



Racing Penalties Appeal Tribunal of Western Australia

2007-08 Annual Report



Hon. Terry Waldron, MLC
MINISTER FOR RACING AND GAMING

In accordance with section 61 of the *Financial Management Act 2006*, I hereby submit, for your information and presentation to Parliament, the Annual Report of the Racing Penalties Appeal Tribunal of Western Australia for the financial year ended 30 June 2008.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Dan Mossenson

Chairman

Racing Penalties Appeal Tribunal of Western Australia

24 September 2008

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Overview of the Racing Penalties Appeal Tribunal of Western Australia

Operational Structure

Enabling Legislation

The Racing Penalties Appeal Tribunal is established under the *Racing Penalties (Appeals) Act 1990*. The Tribunal was established to confer jurisdiction in respect of appeals against penalties imposed in disciplinary proceedings arising from, or in relation to, the conduct of thoroughbred racing, harness racing and greyhound racing, and for related purposes.

Purpose of the Tribunal

The aim of the *Racing Penalties (Appeals) Act 1990* is to create and maintain industry confidence in the enforcement of the various racing rules by providing an impartial judicial forum for the hearing of appeals.

Support for the Tribunal is provided by the Department of Racing, Gaming and Liquor. The Department recoups the cost of providing these services from the Tribunal. The Tribunal is funded from the profits of Racing and Wagering Western Australia (RWVA).

Responsible Minister

As at 30 June 2008, the Minister responsible for the Racing and Gaming Portfolio was the Honourable Ljiljana Ravlich MLC, Minister for the Racing and Gaming; Local Government; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth.

Appeals Which May Be Heard By the Tribunal

A person, who is aggrieved by a determination of RWVA, or of a steward or a committee of a racing club, may within 14 days after the making of the determination, appeal to the Tribunal. The matters that can be appealed against are those determinations or findings —

- imposing any suspension or disqualification, whether of a runner or of a person;
- imposing a fine;
- which result, or may result, in the giving of a notice of the kind commonly referred to as a warning-off; or
- in relation to any other matter, where the Tribunal gives leave to appeal.

Determination of Appeals

The Tribunal is required to hear and determine an appeal upon the evidence of the original hearing but may allow new evidence or call on experts to assist in its deliberations.

When determining an appeal, the Tribunal may —

- order the refund or repayment of any stakes paid in respect of a race to which the appeal relates;
- refer the matter to RWWA, the stewards or the committee of the appropriate racing club for rehearing;
- confirm, vary or set aside the determination or finding appealed against or any order or penalty imposed to which it relates;
- recommend, or require, that RWWA, the stewards or the committee or of the appropriate racing club, take further action in relation to any person; and
- make such other order as the member presiding may think proper.

Decisions of the Tribunal are final and binding.

Administrative Structure

Sections 5 and 6 of the *Racing Penalties (Appeals) Act 1990* provide that the Tribunal shall consist of a Chairperson and a panel of members, each appointed by the Minister. The Schedule to the Act specifies terms of appointment shall not exceed three years with eligibility for reappointment. The Tribunal, constituted by the Chairperson (or the acting Chairperson or member presiding) and two members, sitting together hear appeals. Where the Regulations provide, an appeal may be heard by the Chairperson, acting Chairperson or presiding member sitting alone.

The composition of the Tribunal as at 30 June 2008 is as follows:

Mr Dan Mossenson (current term expires 28 February 2009)	Inaugural Chairperson – initial appointment 1990
Mr Patrick Hogan (current term expires 28 February 2009)	Inaugural Member - initial appointment 1991
Mr John Prior (current term expires 28 February 2009)	Member - initial appointment 1994
Ms Karen Farley (current term expires 28 February 2011)	Member - initial appointment 1997
Mr Andrew Monisse (current term expires 28 February 2011)	Member - initial appointment 1997
Mr Robert Nash (current term expires 28 February 2011)	Member - initial appointment 1997
Mr William Chesnutt (current term expires 28 February 2009)	Member - initial appointment 2000

Ms Tanya Le Milliere was appointed **Registrar** and **Executive Officer** to the Tribunal on 27 October 2006.

Administered Legislation

The Racing Penalties Appeal Tribunal is responsible for administering the *Racing Penalties (Appeals) Act 1990*.

Other Key Legislation Impacting on the Tribunal's Activities

In the performance of its functions, the Racing Penalties Appeal Tribunal of Western Australia complied with the following relevant written laws:

- *Auditor General Act 2006*
- *Corruption and Crime Commission Act 2003*;
- *Disability Services Act 1993*;
- *Electoral Act 1907*;
- *Equal Opportunity Act 1984*;
- *Electronic Transactions Act 2003*;
- *Financial Management Act 2006*;
- *Freedom of Information Act 1992*;
- *Industrial Relations Act 1979*;
- *Public Sector Management Act 1994*;
- *Salaries and Allowances Act 1975*;
- *State Records Act 2000*; and
- *State Supply Commission Act 1991*.

Performance Management Framework

Outcome Based Management

Agency level Government Desired Outcome

The Racing Penalties Appeal Tribunal of Western Australia operates under the broad high level government strategic goal of “Governance and Public Sector Improvement”, to develop and maintain a skilled, diverse and ethical public sector (and the people who deliver its services), serving Government with consideration of the public interest.” In this respect, the long title of the *Racing Penalties (Appeals) Act 1990* provides that it is an Act “...to confer jurisdiction in respect of appeals against penalties imposed in disciplinary proceedings arising from, or in relation to, the conduct of greyhound racing, horse racing and harness racing, and for related purposes.”

Changes to Outcome Based Management Framework

The Tribunal’s Outcome Based Management Framework did not change during 2007-08.

Shared Responsibilities with Other Agencies

The Racing Penalties Appeal Tribunal of Western Australia did not share any responsibilities with other agencies in 2007-08.

Agency Performance - Report on Operations

Major Achievements for 2007-08

Appeals

This year 17 appeals were lodged with the Tribunal, with two appeals carried over from 2006/07. As at June 30 2008, the Tribunal had determined 10 appeals, with one determination yet to be published and three determinations pending. Five appeals were withdrawn after lodgement. Details of the appeals, together with those from the previous year, are summarised by racing code, as follows:

Appeals Lodged and Determined							
Racing Code	Appeals Lodged 2006/07	Appeals Determined 2006/07	Hearing Days Occupied 2006/07	Appeals Carried Over To 2007/08	Appeals Lodged 2007/08	Appeals Determined 2007/08	Hearing Days Occupied 2007/08
Thoroughbred	4	7	10	1	13	7	4.50
Harness	2	7	5	1	4	3	2.00
Greyhound	0	1	1	0	0	0	0
Total	6	15	16	2	17	10	6.50

The results of the determinations for the respective racing codes for the years 2007/08 and 2006/07 are summarised below.

2007/08 Appeal Results			
	Thoroughbred Racing	Harness Racing	Greyhound Racing
Allowed in Full	0	0	0
Allowed in Part (Penalty Reduced)	3	0	0
Referred Back to Stewards (RWWA)	0	0	0
Dismissed	3	3	0
Withdrawn	4	1	0
Leave to Appeal Refused	1	0	0
Total	11	4	0

2006/07 Appeal Results			
	Thoroughbred Racing	Harness Racing	Greyhound Racing
Allowed in Full	0	0	0
Allowed in Part (Penalty Reduced)	4	3	0
Referred Back to Stewards (RWWA)	0	0	0
Dismissed	6	5	1
Withdrawn	0	0	0
Leave to Appeal Refused	0	0	0
Total	10	8	1

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Appeals to be Carried Across to 2008/09			
	Thoroughbred Racing	Harness Racing	Greyhound Racing
Reserved Decision	0	1	0
Reserved Decision on penalty only	0	0	0
Reasons to be published	4	0	0
Yet to be heard	3	0	0
Total	7	1	0

Stays of Proceedings

In 2007/08, there were five applications for stays of proceedings, compared to eight in the previous year. The Chairperson made the determinations as follows:

2007/08 Applications for Stays of Proceedings			
Racing Code	Stays Granted	Stays Refused	Withdrawn
Thoroughbred	0	4	1
Harness	0	0	0
Greyhound	0	0	0
Total	0	4	1

2006-07 Applications for Stays of Proceedings		
Racing Code	Stays Granted	Stays Refused
Thoroughbred	1	2
Harness	0	0
Greyhound	0	0
Total	1	2

Matters Heard and Determined by the Tribunal

The following is a summary of the matters heard and determined by the Tribunal and the results of those determinations during 2007/08 by reference to each racing code.

Thoroughbred Racing

Trainers	
<i>Warren Radford</i> Appeal 685	Disqualification for five months under Rule 178 for a prohibited substance (Carbon Dioxide). Appeal as to penalty only. Appeal allowed, penalty reduced to three months disqualification.

Riders	
<i>William Pike</i> Appeal 679	Suspensions for six weeks and eight weeks to run concurrently under Rule 137(a) for careless riding. Appeal dismissed, penalty confirmed.
<i>Daniel Staeck</i> Appeal 683	Suspended for 18 days under Rule 137(a) . Appeal as to conviction dismissed. Appeal as to penalty upheld, penalty varied to 12 days suspension.

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Riders	
<i>Stephen Sheehy</i> Appeal 684	Suspension for 28 days and a fine of \$500 under Rule 137(a) for careless riding. Appeal dismissed, penalty varied to 21 days suspension and fine varied to \$200.
<i>Stephen Sheehy</i> Appeal 686	Fine of \$150 under Rule 137(c) for gesticulating with the whip. Penalty confirmed. Leave not granted.

Jockeys/Apprentices	
<i>Nathan Berry</i> Appeal 680	Suspended for one month under Rule 135(b) . Appeal dismissed, penalty confirmed.

Harness Racing

Drivers	
<i>Gary Hall (Jnr)</i> Appeal 675	Suspension for 16 days under Rule 163(1)(a) for careless riding. Appeal dismissed, penalty confirmed.
<i>Vance Stampalia</i> Appeal 677	Suspension for 28 days under Rule 168(1) for careless driving. Appeal dismissed, penalty confirmed.

NB: These figures do not include those appeals heard, though not determined in the year under review.

Significant Issues and Trends

Changes in Written Law

Changes to Acts

There were no amendments to the *Racing Penalties (Appeals) Act 1990* during the year under review.

Changes to Regulations

New fees and charges effective 1 January 2008 were introduced by *Racing Penalties (Appeals) Tribunal Amendment Regulations 2007*.

Likely Developments and Forecast Results of Operations

The Racing Penalties Appeal Tribunal will be hosting the 2008 Australasian Racing Penalties Appeals Tribunal Conference in Perth, between Wednesday 20 August 2008 and Saturday 23 August 2008.

Disclosures and Legal Compliance

This part of the annual report provides the means by which Parliament and other interested parties can be informed, not only of what the Racing Penalties Appeal Tribunal has achieved during the financial year, but also of the reasons behind those achievements.

This part of the report includes the Tribunal's Financial Statements and accompanying notes, detailed information on the Tribunal's Key Performance Indicators and other financial disclosures.

Financial Statements

The aim of these Financial Statements is to present to the Parliament details of revenue and expenditure for the Commission.

This part of the Annual Report contains:

- the Financial Statements;
- Accompanying Notes; and
- Certification of the Financial Statements.

Certification of Financial Statements

For The Year Ended 30 June 2008

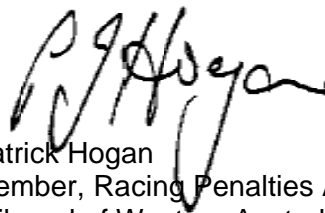
The accompanying financial statements of the Racing Penalties Appeal Tribunal of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2008 and the financial position as at 30 June 2008.

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



Terry Ng
Chief Finance Officer

30 July 2008



Patrick Hogan
Member, Racing Penalties Appeal
Tribunal of Western Australia

1 August 2008



Dan Mossenson
Chairman, Racing Penalties Appeal
Tribunal of Western Australia

4 August 2008

Financial Statements

Racing Penalties Appeal Tribunal

Income Statement

for the year ended 30 June 2008

	Note	2008 \$	2007 \$
COST OF SERVICES			
Expenses			
Tribunal members' expenses	14	28,322	50,620
Superannuation	14	2,394	4,556
Supplies and services		153,149	135,686
Total cost of services		<u>183,865</u>	<u>190,862</u>
Income			
Revenue			
Operating income	5	270,645	177,821
Interest revenue	6	11,702	5,108
Total revenue		<u>282,347</u>	<u>182,929</u>
NET COST OF SERVICES	11	<u>(98,482)</u>	<u>7,933</u>
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>98,482</u>	<u>(7,933)</u>

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

Racing Penalties Appeal Tribunal

Balance Sheet

as at 30 June 2008

	Note	2008 \$	2007 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	110,004	19,441
Receivables	8	3,770	1,124
Total Current Assets		<u>113,774</u>	<u>20,565</u>
TOTAL ASSETS		<u>113,774</u>	<u>20,565</u>
LIABILITIES			
Current Liabilities			
Payables	9	2,310	7,583
Total Current Liabilities		<u>2,310</u>	<u>7,583</u>
Total Liabilities		<u>2,310</u>	<u>7,583</u>
NET ASSETS		<u>111,464</u>	<u>12,982</u>
EQUITY			
Accumulated surplus/(deficiency)	10	111,464	12,982
TOTAL EQUITY		<u>111,464</u>	<u>12,982</u>

The Balance Sheet should be read in conjunction with the accompanying notes.

Racing Penalties Appeal Tribunal
Statement of Changes in Equity
for the year ended 30 June 2008

	Note	2008 \$	2007 \$
Balance of equity at start of period	10	<u>12,982</u>	<u>20,915</u>
ACCUMULATED SURPLUS (RETAINED EARNINGS)	10		
Balance at start of period		12,982	20,915
Net adjustment on transition to AIFRS		<u>0</u>	<u>0</u>
Restated balance at start of period		12,982	20,915
Surplus/(deficit) or profit/(loss) for the period		98,482	(7,933)
Balance at end of period		<u>111,464</u>	<u>12,982</u>
Balance of equity at end of period		<u><u>111,464</u></u>	<u><u>12,982</u></u>
Total income and expense for the period ^(a)		<u>98,482</u>	<u>(7,933)</u>

(a) The aggregate net amount attributable to each category of equity is: surplus \$98,482 (2007: deficit \$7,933).

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

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Cash Flow Statement

for the year ended 30 June 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Tribunal members' expenses		(30,590)	(47,234)
Superannuation		(3,760)	(3,089)
Supplies and services		(156,134)	(132,979)
GST paid on purchases		(730)	(907)
GST payments to taxation authority		0	0
Receipts			
Receipts from customers		271,793	177,821
Interest received		9,025	4,390
GST receipts on sales		0	14
GST receipts from taxation authority		959	648
Net cash provided by/(used in) operating activities	11	<u>90,563</u>	<u>(1,336)</u>
Net increase/(decrease) in cash and cash equivalents		90,563	(1,336)
Cash and cash equivalents at the beginning of period		19,441	20,777
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	11	<u><u>110,004</u></u>	<u><u>19,441</u></u>

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

Racing Penalties Appeal Tribunal

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Racing Penalties Appeal Tribunal Notes to the Financial Statements for the year ended 30 June 2008

1. Statement of accounting policies

The ending period of financial year of the Racing Penalties Appeal Tribunal has been changed from 31 July to 30 June in 2007, pursuant to section 24 of the Racing Penalties (Appeals) Act 1990. Accordingly, the financial results accounted for 11 months of financial activities in 2007.

2. Australian equivalents to International Financial Reporting Standards

General

The Tribunal's financial statements for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Tribunal has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Tribunal cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Tribunal for the annual reporting period ended 30 June 2008.

3. Summary of significant accounting policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

(c) Reporting Entity

The reporting entity comprises the Tribunal only.

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(d) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Operating income mainly comprises funding from the Racing and Wagering Western Australia, appeal fees and transcription fees. This income is received pursuant to the Racing Penalties (Appeals) Act 1990.

Interest

Revenue is recognised as the interest accrues.

(e) Services Performed for the Racing Penalties Appeal Tribunal by the Department of Racing, Gaming and Liquor

The Department of Racing, Gaming and Liquor provides support to the Racing Penalties Appeal Tribunal to enable the Tribunal to carry out its objectives. This support comprises most of the amount recorded in the Income Statement under 'Supplies and services'. These expenses are in the nature of salaries and administration costs in providing these support services.

Recoups from the Tribunal to the Department of Racing, Gaming and Liquor are made on a monthly basis under a net appropriation agreement.

(f) Financial Instruments

In addition to cash, the Tribunal has two categories of financial instrument:

- * Receivables; and
- * Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial Assets

- * Cash and cash equivalents
- * Receivables

Financial Liabilities

- * Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(g) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent assets comprise cash on hand.

(h) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Tribunal will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

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(i) Payables

Payables are recognised at the amounts payable when the Tribunal becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

(j) Employee Benefits

Annual and Long Service Leave

The Tribunal does not employ staff. The Tribunal utilises the staff and facilities of the Department of Racing, Gaming and Liquor. The cost of the services provided by the Department of Racing, Gaming and Liquor is recouped from the Tribunal as a service fee. Accordingly, provisions have not been made for annual and long service leave.

Superannuation

Tribunal members commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Tribunal members commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Tribunal makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The note disclosure required by paragraph 121 of AASB 119 (being the employer's share of the difference between employees' accrued superannuation benefits and the attributable net market value of plan assets) has not been provided. State scheme deficiencies are recognised by the State in its whole of government reporting. The GESB's records are not structured to provide the information for the Tribunal. Accordingly, deriving the information for the Tribunal is impractical under current arrangements, and thus any benefits thereof would be exceeded by the cost of obtaining the information.

(k) Comparative Figures

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

4. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Tribunal has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2007 that impacted on the Tribunal:

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 117, AASB 139, AASB 11]'). This Standard requires new disclosures in relation to financial instruments and while there is no financial impact, the changes have resulted in increased disclosures, both quantitative and qualitative, of the Tribunal's exposure to risks, including enhanced disclosure regarding components of the Tribunal's financial position and performance, and changes to the way of presenting certain items in the notes to the financial statements.

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Future impact of Australian Accounting Standards not yet operative

The Tribunal cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Tribunal has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the Tribunal but are not yet effective. Where applicable, the Tribunal plans to apply these Standards and Interpretations from their application date:

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Tribunal does not expect any financial impact when the Standard is first applied.	1 January 2009
Review of AAS 27 'Financial Reporting by Local Governments', 29 'Financial Reporting by Government Departments', and 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29 and AAS 31:	
AASB 1004 'Contributions' (December 2007).	1 July 2008
AASB 1050 'Administered Items' (December 2007).	1 July 2008
AASB 1051 'Land Under Roads' (December 2007).	1 July 2008
AASB 1052 'Disaggregated Disclosures' (December 2007).	1 July 2008
AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007).	1 July 2008
Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (revised) (December 2007).	1 July 2008

The existing requirements in AAS 27, AAS 29 and AAS 31 have been transferred to the above new and existing topic-based Standards and Interpretation. These requirements remain substantively unchanged. AASB 1050, AASB 1051 and AASB 1052 only apply to government departments. The other Standards and Interpretation make some modifications to disclosures and provide additional guidance, otherwise, there will be no financial impact.

	2008 \$	2007 \$
5. Operating income		
Fees and charges	4,985	4,413
Funding from Racing and Wagering Western Australia	265,660	173,408
	<u>270,645</u>	<u>177,821</u>
6. Interest revenue		
Interest revenue		
Commonwealth Bank of Australia	<u>11,702</u>	<u>5,108</u>

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	2008 \$	2007 \$
7. Cash and cash equivalents		
Cash and cash equivalents are represented by funds held at the Commonwealth Commonwealth Bank of Australia	<u>110,004</u>	<u>19,441</u>
8. Receivables		
Prepayment	1,091	0
Interest receivable	2,677	879
GST receivable	<u>2</u>	<u>245</u>
	<u>3,770</u>	<u>1,124</u>
Reconciliation of changes in the allowance for impairment of receivables:		
Balance at start of year	0	0
Doubtful debts expense recognised in the Income Statement	0	0
Amounts written off during the year	0	0
Amount recovered during the year	<u>0</u>	<u>0</u>
Balance at end of year	<u>0</u>	<u>0</u>
Credit Risk		
Ageing of receivables past due but not impaired based on the information provided to senior management, at the balance sheet date:		
Not more than 3 months	0	0
More than 3 months but less than 6 months	0	0
More than 6 months but less than 1 year	0	0
More than 1 year	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receivables individually determined as impaired at the balance sheet date:		
Carrying amount, before deducting any impairment loss	0	0
Impairment loss	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
The Tribunal does not hold any collateral as security or other credit enhancements relating to receivables.		

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	2008 \$	2007 \$
9. Payables		
Accrued expenses	2,310	7,583
	<u>2,310</u>	<u>7,583</u>

10. Equity

Equity represents the residual interest in the net assets of the Tribunal. The Government holds the equity interest in the Tribunal on behalf of the community.

Accumulated surplus/(deficit)

Balance at start of year	12,982	20,915
Result for the period	98,482	(7,933)
Income and expense recognised directly to equity	0	0
Balance at end of year	<u>111,464</u>	<u>12,982</u>

11. Notes to the Cash Flow Statement

Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash and cash equivalents	110,004	19,441
	<u>110,004</u>	<u>19,441</u>

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	98,482	(7,933)
(Increase)/decrease in assets:		
Receivables	(2,889)	(719)
Increase/(decrease) in liabilities:		
Payables	(5,273)	7,561
Net GST receipts/(payments)	230	(245)
Change in GST in receivables/payables	13	0
Net cash provided by/(used in) operating activities	<u>90,563</u>	<u>(1,336)</u>

At the balance sheet date, the Tribunal had fully drawn on all financial facilities, details of which are disclosed in the financial statements.

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12. Financial instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Tribunal are cash and cash equivalents, receivables, and payables. The Tribunal has limited exposure to financial risks. The Tribunal's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Tribunal's receivables defaulting on their contractual obligations resulting in financial loss to the Tribunal. The Tribunal measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note 12(c).

Credit risk associated with the Tribunal's financial assets is minimal. For receivables other than government, the Tribunal trades only with recognised, creditworthy third parties. The Tribunal has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Tribunal's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 8 'Receivables'.

Liquidity risk

The Tribunal is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Tribunal is unable to meet its financial obligations as they fall due.

The Tribunal has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

The Tribunal does not trade in foreign currency and is not materially exposed to other price risks. Other than as detailed in the Interest rate sensitivity analysis table at Note 12(c), the Tribunal has no borrowings and its exposure to market risk for changes in interest rates relates primarily to cash and cash equivalents which are interest bearing.

(b) Categories of Financial Instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2008 \$	2007 \$
Financial Assets		
Cash and cash equivalents	110,004	19,441
Receivables ^(a)	3,768	879
Financial Liabilities		
Financial liabilities measured at amortised cost	2,310	7,583

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

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12. (c) Financial Instrument Disclosures

Credit Risk, Liquidity Risk and Interest Rate Risk Exposures

The following table details the exposure to liquidity risk and interest rate risk as at the balance sheet date. The Tribunal's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following table. The table is based on information provided to senior management of the Tribunal. The contractual maturity amounts in the table are representative of the undiscounted amounts at the balance sheet date. An adjustment for discounting has been made where material.

The Tribunal does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Tribunal does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Contractual Maturity Dates:											
	Weighted Average Effective Interest Rate	Variable Interest Rate	Non- Interest Bearing	Within 1 year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 Years	Adjustment for discounting	Carrying Amount
2008											
<u>Financial Assets</u>											
Cash and cash equivalents	7.03	110,004									110,004
Receivables ^(a)			3,768	0	0	0	0	0	0	0	3,768
		110,004	3,768	0	0	0	0	0	0	0	113,772
<u>Financial Liabilities</u>											
Payables		0	2,310	0	0	0	0	0	0	0	2,310
			2,310	0	0	0	0	0	0	0	2,310
Contractual Maturity Dates:											
	Weighted Average Effective Interest Rate	Variable Interest Rate	Non- Interest Bearing	Within 1 year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 Years	Adjustment for discounting	Carrying Amount
2007											
<u>Financial Assets</u>											
Cash and cash equivalents	5.98	19,441	879	0	0	0	0	0	0	0	19,441
Receivables ^(a)			879	0	0	0	0	0	0	0	879
		19,441	879	0	0	0	0	0	0	0	20,320
<u>Financial Liabilities</u>											
Payables			7,583	0	0	0	0	0	0	0	7,583
			7,583	0	0	0	0	0	0	0	7,583

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

12. (c) Financial Instrument Disclosures (contd)

Interest rate sensitivity analysis

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

	-1% change		+1% change	
	Carrying amount	Profit	Equity	Profit
	\$	\$	\$	\$
2008				
<u>Financial Assets</u>				
Cash and cash equivalents	110,004	(1,100)	(1,100)	1,100
<u>Financial Liabilities</u>				
Total Increase/(Decrease)		(1,100)	(1,100)	1,100
2007				
<u>Financial Assets</u>				
Cash and cash equivalents	19,441	(194)	(194)	194
<u>Financial Liabilities</u>				
Total Increase/(Decrease)		(194)	(194)	194

Fair Values

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

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13. Explanatory statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$20,000.

(i) Significant variances between actual results for 2007 and 2008

	2008 \$	2007 \$	Variance \$
<i>Tribunal members' expenses</i>	28,322	50,620	22,298
The decrease of \$22,298 was due to less appeals being lodged and the majority of those appeals being heard by one member.			
<i>Superannuation</i>	2,394	4,556	2,162
The decrease of \$2,162 was attributed to the the lower members fees being paid during the year.			
<i>Supplies and services</i>	153,149	135,686	(17,463)
The increase of \$17,463 was due to an increase in the amount recouped by the Department of Racing, Gaming and Liquor for the provision of support services as a consequence of an increase in the Consumer Price Index.			
<i>Operating income</i>	270,645	177,821	92,824
The increase of \$92,824 was due to a higher contribution from Racing and Wagering Western Australia, including funding for the Australasian Racing Appeals Tribunal 2008 conference.			
<i>Interest revenue</i>	11,702	5,108	6,594
The increase of \$6,594 was the result of a higher bank balance throughout the period plus increasing interest rates.			

(ii) Significant variances between estimated and actual result for 2008

Variations which have been explained in part (i) of this note have not been repeated here in the interests of concise reporting.

	2008 Estimate \$	2008 Actual \$	Variation \$
<i>Supplies and services</i>	198,340	153,149	(45,191)
The decrease of \$45,191 was mainly due to the deferral of conference costs in 2008-09.			

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	2008 \$	2007 \$
14. Remuneration of members of the Accountable Authority		
The number of members of the Accountable Authority, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:		
\$		
0 - 10,000	7	7
20,001 - 30,000	1	0
30,001 - 40,000	0	1
The total remuneration of members of the Accountable Authority is:	<u>30,716</u>	<u>55,176</u>
The total remuneration includes the superannuation expense incurred by the Authority in respect of members of the Accountable Authority.		
No members of the Accountable Authority are members of the Pension Scheme.		
15. Remuneration of auditor		
Remuneration payable to the Auditor General for the financial year is as follows:		
Auditing the accounts, financial statements and performance indicators	<u>6,000</u>	<u>5,800</u>
16. Commitments		
As at 30 June 2008 the Tribunal did not have any other material capital or expenditure commitments.		
17. Contingent liabilities and contingent assets		
The Tribunal is not aware of any contingent liabilities and contingent assets as at balance sheet date.		
18. Events occurring after the balance sheet date		
We are not aware of any matters or circumstances that have arisen since the end of the financial year to the date of this report which has significantly affected or may significantly affect the activities of the Tribunal, the results of those activities or the state of affairs of the Tribunal in the ensuing or any subsequent financial year.		
19. Related bodies		
Nil		
20. Affiliated bodies		
Nil		

Detailed Information on the Tribunal's Key Performance Indicators

Key Performance Indicators (KPIs) are required by section 62 of the *Financial Administration and Audit Act 1985* and are provided to assist interested parties such as Government, Parliament and community groups in assessing an agency's desired outcomes. KPIs measure the efficiency and effectiveness of an agency.

Certification of Key Performance Indicators

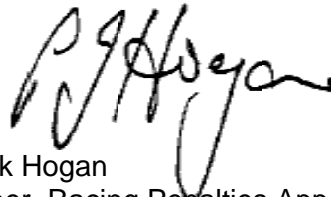
For the Year Ended 30 June 2008

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Racing Penalties Appeal Tribunal of Western Australia's performance, and fairly represent the performance of the Racing Penalties Appeal Tribunal of Western Australia for the financial year ended 30 June 2008.



Dan Mossenson
Chairman, Racing Penalties Appeal
Tribunal of Western Australia

4 August 2008



Patrick Hogan
Member, Racing Penalties Appeal
Tribunal of Western Australia

1 August 2008

Key Performance Indicators

Desired Outcome: *To provide an Appeal Tribunal in relation to determinations made by racing industry Stewards and controlling authorities.*

Strategy: *To ensure that a timely and effective appeal forum is provided at minimum cost to the racing industry.*

Under the *Racing Penalties (Appeals) Act 1990*, an appellant may apply for a suspension of the operation of a penalty at the time of lodging the appeal. It is essential to the racing codes, trainers, owners and the general public that these applications are dealt with expeditiously. These determinations impact directly on the eligibility of riders, drivers and runners to fulfil prior engagements.

The aim of the Tribunal is to endeavour to finalise applications for stays on the same day as they are lodged. This is only potentially achievable when the appellant (or the appellant's counsel) and the Stewards of the relevant code of racing are contactable on that day to provide submissions and the material is available to be forwarded in sufficient time to be dealt with that day by the Tribunal. In those cases where the application is lodged at the Registry later in the day there is virtually no prospect of it being determined until at least the next working day.

Stays of proceedings is the only process the Tribunal has some control over in respect of a timeliness measurement. The appeal process in respect of timeliness is governed by many factors including the availability of counsel for both parties, the provision of the transcript of a Stewards' inquiry, legal proceedings in other jurisdictions and the complexity of matters required to be determined.

In 2006/07, none of the three applications for stays of proceedings was able to be determined on the day of lodgement due to RWWA opposing the applications, which required the Registrar to seek further submissions from the parties. However, the applications were finalised on the day following lodgement, which resulted in two applications being refused and the other being approved, albeit for an interim period of four days only.

2007/08

Number of stay applications received	5
Number of stay applications determined same day	1
Indicator	20%

Comparative results for the previous four years are shown below.

2006/07

Number of stay applications received	3
Number of stay applications determined same day	0
Indicator	0%

2005/06

Number of stay applications received	8
Number of stay applications determined same day	0
Indicator	0%

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2004/05

Number of stay applications received	11
Number of stay applications determined same day	4
Indicator	36.4%

2003/04

Number of stay applications received	8
Number of stay applications determined same day	3
Indicator	37.5%

Service: *To perform functions for the racing industry.*

Service Description: *To process appeals/applications in accordance with statutory obligations.*

Key Efficiency Indicator

	2007-08	2006-07	2005-06	2004-05	2003-04
	\$	\$	\$	\$	\$
Average cost of appeals processed	12,257	10,045	10,463	6,392	9,830

Opinion of the Auditor General



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

RACING PENALTIES APPEAL TRIBUNAL OF WESTERN AUSTRALIA FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

I have audited the accounts, financial statements, controls and key performance indicators of the Racing Penalties Appeal Tribunal of Western Australia.

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Tribunal's Responsibility for the Financial Statements and Key Performance Indicators

The Tribunal is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

**Racing Penalties Appeal Tribunal of Western Australia
Financial Statements and Key Performance Indicators for the year ended 30 June 2008**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Racing Penalties Appeal Tribunal of Western Australia at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Tribunal provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Tribunal are relevant and appropriate to help users assess the Tribunal's performance and fairly represent the indicated performance for the year ended 30 June 2008.



GLEN CLARKE
ACTING AUDITOR GENERAL
23 September 2008

Other Financial Disclosures

Ministerial Directives

There was no Ministerial Directive received during the financial year.

Contracts with Senior Officers

At the date of reporting, other than normal contracts of employment, no Senior Officers, or firms of which Senior Officers are members, or entities in which Senior Officers have substantial interest had any interests in existing or proposed contracts with the Racing Penalties Appeal Tribunal of Western Australia and Senior Officers.

Freedom of Information

As a statutory authority, the Tribunal is an “agency” for the purposes of the *Freedom of Information Act 1992*. Decision-makers in respect of all Tribunal related access applications are senior officers within the Department of Racing, Gaming and Liquor’s and the internal reviewer is the Chairman of the Tribunal.

Recordkeeping Plans

Section 19 of the *State Records Act 2000* requires every Government agency to have a Recordkeeping Plan. The Recordkeeping Plan is to provide an accurate reflection on the recordkeeping program within the agency and must be complied with by the agency and its officers. The records of the Tribunal are maintained by the Department of Racing, Gaming and Liquor. The Department of Racing, Gaming and Liquor’s Annual Report contains the information on that department’s Recordkeeping Plan.

Compliance with Public Sector Standards and Ethical Codes

The Tribunal does not employ staff, but has a net appropriation agreement with the Department of Racing, Gaming and Liquor relating to functions carried out on behalf of the Tribunal by staff of that Department. Accordingly, the Tribunal does not report on compliance with the Public Sector Standards. The Department of Racing, Gaming and Liquor’s Annual Report contains the relevant information.

Corruption Prevention

The Tribunal meets its obligations for Corruption Prevention through arrangements with the Department of Racing, Gaming and Liquor. The Department of Racing, Gaming and Liquor’s Annual Report contains the information on how that department has complied with the obligations imposed under *Premier’s Circular 2005/02*.

Substantive Equality

The Tribunal meets its obligations for the elimination of systemic racial discrimination from all policies and practices, in accordance with the Policy Framework for Substantive Equality, through arrangements with the Department of Racing, Gaming and Liquor. The Department of Racing, Gaming and Liquor’s Annual Report contains the information on how that department has complied with the obligations imposed under *Premier’s Circular 2005/02*.

Advertising and Sponsorship

In accordance with section 175ZE of the *Electoral Act 1907*, the Racing Penalties Appeal Tribunal of Western Australia incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

Total expenditure for 2007-08 was nil.

Sustainability

Through the State Sustainability Strategy, the Western Australian Government has defined sustainability as meeting the needs of current and future generations through integration of environmental protection, social advancement, and economic prosperity.

The Racing Penalties Appeal Tribunal of Western Australia meets its obligations under Premier's Circular 2004/14, through arrangements with the Department of Racing, Gaming and Liquor. The Department of Racing, Gaming and Liquor's Annual Report contains the information on how that department has complied with its sustainability obligations.

Summary of Publications Available to the Public

The following publications are available to assist the public of Western Australia and the industries regulated by the Gaming and Wagering Commission.

General Publications

- Annual Report of the Racing Penalties Appeal Tribunal.

Tribunal Library

To assist persons who may wish to utilise the appeal process the Registrar maintains an up to date index of all determinations made since the Tribunal commenced operations in 1991. This index is available for perusal free of charge. To streamline research, the index is divided into the following sections:

Section 1	Thoroughbred Racing
Section 2	Harness Racing
Section 3	Greyhound Racing

In respect of the two horse racing codes, the index is further divided into the following sub-sections:

- Conduct
- Prohibited Substances
- Protests
- Leave to Appeal
- Nominal Index

In respect of the greyhound racing code, the index is divided as above except for protests.

In addition, there is a summary of the issues and results in respect of all appeal/application determinations including the relevant rule and prohibited substance (if applicable).

The index is now available on the web site of the Department of Racing, Gaming and Liquor at www.rgl.wa.gov.au.

Any person may peruse the full determinations of the Tribunal free of charge. A small fee is payable for photocopies.

A copy of every determination is forwarded to the Supreme Court of Western Australia Library.

Also available for perusal free of charge are the Racing Appeals Reports. These reports are a digest of rulings, observations and comments of Australian and New Zealand statutory appeals tribunals for the three codes of racing. Photocopies are available on request (subject to copyright laws) on payment of a small fee.

