



Minutes of 31st Annual General Meeting Hawke's Bay Racing Incorporated Held in the Cheval Room at the Hastings Racecourse

Present

Richard Riddell (Chairman), Aaron Hamilton (CEO), Stacey Bacon, Tracy Andersen, Murray Andersen, Joanne Andersen, John Jenkins, Greg Miller, Kathy Cohen, Trevor Cohen, Ray Bernie, Graeme Wedd, Dave West, Richard Kettle, Paddy Murphy, Tim Symes, Bernard Hickey, Mikey Razos, Brian Hancock, Rebecca Riddell, Ben Tothill, Garth Cowie, Guy Lowry, Guy Symes, Lindsay McKaye, Diane Sargent, Lee Somervell, Richard McKenzie, Tom Lowry, Fiona France, Paul Nelson, Lucy Scoular, Tim MacPhee, Peter Roebuck, Philip Pinckney, Andrea Gibbs, Jason Fleming, Irene Downey, John Frizzell, Jim Harvey, Keith Orange, Tony Wall, Kirsty Lawrence, Mick Ormond, Sam Nelson, Robyn Waller, Ali Horrocks, Iain Renton, Joe Bradley, Barry Smyth, Iain Henderson, Leah Zydenbos, Sal Tothill, Sue Thompson, Mick Brown, Aayden Clarke.

Richard Riddell welcomed everyone who had attended and declared the meeting open.

Apologies

Eliot Cooper, Sue & Graham Thomas, Sharyn & Mike Craig, Jeff Drinkwater, Casey Williams, Shirin Wood, Richard Wood, Ivan Grieve

Richard moved that the apologies be accepted.

Moved	Richard Riddell	Seconded	Barry Smyth	Carried
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Condolences

Richard Riddell announced the condolences of Tom Lowry and Laurie Parker and asked for any further condolences that may not have been known to the club.

Members were asked to stand and observe a moments silence in respect of the friends of Hawke's Bay Racing Incorporated that had passed away during the year.

Auditors Report

Mr Philip Pinckney, a representative from Hawke's Bay Racing Inc auditors, Baker Tilly, gave a report on the unaudited financials. He explained auditors in general were under pressure and struggling to catch up with the high demand and apologised for not providing the full financial audited report in time for our Annual General Meeting.

Mr Pinckney stated that the audit would normally be completed in October and it is the first time this has not been the case. This was due to the auditors being audited on their own processes, so were being more thorough and required a lot more information than in previous audits.

After discussions with ANZ Bank and New Zealand Thoroughbred Racing regarding the club's financial position, it was clear the club had their long term support to deliver a plan for the future which allayed somewhat their concern about the club from a "going concern" perspective.

Mr Pinckney advised that the auditors were comforted by the actions taken to address the issues at hand and the strategy being implemented by the Board to provide certainty for the club into the future.

Minutes of the 2023 Annual General Meeting

Minutes of previous Annual General Meeting held Tuesday 28 November 2023, were taken, and read as correct with a slight change to a statement under General Business by Ali Horrocks to be slightly altered.

Ali Horrocks asked if more information can be provided about committee members Aayden Clarke and Casey Williams, as they weren't well known to members. Ali Horrocks added that this may be beneficial for all committee members.

She was asking for profiles on new committee members rather than more information about them.

Moved	Richard Riddell	Seconded	Barry Smyth	Carried
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Matters Arising

Nothing to report

Annual Report

Chief Executive's Report

CEO, Aaron Hamilton firstly thanked the team and their families for their hard work through the season. He also thanked the previous board and Chairman Eliot Cooper, and the current board for its counsel and support.

Aaron reiterated the importance of communication to our members, trainers and stakeholders on the current status and situation moving forward.

Aaron reported on the Balance Sheet and Financial Performance and key issues that happened throughout the season.

Dean Shannon from New Zealand Racing said at the start of the season in their roadshow "Clubs need to do better", and Aaron believed we had been successful in doing just that. The grandstand and Cheval Room were painted, new carpet had been laid, bars and hospitality were upgraded and modifications to the totes were made to make them more inviting. The grounds and infield were also tidied up to make them look more presentable.

PERFORMANCE

Compared to previous years Hawke's Bay Racing had an extremely successful season, especially considering the number of abandonments with only 10 out of 16 scheduled racedays being run.

A lot of work had gone into improving operations with the restructuring of the team at Hawke's Bay Racing. This included the appointment of an Operations Manager and the consolidation of finance and payroll with the appointment of a new Finance Officer.

As per powerpoint presentation

- Track & Grounds
- EBITDA
- Interest & Depreciation
- Net Profit
- Overall went well operationally – need to get on top
- Track
- History of issues with the track
- Future proofing Hawke's Bay Racing

WAGERING

The Club delivered 3 of the top 20 highest turnover racedays in the 2023/2024 season and delivered the highest oncourse turnover across any raceday (Livamol Classic) in 2023/2024.

The Livamol Classic Phantom Raceday was extremely successful despite not having horses on course. We hosted the NZ Punter of the Year and all hospitality packages - which was challenging but a huge success, especially with the oncourse turnover.

The challenge for the club is "Do Racing Better!" We focused on improving our racing product and employed Sam Alexander to lead this endeavour. The focus is on attracting good horses and trainers to Hawke's Bay, with the team set on coming up with a plan for the future.

RELOCATION HISTORY

Aaron explained the relocation and history of the club over the past years.

He understood there would be a lot of questions around the club's decision regarding purchasing the properties on Railway Road and Paki Paki Roads. The club secured the first property and later purchased a second property to allow enough land to create a top-class racing/training facility as the Hastings District Council was interested in the existing site for valuable housing.

Hastings District Council were on board to support and assist Hawke's Bay Racing with their plans, until Covid and Cyclone Gabrielle significantly impacted on their finances, which consequently meant that their support was severely restricted. It was apparent that this greenfields development was no longer viable and a quick decision was made to stay at the current site.

The board and NZTR are having positive discussions on a future development strategy and how best to get back to racing and creating the best racing and training facilities at Hastings Racecourse. Aaron believed there was an exciting future for the club but would take several years to develop.

Mr Riddell asked if there were any further matters arising from the Annual Report and Balance Sheet and asked that they be accepted.

Moved	Ben Tohill	Seconded	Guy Lowry	Carried
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Appointment of Auditor

Mr Riddell sought membership support to appoint Baker Tilly as auditor for the 2024/2025 season subject to agreeable terms.

Moved	Ben Tohill	Seconded	Kirsty Lawrence	Carried
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Appointment of the Board

Mr Riddell announced the nominations received for the board and with no further nominations or objections - the following were elected onto the board of Hawke's Bay Racing.

Ben Tohill
Fred Coates
Jason Roebuck
Aayden Clark
Garth Cowie

Mr Riddell advised the skillset that these people bring to the board moving forward. He also advised that NZTR New Zealand Thoroughbred Racing would also be interested in a representative sitting in on future meetings.

Moved	Richard Riddell	Seconded	Jason Fleming	Carried
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General Business

RETURN TO RACING

After the abandonment of a number of racedays during the year culminating in New Zealand Thoroughbred Racing advising no more racing on our existing track following the abandonment of the Arrowfield Stud Plate day, Mr Riddell stated the Board's priority was to get a return to racing as soon as possible, and its focus was on addressing and rectifying the issues in the best way possible while noting the club's difficult financial situation. The club being potentially in danger of losing its Group 1 races as well as the confidence of owners/trainers/members and the thoroughbred racing industry

The current track is not going to take the Club forward, and a quick fix is not ideal as we could find ourselves in the same situation in a relatively short time.

Pleasingly New Zealand Thoroughbred Racing have stated on numerous occasions that Hastings is one of the preferred sites for its proposed 5-6 metropolitan racing venues in the country and will provide us with support to look at not only returning to racing as soon as possible but to assist the Club with developing a plan for the future of racing in the region.

We will know before Christmas how NZTR proposes to assist the Club to achieve the outcome described.

Mr Riddell also advised that ANZ bank is 100% behind Hawke's Bay Racing and had agreed to extend the terms of our loan documentation to allow the club time to plan.

FLOAT PARK

Under the new Health and Safety Act, the Board had a risk assessment of the Float Park done. It highlighted some major risks, and should an accident occur, the club and the board could be held liable. This risk was deemed to be unacceptable, so the decision was made to close the Float Park at Southland Road, and a new float parking plan has been implemented at Prospect Road.

The Board was also considering a sale of the Southland Road Float Park to help the club with its debt. An offer was expected and subject to acceptable terms and conditions the Board may progress with the sale.

APPROVAL FROM MEMBERS OT MAJOR DECISIONS

Members expressed their disappointment in the board for not keeping them updated with property purchases and due diligence undertaken regarding the purchases of Paki Paki and Railway Road properties.

Mr Riddell described the Board's decision making with the support of the Hastings District Council and Central Government at the time. Sadly, due to Cyclone Gabrielle and the Covid Pandemic the proposed greenfields track development there was no longer deemed to be tenable, so the Board agreed to sell these properties and focus on the Prospect Rd facility.

Mr Mick Ormond stated that the board has a moral obligation to members to advise before purchasing land or making major decisions that affect the club.

Mr Riddell stated that from now on the Board would communicate regularly with the membership and that no material transaction would take place without the membership's approval.

FUNDING FOR NEW TRACK

A question was put to the Board as to where the funding was going to come from to fund a new track or renovation to the existing track? Nothing could be confirmed but members were advised that initial discussions have been held with a number of parties including the Provincial Growth Fund, NZTR and TAB.

Another question asked whether it was possible for the Club to get funding from the proposed sale of Avondale?

Mr Jason Fleming advised that the money from the sale of Avondale is likely to stay in the Auckland region. Mr Fleming said he would investigate it further but thought it would highly unlikely under the current legislation that Hawkes Bay Racing Inc would receive any funding from any sale of Avondale

The board is working extremely hard to look for solutions and is looking to develop a Master Plan. A number of options are in the early stages of development including constructing a tunnel under the track at Prospect Road so the club could better utilise the inside of the track. Members will have their chance to consider them as they are finalised.

HAWKE'S BAY RACING | KEY RACES

Mr Barry Smyth asked if NZTR had taken our three group 1 racedays away from us?

NZTR had advised the Club that they do not intend on taking our group 1 racedays away from us – they will be run at other venues in the meantime.

TRACK

Mr Barry Smyth suggested that the Club should not make any hasty decisions to sell land until we work out a plan of how we move forward.

Mr Tim Symes stated that despite the fact the club is in financial difficulty he , and other track users, would like to see better use of the track proper with a view of training to prepare horses for the races.

Bryce Mildon and Aaron Hamilton were to investigate whether the Club had finances available to meet the cost of watering and maintaining the track.

Mr Jim Harvey advised he had been on the committee in 1963 when they previously did up the track. The course was graded and tendered from the 800m and he thought because the winning post had been moved, the camber on the corner before the 1600m became a problem, The incident that shut down racing at Hastings on Arrowfield Stud Plate day was caused in his opinion by the rail being moved out 4m. The horse that slipped was 6m out which would have put the horse in the problem area. The 1963 plans for the track are in the jockey's lounge cabinet. The contours could be of assistance to any further development.

HAWKE'S BAY RACING

It was agreed that there was a need to work more closely with other East Coast Clubs. Mr Sherratt asked why had the invitation to have a Waipukurau committee member on the Hawkes bay Board not been extended. Mr Riddell believed an invitation had been extended in previous years but not taken up by the Waipukurau Jockey Club, and stated that immediately after the AGM, the Hawke's Bay Racing Inc board will be extending this invitation again to the Waipukurau Jockey Club and would warmly welcome their representative onto the Board.

HASTINGS DISTRICT COUNCIL

The Hastings District Council have kindly agreed to defer payment of our rates for 6 months.

Mr Tim Symes looked at rates around the country and thought we were one of the heaviest rates paying racing facilities in New Zealand.

Kathy Cohen mentioned that sports grounds have a deal with the council.

WALL ROAD

A question from the floor about the future plan for the Wall Road property. The age and state of the stabling facilities were noted but the Board advised that there were no immediate plans for this property other than to say that it would form part of the Master Plan.

HAWKES BAY RACING STAFF

Mr Paul Nelson mentioned that Hawke's Bay Racing Staff has in the past had skilled staff members, Peter Dickie and Richard Fenwick; to name a couple and wondered why we have terrible staff retention. He thought the Executive and Board lacked racing knowledge and as such believed we don't have anyone on the board or staff to fight for our position with NZTR, and if we did, we may not have had racing abandoned.

The board noted his concern and when there is a return to racing, it will look at the balance of both racing knowledge and business acumen across the executive and board going forward.

THANK YOU TO RICHARD RIDDELL

Mr Mick Ormond thanked Mr Richard Riddell for stepping up into the Chairman's role at this tough time, stating it was a big job, and he wished him all the best and asked that he and the Board communicate with members and said then you will get their support.

Mr Riddell wanted to thank the staff during these trying times and to the previous board, Greg Howie, Tim Gillespie, and Casey Williams for their efforts over the years.

And thank you to Aaron Hamilton, who has decided to step down as CEO of Hawke's Bay Racing Inc. Aaron has worked extremely hard and endured some tough times which hasn't been easy for him and the Club wishes him all the best for his future

Close of Annual General Meeting

Mr Riddell thanked the membership for their support. The Board truly value our members, sponsors and stakeholders. There being no further business Mr Riddell called the meeting closed and again thanked everyone for their attendance.

Invitation was given to enjoy some refreshments.