operating activities	30,188	17,419	28,056	16,953

* Adjustment for transitional impact for change in accounting policy due to adoption of AASB 15 in 2019-20.

31. Related Parties

A related party is one that controls, or is controlled by, or under common control with the entity.

(a) Key Management Personnel

Disclosures relating to key management personnel are set out in note 32.

(b) Investments in Companies

RQ has a controlling share of Board Directors in the following entity:

- Sunshine Coast Racing Pty Ltd as trustee for the Sunshine Coast Racing Unit Trust 82.2% (2019-20: 84.6%).

(c) Transactions with Related Parties

The Sunshine Coast Turf Club has a non-controlling share in Sunshine Coast Racing.

RQ had the following transactions with this racing club:

- The racing club receives a club licence from RQ. The conditions applying to the club licence are not different from those that apply to an unrelated racing club. RQ makes Club Meeting Payments for holding racing meetings, barrier trials and Sky broadcasting subsidies. The club meeting payments received by the Sunshine Coast Turf Club totals \$3.0 million (2019-20: \$2.3 million).

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31. Related Parties continued

- RQ administers the Training Track Subsidy Scheme on behalf of the Queensland Government as disclosed at note 3. The Sunshine Coast Turf Club received \$0.3 million for the incentive and threshold subsidies (2019-20: \$0.4 million). The terms and conditions of these scheme with this racing club are no different from those that apply to an unrelated racing club.

The Sunshine Coast Turf Club contributed \$2.0 million during the financial year 2020-21 to increase their non-controlling share in Sunshine Coast Racing from 15.4% to 17.8%.

The following transactions with other related parties occurred during the 2020-21 financial year:

- RQ's investment in Sunshine Coast Racing was \$31.3 million (2019-20: \$21.4 million) (refer to note 19). A sinking fund was established under the Deed of Variation to the Unitholders Deed between RQ, Sunshine Coast Turf Club, and Sunshine Coast Racing. Each unitholder contributes annually to the sinking fund. RQ's contribution for the 2020-21 financial year was \$0.3 million (2019-20: \$0.6 million).
- During the financial year 2020-21, RQ contributed to a number of future racing infrastructure projects in Sunshine Coast Racing totaling \$2.1 million and transferred ownership of stables and other assets with a value of \$9.5 million from RQ to Sunshine Coast Racing.
- RQ has an 18% share in Racing Australia Ltd of \$6.9 million (2019-20: \$6.4 million) that is annually assessed and revalued (refer to note 19). Transactions with Racing Australia during the financial year totalled \$0.5 million (2019-20: \$1.3 million) for monthly transactional charges for using the Single National System for Thoroughbred race information.
- RQ has a 16% share in Racing Information Services Enterprise of \$0.1 million (2019-20: \$0.3 million) that is annually assessed and revalued (refer to note 19). Transactions with Racing Information Services Enterprise during the financial year totalled \$0.2 million (2019-20: \$0.2 million) for monthly transactions for using the Harvey System for Harness race information and Harness QBRED breeding system update.
- RQ has provided a loan to the Brisbane Racing Club for the Eagle Farm redevelopment. RQ has waived \$6.0 million on this loan receivable during the financial year 2020-21. Refer to the BRC Infield Project details in note 17.
- Two members of the RQ Board, one member of the Executive Leadership Team and two members of the Sunshine Coast Racing Board have interests in racing animals that won an immaterial amount of prizemoney in the financial year 2020-21.
- One member of the Sunshine Coast Racing Board is a director at a law firm and regularly provides legal advice to the Sunshine Coast Turf Club, Sunshine Coast Racing and other unrelated racing clubs.

(d) Transactions with other Queensland Government-controlled entities

RQ has a historical loan payable to Queensland Treasury of \$17.8 million. Refer to note 26.

RQ has the following transactions with the State government:

- RQ received grants and contributions for the financial year comprising:

	Cash Received 2021	Cash Received 2020
	\$'000	\$'000
Grants and Contributions		
POC Tax Compensation	31,351	35,705
Industry Viability Program	30,370	30,370
Country Racing Program	17,600	17,600
Training Track Subsidy Scheme	2,000	2,000
Greater Brisbane Greyhound Centre	-	9,741
Total	81,321	95,416

\$83.7 million (2019-20:\$93.1 million) is recognised as revenue (as shown at note 3) as the POC Tax Compensation is recognised based on QTAB's recipient created tax invoice (true up performed at year end), industry viability funding, Country Racing funding for prize money and infrastructure are recognised on receipt of the cash funds.

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31. Related Parties continued

- RQ received a loan from the Racing Infrastructure Fund for the redevelopment of the Eagle Farm Race course on behalf of the Brisbane Racing Club. RQ has repaid \$6.0 million on this loan payable during the financial year 2020-21. Refer to the BRC Infield Project details in note 26.
- RQ's receives funding via a grant deed to administer infrastructure projects to support racing in the State. Transactions during the financial year totalled \$9.9 million (2019-20: \$14.7 million) and had a Racing Infrastructure Fund Loan Receivable as at 30 June 2021 of \$0.3 million (2019-20: \$5.2 million) (refer to note 17 and note 26).

The Department of Agriculture and Fisheries (DAF) charges RQ a contribution towards the functions performed by the Queensland Racing Integrity Commission (QRIC). The functions of the QRIC include licencing and registration of participants (not clubs), stewarding and animal welfare. Refer to details in note 9.

32. Key Management Personnel

For the financial year 2020-21, RQ's responsible Ministers were/are Hon. Stirling Hinchcliffe (1 July 2020 to 11 November 2020) - Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs and Hon. Grace Grace (12 November to date)- Minister for Education, Minister for Racing and Minister for Industrial Relations.

Key management personnel are defined as those persons having authority and responsibility for the planning, directing and controlling of activities of RQ, being members of the Board of Directors and the Executive Leadership Team. Key management personnel and remuneration disclosures are made in accordance with the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury.

(a) Remuneration Principles

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. RQ does not bear any remuneration costs of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as Key Management Personnel of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

The remuneration policy for the Members of the Board and Chief Executive Officer of RQ is set by the Governor in Council. Individual remuneration and other terms of employment are specified in employment contracts. No KMP remuneration packages provide for performance or bonus payments.

Remuneration packages for Key Management Personnel comprise of the following components:

Short term employment benefits which include:

- Base consisting of base salary, where applicable, allowances and leave entitlements paid and provided for the entire year or that part of the year during which the Member or employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
- Benefits consisting of the provision of a motor vehicle together with fringe benefits tax applicable to the benefit.

Long service leave accrued is the only long-term employment benefit provided; and

Superannuation contributions are the only post-employment benefits provided.

Termination benefits include payments in lieu of notice of termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

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Notes to the financial statements

For the year ended 30 June 2021

32. Key Management Personnel continued

(i) Board Members

Details of the nature and amount of each major element of the remuneration are as follows:

Position	Date Appointed	Tenure Completed	Short Term Employee Benefits		Post Employment Benefits		Total	
			2021	2020	2021	2020	2021	2020
			\$	\$	\$	\$	\$	\$
As at 30 June								
Steven Wilson AM - Chairperson*	01/04/2016		58,906	58,914	7,482	7,482	66,388	66,396
Margaret Reynolds	01/04/2016	30/04/2021	33,484	40,383	3,112	3,734	36,595	44,117
Dale Cartwright*	01/04/2016		41,005	40,830	3,734	3,734	44,739	44,564
Sharon Dawson*	01/07/2016		43,220	42,803	4,106	4,066	47,326	46,869
Max Walters	01/07/2016	30/04/2021	37,753	45,303	3,587	4,304	41,339	49,607
Jane Seawright	01/05/2019		41,970	41,595	3,987	3,952	45,957	45,547
Graham Quirk	04/07/2019		41,803	39,819	3,971	3,783	45,774	43,602
Jodie Jones	01/05/2021		6,551	-	622	-	7,173	-
Chris Edwards	17/06/2021		-	-	-	-	-	-
Total Remuneration			304,692	309,647	30,601	31,055	335,293	340,702

* These Board Members were re-appointed for a third term commencing 01/05/2021.

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For the year ended 30 June 2021

32. Key Management Personnel continued

(ii) Executive Leadership Team

Position	Date Appointed	Date Ceased Employment	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total
			Base	Non-Monetary				
30 June 2021								
			\$	\$	\$	\$	\$	\$
Chief Executive Officer	14/05/2018		512,675	-	8,816	42,318	-	563,809
Executive General Manager - Commercial	17/09/2018		274,306	-	4,809	23,858	-	302,973
Executive General Manager - Operations	01/07/2018		260,052	2,458	4,459	22,123	-	289,093
Executive General Manager - Legal & Regulatory Services and Board Secretary	13/07/2020		231,530	-	4,059	20,195	-	255,784
Executive General Manager - Development & Construction	27/04/2020		249,249	-	4,372	21,690	-	275,310
Executive General Manager - People & Business Services	01/10/2017		259,506	-	4,634	22,621	-	286,762
Executive General Manager - Corporate Marketing, Communications & Stakeholders	18/09/2017	30/06/2021	259,504	-	4,634	2,230	111,951	405,319
Executive General Manager - Club Partnerships & Assets	30/09/2019		199,984	-	3,497	17,352	-	220,833
Total KMP Remuneration			2,246,806	2,458	39,279	199,387	111,951	2,599,881

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Notes to the financial statements

For the year ended 30 June 2021

32. Key Management Personnel continued

Position	Date Appointed	Date Ceased Employment	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total
			Base	Non-Monetary				
30 June 2020								
			\$	\$	\$	\$	\$	\$
Chief Executive Officer	14/05/2018		511,685	-	8,515	42,129	-	562,329
Chief Commercial Officer	17/09/2018		276,128	-	4,822	23,858	-	304,808
Chief Operating Officer	01/07/2018		260,737	-	4,472	22,123	-	287,332
General Counsel & Board Secretary	17/10/2017	17/04/2020	201,728	-	3,495	20,950	38,052	264,225
General Manager Development & Construction	05/11/2018	31/01/2020	208,047	-	3,671	17,886	-	229,604
General Manager Development & Construction	27/04/2020		45,503	-	769	3,986	-	50,258
General Manager People & Performance	01/10/2017		248,692	-	4,384	21,690	-	274,766
General Manager Corporate Affairs & Policy/Board Secretary*	18/09/2017		248,999	-	4,384	21,690	-	275,073
General Manager Club Partnerships & Assets**	30/09/2019		153,160	-	3,291	13,027	-	169,478
Total KMP Remuneration			2,154,679	-	37,803	187,339	38,052	2,417,873

* Role appointed Board Secretary on 01/06/2020

** Role became part of the Executive Leadership Team on date appointed.

(b) Other Transactions

There were no loans to and from key management personnel during the financial year.

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Notes to the financial statements

For the year ended 30 June 2021

33. Parent Entity Information

Financial Support to Subsidiaries

RQ, the ultimate controlling entity, will provide financial and operational support to the Sunshine Coast Racing Unit Trust as and when required. The Sunshine Coast Racing Unit Trust made an operating loss for the financial year 2020-21. Sunshine Coast Racing Unit Trust will continue on a going concern basis as there is no intention to liquidate or to cease operations.

34. Contingencies

In June 2019, RQ filed proceedings in the Supreme Court of Queensland against Tabcorp Holdings Limited and its subsidiary UBET QLD Limited. The dispute relates to the calculation of fees following the introduction of the POC Tax in Queensland and affects the amounts of the QTAB POC Tax Deduction and the MPO Top Up payment. Court proceedings will continue during the financial year 2021-22. RQ is currently unable to determine the value of any potential contingent asset arising from the legal proceedings, and does not expect to incur any liability under the litigation.

During the financial year ending 30 June 2021, a proceeding has been filed in the Supreme Court of Queensland against RQ and the QRIC with respect to the disqualification of a horse from a race. RQ is currently unable to reliably estimate any potential future financial implications arising from the outcome of the dispute.

Litigation in Progress

As at 30 June 2021, the following cases were filed in the court naming the State of Queensland acting through RQ:

	2021 cases	2020 cases
Supreme Court – RQ as plaintiff	1	1
Supreme Court – RQ as defendant	1	-
Total	2	1

35. Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised in the Statement of Financial Position when RQ becomes party to the contractual provisions of the financial instrument.

Financial instruments are classified and measured as follows:

- Trade Debtors: held at amortised cost. Refer to note 16.
- Other Financial Asset: held at fair value through profit and loss. Refer to note 19.
- Trade and Other Payables: held at amortised cost. Refer to note 23.

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position. RQ does not enter into, or trade with such instruments for speculative purposes or for hedging.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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36. Going Concern

The financial report has been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Board in their consideration of the appropriateness of the preparation of the financial report on a going concern basis have prepared cash flow forecasts and revenue projections for a period of not less than thirteen months from the date of this report. These cash flow projections show that RQ is able to meet debts as and when they are payable.

Due to the racing industry's ability to continue operating throughout the COVID period, there has been no material denigration in the financial performance of Racing Queensland, and there are no going concern issues currently forecast for the next thirteen months.

Historical loans were provided to Racing Queensland in August 2015 and August 2016 to assist with operational funding. A 50% write off of the total loan values was approved in March 2019. As stipulated in letters from the relevant government departments, the loans are only to be repaid once RQ become financially viable. Refer to note 26.

Management actively monitor the financial performance of the organisation on regular basis, and any material changes to the external environment of racing will be considered, with any financial impacts being quantified and outlined to the Board.

37. Other Information

Insurance

RQ insures its Buildings, Tracks and Improvements and Plant and Equipment for loss and damage and also insures for public liability risks.

Taxation

RQ is exempt from income tax with the exception of Fringe Benefits Tax, Payroll Tax, and Goods and Services Tax payable to the ATO which are recognised as incurred and accrued.

Income tax is provided for in Sunshine Coast Racing Pty Ltd as trustee for Sunshine Coast Racing Unit Trust to the extent that accumulated income is assessable to the trustee. No income tax is payable by the trust in accordance with the trust deed, and taxable income is fully distributed to the beneficiaries.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. GST payable to the ATO at the reporting date are separately recognised in Trade and Other Payables within note 23.

38. Events after the reporting period

There have not been any matters or circumstances occurring subsequent to the end of the financial year 2020-21 that has materially affected, or may materially affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future periods.

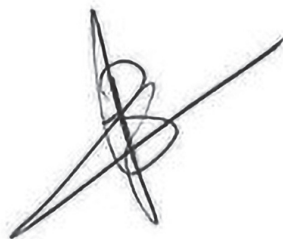
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Directors' declaration

These general-purpose financial statements have been prepared pursuant to section 62 (1) of the Financial Accountability Act 2009 (the Act), section 39 of the Financial and Performance Management Standard 2019 and other prescribed requirements. In accordance with section 62 (1) (b) of the Act we certify that in our opinion:

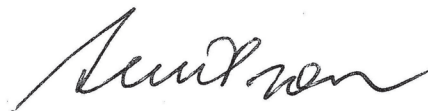
- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Racing Queensland Board trading as Racing Queensland for the financial year ended 30 June 2021 and of the financial position of Racing Queensland as at the end of that financial year.

We acknowledge responsibility under section 7 and section 11 of the Financial and Performance Management Standard 2019 for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



.....
Brendan Parnell
Chief Executive Officer

27 August 2021
Brisbane



.....
Steve Wilson AM
Chairperson

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
ABN 80 730 390 733



INDEPENDENT AUDITOR'S REPORT

To the Racing Queensland Board (trading as Racing Queensland).

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Racing Queensland (the parent) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2021, and their financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2021, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the parent and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the parent's and group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the parent or group or to otherwise cease operations.

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Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the group.
- Conclude on the appropriateness of the parent's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the parent or group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

RACING QUEENSLAND BOARD TRADING AS RACING QUEENSLAND
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Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.

A handwritten signature in black ink, appearing to read "Carolyn Dougherty".

31 August 2021

Carolyn Dougherty
as delegate of the Auditor-General

Queensland Audit Office
Brisbane



RACING
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