

HAWKE'S BAY

Racing



2024
2025

ANNUAL REPORT



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FRONT COVER
HAWKE'S BAY CUP
WINNER
MEHEZABEEN





ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Hawke's Bay Racing Incorporated will be held in the Special Guests Lounge, Hastings Racecourse on Thursday 12 February, 6pm.

AGENDA

1. Apologies
2. Condolences
3. Confirmation of the Minutes of the 2024 Annual General Meeting
4. Presentation of the Annual Report and financial statements for the year ended 31 July 2025
5. Appointment of Auditor
6. Adoption of a new Constitution to enable re-registration under the Incorporated Societies Act 2022
7. Board Appointments
8. General Business

HAWKE'S BAY RACING INCORPORATED

STAFF

Chief Executive Officer	Aaron Hamilton - Jan 25
Operations Manager	Tom Nicolle - Jan 25
Racing & Events	Sam Alexander - Jan 25
Events & Marketing	Tracy Andersen
Finance Manager	Stacey Bacon
Bar Manager	Greg Miller
Track Assistant	Phil Lyons
General Manager of Track Development and Operations	Bryce Mildon

DIRECTORS

Eliot Cooper (Chairman) - Nov 24
Richard Riddell (Chairman)
Ken Browne
Dave Holden - Aug 24
Casey Williams - Aug 24
Guy Lowry
Aayden Clarke
Fred Coates
Jason Roebuck
Garth Cowie
Kirsty Lawrence
Ben Tohill

STEWARDS

Ali Horrocks
Jenny Morison
Lee Somervell
Robyn Waller
Tony Wall

OFFICIALS

Handicapper	NZ Thoroughbred Racing
Clerks of The Course	Max Hall & Sarah Davies
Veterinary Surgeon	VetsOne Hastings
Judge	John Jenkins
Course Commentator	Justin Evans
Starter	Gary Phillips
Clerk of Scales	Maree Nilsen

Solicitors	Bramwell Bate
Auditors	Baker Tilly Staples Rodway
Bankers	ANZ



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CHAIRMAN'S REPORT

RICHARD RIDDELL

The 2025 financial year has been another difficult period. What was forecast to be an exciting year for the Club unfortunately did not eventuate due to the decision by NZTR to cease racing on our Hastings track on the Arrowfield Stud Plate raceday, 28 September 2024, the second day of our Spring Carnival, and consequently advised that no more racing would happen until the track issues were rectified.

With no racing income, the Club's future looked bleak. Then early in 2025, NZTR reached out and stated that Hastings was one of the preferred locations for one of the 5-6 metropolitan racecourses that they are planning for the country. NZTR then proposed that they would assist the Club in every way possible to get back racing at Hastings as soon as possible, while looking to create a venue for the future.

HBR and NZTR established a Project Control Group, led by an independent, Steve Bramley.

After exploring several options, a solution was found that not only would see racing back in Hastings in time for the 2026 Spring Carnival but provide our Club and the industry with a Greenfields facility at Portsmouth Road in the future.

Your board, after considerable due diligence, decided that this option would see racing flourish in the region for many years to come and proposed this to members as the way forward. Pleasingly, our members have voted overwhelmingly to progress with the Greenfields option, which all going to plan, will see racing on an Evergreen racing surface in 2029, and with it being one of the country's metropolitan tracks, a home for Group racing and likely more premier race meetings.

Excitingly, the re-cambering of the Prospect Road track, kindly funded by NZTR, has progressed well, and while it is only a short term fix, it will see us racing again here in 2026. The track is expected to be suitable to hold Group One racing (our Spring Carnival) until the Clubs relocation to Portsmouth Road in 2029.

Due to practically no income being earned since the cessation of racing on day 2 of the Carnival, the Club incurred a loss of \$1,435,641 for the financial year.

Once the notice from NZTR was received regarding cessation of racing, the Board implemented a plan to address costs and to reduce staffing levels. This plan was to ensure training could continue, the Clubs land and property could be maintained, and day to day inquiries regarding functions etc could continue. I would also like to take the opportunity to thank the small, dedicated team of staff who have kept the racecourse functioning through this very difficult period.

With racing not expected to return until early in the 2027 financial year (from 1 August 2026), the Club is forecasting another loss for the 2026 year but expects to return to profitability in 2027.



I refer to the heading 'Going Concern' in Note 1 of the Financial Accounts. I don't want to restate what's so clearly explained, but there are two points I'd like to address.

- The balance sheet as of 31 July 2025 states the Club has negative equity (negative net assets). This is because the Land and Buildings are shown to be \$1,974,403 (original cost value). The Board has three independent valuations showing the value to be circa \$28m in early 2025 and now holds an agreement to exchange Prospect Road for \$50m in 2029. The Board is therefore comfortable that the Club has a strong net asset position.
- With the ANZ and NZTR loans, totaling \$2,864,260 at balance date having a maturity date of less than one year has meant these loans need to be shown as Current Liabilities. Subsequent to Balance date, both lenders have extended the term of these loans to greater than 12 months and therefore they are shown now as Term Liabilities. This improves our working capital position which is still poor, but NZTR is assisting the Club in this regard.

I'd like to thank NZTR for their tremendous support of our Club in one of our darkest hours. Our shared vision has resulted in our Club being a pivotal metropolitan facility for the future.

I'd like to thank the Project Control Group, under the excellent leadership of Steve Bramley,

for developing this strategy and providing a template for the Clubs future.

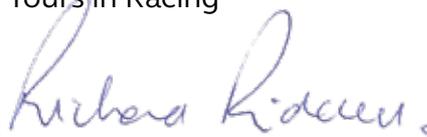
Huge thanks to all members of the Board for their willingness to spend so many hours voluntarily addressing the problems we initially had at hand and then to constructively question and manage the way through the myriad of options to deliver a solution that we believe provides a very bright future for our Club.

A special mention to Ken Browne, who steps down after 28 years on the Board, initially with Napier Park and then with Hawkes Bay Racing Inc. The Board proudly and unanimously supported a vote to make Ken a well-deserved Life member of the Club.

Ben Tothill and I also step down as Directors this year. Thank you, Ben, for guidance to the Board with everything legal and more, your counsel has been most appreciated.

Finally, it has been a pleasure to have been part of the Hawke's Bay Racing Inc Board of Directors. I enjoyed my time and on behalf of my fellow Board members I thank you for your support.

Yours in Racing



Richard Riddell

**Current Chairman
Hawke's Bay Racing Incorporated**



BOARD RESPONSIBILITY

The Board meets on a monthly basis and on separate occasions if required to discuss issues and provide direction to management for the operations of HBRI.

The Board is responsible for;

- Ensuring management focus on and plan to meet the goals and objectives of HBRI.
- Contributing to the development and approving the strategic direction of HBRI.
- Setting budgets and reviewing financial results.
- Approving strategic capital expenditure and stake levels.
- Monitoring and reviewing the risk management process of HBRI.
- Performance assessment of the Chief Executive Officer.

SUBCOMMITTEES

The Board, where applicable, establish sub committees to assist in carrying out its central functions. These subcommittees will meet as required and will act in an advisory capacity making recommendations to the full Board.

Subcommittees may by invite include Racing Stewards as appropriate.

The subcommittees for 2024/25 season were as follows.

Ex-Officio on all Sub-Committees

Richard Riddell (Chairman)

Venue

Richard Riddell, Fred Coates, Jason Roebuck

Audit & Finance

Garth Cowie, Jason Roebuck

Sustainable Diversified Revenues

Finance + Partnerships
& Relationships

Health & Safety

Guy Lowry & Management

Organisational Capacity & Asset Management

Guy Lowry, Ken Browne

Appropriate Governance Structure

HBRI Board





CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman is responsible for leading the Board, ensuring at all times that the Board activities are recorded and efficiently conducted.

The Chief Executive Officer is responsible for identifying and implementing strategies for Hawke's Bay Racing Incorporated.

As well as recommending policies for adoption by the Board to meet the goals and objectives of Hawke's Bay Racing Incorporated.

The Chief Executive Officer is further responsible for the Club's operations, to deliver an effective and efficiently maintained business at all times.



FINANCIAL REPORTING

The Chairman, Chief Executive Officer and Finance Sub-committee Chairman have made the following representations to the Board;

- That the Club's Financial Statements are complete and present fairly in all material respects of the financial position and operational results; and
- That the above statement is founded on a sound system of internal controls, risk management assessment and that these are operating efficiently and effectively.



CONFLICTS OF INTEREST

Board Members are expected to avoid any action, position or interest that conflicts with any interest of HBRI or gives any appearance of such a conflict.

A Board Member that has a conflict or perceived conflict of interest with that of the Club must bring it to the notice of other Board Members.



CORPORATE GOVERNANCE

Hawke's Bay Racing is an Incorporated Society. The Club is governed by the Rules and Regulations adopted by the members (last updated Special General Meeting July 2012 - see www.hawkesbayracing.co.nz for the electronic version).

The Board of the Society is responsible for the Governance of the Club. Governance is a matter of high importance and is a fundamental foundation of the culture and business practices of Hawke's Bay Racing Incorporated (HBRI).

A description of the main corporate governance practices are set out below, all practices described, unless otherwise stated, were in place for the entire season.

BOARD COMPOSITION & TERM OF OFFICE

The Board consists of the Chairman and nine directors (increased to twelve at the SGM dated July 19 2012).

Each Board Director (elected) must retire tri-annually and may then seek re-election. The Chairman is elected annually by the Board.

It is the Board's and indeed rules intention that Directors reflect a broad range of skills to aid it in carrying out its responsibilities and in meeting the Club's strategic objectives.

Three positions are able to be co-opted with emphasis on recruiting Directors with skills that complement the structure of the group.





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RACING REVIEW

Tarzino Trophy

GROUP 1 WFA



Distance	WFA 1400m - \$400,000
Date	7 September 2024
Jockey	Matt Cartwright
Trainer	Lance O'Sullivan & Andrew Scott
Owner	T C Clarke and C B Jones
Breeder	Jamieson Park Limited
Breeding	4 year old mare Iffraaj x Starwish (by Redoute's Choice)
Margins	1¼ lengths, head, ½ length
Time	1:21.46 (Good 4)

Australian Matt Cartwright announced his arrival among the top echelon of New Zealand's jockeys with a stunning treble on the opening day of the Hawke's Bay Spring Carnival at Hastings, culminating in a giant-killing Group 1 win aboard Grail Seeker in the Tarzino Trophy (1400m).

Formerly a leading apprentice in Victoria, Cartwright decided at the beginning of the season to move across the Tasman in search of better opportunities as a senior rider. Barely a month later, the 22-year-old stole the show on one of New Zealand racing's biggest stages with victories aboard Wolfgang in the Livamol International Health Products Premier (1600m), Poetic Champion in the Listed El Roca-Sir Colin Meads Trophy (1200m), and the super-impressive Grail Seeker in the Tarzino.

"I'm over the moon," Cartwright said. "To come over here and have this happen so soon, it's a big thrill. I was happy just to get a ride in the first Group 1 race, let alone win it.

"I'm speechless, to be honest. It would have to be my best moment in racing, a treble and a Group 1 winner, and I can't thank everyone enough. Onwards and upwards from here."

1st	Grail Seeker
2nd	Faraglioni
3rd	Sacred Satono

Grail Seeker was overlooked as a \$32 outsider for her first-up tilt at the Tarzino, in which she faced a formidable field featuring seven Group 1 winners.

But Grail Seeker rose to the occasion with a sensational coming-of-age performance.

Cartwright took up a comfortable position in sixth along the rail as the favoured pair of Crocetti and Bonny Lass set a solid speed out in front. Those two rounded the home turn side by side, seemingly set to renew their rivalry after fighting out a thrilling finish in the Group 1 BCD Group Sprint (1400m) at Te Rapa earlier this year.

But that script was torn up in the straight as Faraglioni and Sacred Satono sprinted past the two favourites with 200m remaining.

Cartwright had angled Grail Seeker out to the middle of the track in the meantime, and when he asked her to extend, the four-year-old came with giant bounds and blasted past Faraglioni to win by a length and a quarter.

The race was run in a slick time of 1:21.46 – the fastest Tarzino since 2006.

GRAIL SEEKER

Hawke's Bay Breeders Gold Trail Stakes

GROUP 3



Distance	3YO FILLIES SW 1200m \$120,000
Date	7 September 2024
Jockey	Sam Spratt
Trainer	Ken & Bev Kelso
Owner	Marie Dunn, Jo & Murray Dunn, Sue & Tony Egan, A J Moore & Eddie Tynan
Breeder	Rifa Mustang Pty Ltd
Breeding	3 year old filly Alabama Express x Tablopie (by High Chaparral)
Margins	¾ length, 2¼ lengths, 1 length
Time	1:09.41 (Good 4)

1st	Alabama Lass
2nd	Captured By Love
3rd	Damask Rose

The rapid rise of Alabama Lass continued on the opening day of the Hawke's Bay Spring Carnival, the filly putting on a stellar display to win the Group 3 HBPB Thoroughbred Breeders' Gold Trail Stakes (1200m).

A daughter of Alabama Express, Alabama Lass had turned heads since debuting in early February as a juvenile, with a nine-length demolition followed by a meritorious run for second behind Captured By Love in the Group 2 Matamata Breeders' Stakes (1200m).

Captured By Love was among the main dangers to the Ken and Bev Kelso-trained filly in the Hastings feature, where she started a shortening \$1.90 favourite, courtesy of an impressive fresh-up display at Taupo last month.

The only factor that stood in the way of Alabama Lass was the outside barrier draw (10), but her sizzling gate speed soon put any early queries to rest, with jockey Sam Spratt powering forward to sit in behind a strong tempo set by Pleasing.

Alabama Lass was cruising into the home bend and swiftly took the lead as she descended down the straight and, while Captured By Love was game in chasing her, she never looked in

doubt powering to the line by three-quarters of a length.

Karaka Millions 2YO (1200m) runner-up Damask Rose closed strongly in her return to racing to claim third.

Spratt was all smiles returning to the winner's circle, collecting her third win in the fillies' feature after guiding both O'Marilyn (2014) and Best Seller (2022).

"She's really quick, she pinged out of the gates and they kicked up a little bit, but she's nippy both ends of the race," Spratt said.

"We cruised along around the corner and kicked and at, at that stage, I thought it was going to be a track gallop. But then I could hear them coming for me. I think she was almost waiting for them a little bit, she's done it pretty easily.

"The girl who looks after her said she gallops like that, goes past the stablemate then waits for them a little bit. Hopefully, she can get out of that habit, but it was good that she got there."

ALABAMA LASS

El Roca - Sir Colin Meads Trophy

LISTED 3YO



Distance 3YO SW 1200m - \$90,000
Date 7 September 2024
Jockey Matt Cartwright
Trainer Tony Pike
Owner GSA Bloodstock Pty Ltd
Breeder GSA Bloodstock Pty Ltd
Breeding 3 year old gelding
Super Seth x Regally Blonde (by Royal Academy)
Margins 2¼ lengths, 1¼ lengths, 1¾ lengths
Time 1:10.37 (Good 4)

1st Poetic Champion
2nd Savaglee
3rd Full Force

POETIC CHAMPION

While top honours did not go the way of Savaglee in the Listed El Roca – Sir Colin Meads Trophy (1200m), Pam Gerard took plenty of positives from the performance of her colt as he headed towards loftier targets.

The impressive colt was a Group 3-winning juvenile and has flourished early in his three-year-old campaign, winning the 3YO Colts and Geldings contest at Taupo before a storming run into second behind Poetic Champion in the Hastings three-year-old feature.

In a leader-dominated contest, Poetic Champion controlled a steady tempo under Matt Cartwright and kicked clear early in the straight to quickly open up a winning break over his more illustrious opponents.

The son of promising sire Super Seth kept up a strong run to the line to score a decisive victory. After travelling near the tail, Savaglee was forced widest on the track and was still last at the 300m before producing a slashing closing sprint that got him within 2 ¼ lengths of the winner. Gerard was more than satisfied with Savaglee's effort.

"We thought they were going to go a bit quicker, but they dictated in front and we were just riding him neutral where he is happy. They took the pace out and he just had a few traffic issues but his last 200 was pretty impressive," she said.

"He had a big season as a two-year-old which most of them don't. He had seven starts which is a pretty big ask, but he's just got a constitution and a nature where he comes home and eats everything. He's always been a very sound horse, he gets trotted up after each race and the vets say that he's perfect, so those two factors are a massive help.

"He's not overly big but he's very strong, he was strong as a two-year-old but he just looked a bit like a baby, but this prep he has muscled up a bit more and evened out, he's got a bit more length and physically matured"

"Mentally, he has really come to the party as well."

Arrowfield Stud Plate

Group 1 WFA



Distance	WFA 1600m - \$400,000 RUN AT MATAMATA
Date	2 October 2024
Jockey	Ryan Elliot
Trainer	Robbie Patterson
Owner	Ross Falloon, Sharon Robertson & Alan Reeves
Breeder	R W Adams, A L Reeves & Mrs S J Robertson
Breeding	7 year old gelding The Bold One x Floozie Cat (by One Cool Cat)
Margins	Long head, ½ length, short neck
Time	1:35.49 (Good 4)

1st	One Bold Cat
2nd	Skew Wiff
3rd	Matscot

ONE BOLD CAT

New Plymouth trainer Robbie Patterson had his sights set on the Group 1 Livamol Classic (2040m) for One Bold Cat, but the gelding showed he can be just as impressive at a mile with a powerful victory in the Group 1 Arrowfield Stud Plate (1600m) at Matamata.

One Bold Cat burst onto the scene with a decisive win in the Group 3 Counties Cup (2100m) 11 months earlier, and he continued to feature prominently in the top-flight staying contests that season, placing behind Legarto and Campionessa in the Group 1 Herbie Dyke Stakes (2000m).

Returning as a six-year-old, the son of The Bold One showed positive signs finishing third over 1200m in August but a string of racemeeting abandonments had Patterson doubting whether he had him fit enough to run out a tough 1600m race at the elite level.

Any question of that was firmly put to rest, with One Bold Cat jumping positively from barrier four before settling in the second half of the field under Ryan Elliot.

As the field turned for home hot favourite Skew Wiff shot to the lead and she maintained that position for much of the home straight before

One Bold Cat produced giant strides and caught the mare just short of the line.

South Islanders Matscot and Lightning Jack, who were both rank outsiders, put in huge performances to fill third and fourth places.

For Elliot it was his 12th Group 1 victory, but he admitted he hadn't been full of confidence during the race.

"I don't really know the horse but he's such a laidback character that I was thinking bloody hell, but he tracked up beautifully and we got the right split. To pick up that horse (Skew Wiff), it was a good effort," Elliot said.

Patterson had an outstanding 2023/24 season, earning him a nomination for Trainer of the Year, and a lot of that success he credits to Eddie Bourke, co-owner and breeder of One Bold Cat.

"It's pretty big, it means a lot because Eddie puts a lot into this business and we were only getting ready for the Livamol," he said.

The Bold One, who stands at Grangewilliam Stud in Waitotara, earned his first Group 1 winner as a sire, much to the delight of his co-owner in Bourke.

AHD Animal Health Direct Hawke's Bay Guineas

GROUP 2 3YO



Distance	3YO SW 1400m - \$175,000 RUN AT MATAMATA
Date	2 October 2024
Jockey	Sam Spratt
Trainer	Pam Gerard
Owner	The Oaks Stud
Breeder	Waikato Stud Ltd
Breeding	3 year old colt Savabeel x Glee (by O'Reilly)
Margins	Nose, neck, nose
Time	1:23.08 (Good 4)

SAVAGLEE

There was plenty of drama with the abandonment of the second day of the Hawke's Bay Spring Carnival at Hastings, and that drama continued at the transferred meeting at Matamata during the running of the Group 2 AHD Animal Health Direct - Hawke's Bay Guineas (1400m).

Short-priced favourite Captured By Love reared up as the gates were released, losing six lengths at the start and seemingly putting paid to any chance he had in the three-year-old feature.

So Naïve took up the pace making role up front, while second favourite Savaglee was posted three-wide throughout. The race looked to be a three-way go down the straight between leader So Naïve, Poetic Champion and a brave Savaglee, with the latter finally getting the decision in a close photo finish.

So Naïve held on for second while Captured By Love put in the run of the race to get up and snatch third place off Poetic Champion.

Savaglee's trainer Pam Gerard was sure her charge had failed to get up and was relieved to hear otherwise over the loudspeaker.

"We were in the stand, and it looked like a good neck or so (that So Naïve had won), but I am going

1st	Savaglee
2nd	So Naive
3rd	Captured By Love

to take it because they don't usually go our way," she said.

"He was a little bit fresh today, he did a lot wrong. He got posted three-wide and Sam (Spratt, jockey) said he was colty around at the gates and it showed as he wanted to lie on the other horse (Poetic Champion) a bit.

"He has got a really good turn of foot and he didn't quite have that today, so he has done it tough but he has got the job done."

While Gerard was not confident of a winning result when Savaglee passed the post, jockey Sam Spratt was.

"I thought I got it on the line, I thought my head was well in front," she said.

"It was a tough effort, he got posted wide, but I opted to cuddle him up because if I pushed forward they would have kicked forward with me, and it would have been even worse.

"I had to take a breather and embrace the three-wide train but he was tough at the finish when I wanted him to be."

Livamol Classic

GROUP 1



Distance	WFA 2040m - \$550,000
Date	12 October 2024
Jockey	RUN AT TE RAPA
Trainer	Warren Kennedy
Owner	Graham Richardson & Rogan Norvall
Breeder	Cambridge Stud Limited
Breeding	Suncroft Bloodstock
Margins	5 year old mare
Time	Tavistock x Ritzy Lady (by Zabeel)
	3½ lengths, 1 length, head
	2:06.58 (Soft 6)

SNAZZYTAVI

A trophy that slipped through Brendan and Jo Lindsay's grasp in their early days of racehorse ownership now has pride of place in the Cambridge Stud trophy cabinet, thanks to a stunning coming-of-age performance by Snazzytavi in the Group 1 Livamol Classic (2040m) at Te Rapa.

The Lindsays' foundation mare J'Adane went agonisingly close to winning the 2007 edition of the spring showpiece, where she was beaten by a whisker by superstar mare Princess Coup. Multiple Group 1 wins have followed in the Lindsays' black and gold chequered colours since then but what Snazzytavi did at Te Rapa on October 12 holds a special place in the couple's hearts.

"That's one of the biggest thrills ever," Jo Lindsay said. "Her finish really was something spectacular."

Snazzytavi had already announced herself as an emerging talent on the New Zealand scene, winning seven of her 12 starts in highly impressive style including a four-length runaway in the Group 3 Easter Handicap (1600m) at Te Rapa in April.

The Tavistock mare's obvious affinity for Te Rapa was an advantage when the Livamol was relocated there from its traditional home of Hastings. However, the \$550,000 feature was still by far the biggest test of her burgeoning career. It was her weight-for-age debut and her first appearance at Group 1 level, and she had to jump from gate 15 against a field stacked with proven elite performers. But Snazzytavi rose to the occasion in spectacular style, announcing her arrival among the very top echelon of New Zealand's racehorse ranks.

1st	Snazzytavi
2nd	Hi Yo Sass Bomb
3rd	No Compromise

Ridden by Warren Kennedy for trainers Graham Richardson and Rogan Norvall, Snazzytavi came across from that awkward gate and settled into an ideal position in 10th and one off the rail. The five-year-old began to warm into her work approaching the home turn, and when Kennedy asked her to extend in the straight, Snazzytavi's response was electric. She exploded down the outside of the track, hitting the front 150m from home and bounding away to win by 3-1/2 lengths.

"That was pretty special," Kennedy said. "She had to step up to weight-for-age level today, and didn't she do that? She quickened really smartly."

"I managed to get a beautiful spot just behind Campionessa and One Bold Cat, so I knew they would give me a lovely run into the race. When I asked her to quicken, she produced an electrifying turn of foot. She just put them to bed from the 400m to the 200m and it was race over."

"It's fantastic, because it means we have another Group 1 mare to come to the farm," a delighted Brendan Lindsay said. "You always need a bit of luck in this game, and we had it this week. Having the race moved from Hastings to Te Rapa was bad luck for some people, but good luck for us because our horse loves this track. She's had four starts here now for four wins."

Hi Yo Sass Bomb produced a career-best performance to finish second at \$71 odds, with trans-Tasman Group 1 performer No Compromise edging out Campionessa for third.

Valley d' Vine Restaurant Spring Sprint Group 3



Distance	Open Handicap 1400m \$120,000
Date	12 October 2024
Jockey	Triston Moodley
Trainer	Erin Hocquard
Owner	A D & K J Schumacher
Breeder	A D & K J & Est late B M Schumacher
Breeding	5 year old gelding Derryn x Darcistar (by Darci Brahma)
Margins	length, 1¼ lengths, 1½ lengths
Time	1:23.62 (Soft 6)

Spencer, the find of the winter sprinting ranks, showed he could be just as effective on better going when he claimed a decisive victory in the Group 3 Valley D'Vine Restaurant Spring Sprint (1400m) at Te Rapa.

The Erin Hocquard-trained five-year-old put three victories in a row together during the winter before finishing runner-up in the Listed Opunake Cup (1400m) in July. The son of Derryn was thereabouts in his next three starts but was left alone by punters in his first step up to Group class racing, starting at the generous odds of \$17.60 in an even field. There were concerns on whether he would be as effective on a Soft-6 surface as opposed to a Heavy-10 but he big gelding made a nonsense of that theory as apprentice Triston Moodley planted him behind pacemaker Witz End after a torrid five-way battle for early dominance and allowed him to find a settled rhythm before issuing his challenge rounding the home bend.

Asked for a serious effort, Spencer dashed clear and maintained a strong gallop to the finish, holding out a late surge from Geriatrix, with Dusty Road closing well to take third. Hocquard cut an emotional figure as she reacted to the victory, her first training success at stakes level in

1st	Spencer
2nd	Geriatrix
3rd	Dusty Road

a limited career that commenced in the 2016/17 racing season after spending time working for Aidan Schumacher, who co-bred and part-owns Spencer.

"That is just so good, too good,"
Hocquard said.

"It's awesome as it is just little old me from Waverley with the first Group race I've been in.

"I started off in Wanganui and made my way to Aidan a couple of years later. I hadn't ridden much and he even named a horse after me, Goldie Cantride, but hopefully I can now as I ride this guy every day and he is not the easiest. "I was a bit worried about the track because he hasn't done much on a good surface and last time here he didn't go so well. Who knows what he is capable of now?"

Moodley was also ecstatic to pull off the victory with a peach of a ride. "I didn't expect to be outside the leader, but I saw Matt (Cartwright, Witz End) and he is always a good person to follow," he said. "It was a brilliant decision as when he started coming back to me my horse got going and when we hit the straight he had a great turn of foot."

SPENCER



JENNIAN HOMES Lowlands Stakes

GROUP 2 3YO



Distance 3YO Fillies 2000m - \$150,000
Date 2 March 2025
Course RUN AT TRENTHAM
Jockey Craig Grylls
Trainer Robbie Patterson
Owner P J & H J Crofskey
Breeder Mrs H J & P J Crofskey
Breeding 3 year old filly
Derryn x Dynamite Lucy (by Sir Percy)
Margins 3¼ lengths, 1½ lengths, ¾ length
Time 2:08.40 (Good 3)

1st Leica Lucy
2nd Myakkabelle
3rd Dubai Gold

Leica Lucy produced the perfect dress rehearsal for her main autumn target, the \$1 million Group 1 Al Basti Equiworld New Zealand Oaks (2400m), with a fourth-straight Group victory in the Group 2 Jennian Homes Lowland Stakes (2100m).

Leica Lucy was a winner on debut and Robbie Patterson, who trains her out of New Plymouth, stamped her as an Oaks filly from that moment forward. After a narrow second to Wingman at the following start, Leica Lucy had not been beaten since, dominating her way through the Group 3 Eulogy Stakes (1600m), Group 3 Desert Gold Stakes (1600m) and Group 2 David and Karyn Ellis Fillies' Classic (2000m).

There was little doubt from punters that she would continue her winning stampede in the Oaks dress rehearsal, shortening from an opening quote of \$1.50 into \$1.22, with her closest rival Connello closing at \$10.

After getting on-toe in the parade, Leica Lucy was a consummate professional at the barriers and jumped away positively, with regular rider Craig Grylls holding his position on the inside to land on the rail trailing the leader in Prestissimo. A moderate tempo quickened as the field neared the home turn and Leica Lucy was travelling like the winner a long way out. When Grylls let her go at the 250m, it was game over, the filly charging clear to score

by an extending 3-1/2 lengths over an honest Myakkabelle. Grylls had the upmost praise for the filly.

"As you've seen before the race, she got quite worked up today, but as soon as she jumped out of the barriers, she comes straight back to you and switches off. I was able to get off (the rail) and she's improving all the time, that was even better than last time," he said.

"She does it without really being asked too, I was pretty soft on her but she just loves it and runs through the line."

While Patterson has trained the likes of Coventina Bay, Puntura and One Bold Cat to top-flight victories in recent years, he holds Leica Lucy in the highest regard as the best horse to come out of his successful operation.

"She's not even screwed down yet, she's an unbelievable horse and I've never had one like it," he said.

The Lowland Stakes success took Leica Lucy's record to five wins and a second placing from six starts. Her first four appearances were representing owner-breeders Heather and Peter Crofskey, before prominent Australian owner Ozzie Kheir purchased a share in the daughter of Derryn.

LEICA LUCY

Valley D' Vine Restaurant Hawke's Bay Cup Listed



Distance Open HCP 2200m \$120,000
Date 12 April 2025
Course TRENTHAM
Jockey Lily Sutherland
Trainer Mark Walker & Sam Bergerson
Owner Sarai Stud, M & Y Davis, D & S Rolston, S Waddell, R & B Duncan, T & K Howe
Breeder Pencarrow Thoroughbreds Ltd
Breeding 5 year old mare Almanzor x Salkantay (by Zabeel)
Margins Long neck, ¾ length, 1 length
Time 2:16.78 (Soft 5)

1st Mehzebeen
2nd Nereus
3rd Orlov



MEHZEBEEN

Leading apprentice jockey Lily Sutherland kicked home two of the most satisfying wins of her career at Trentham on April 12 but they came at a substantial cost for the talented rider. Sutherland, 21, produced two superb rides when taking out the Listed \$120,000 Valley D'Vine Restaurant Hawke's Bay Cup (2200m) on Mehzebeen and the Listed \$80,000 City Of Napier Sprint (1200m) aboard Slipper Island but she earned the wrath of the judicial committee for both rides.

Sutherland admitted a charge of careless riding in that she permitted Mehzebeen to shift inwards when not sufficiently clear of Duncan Creek 400m from the finish, causing that horse to be severely checked. She was suspended for seven riding days and fined \$800. One race later Sutherland rode Slipper Island and admitted a charge of using her whip in consecutive strides on her mount near the 50m mark. She was fined another \$1150. Sutherland produced a brilliant rails hugging ride aboard progressive stayer Mehzebeen in the Hawke's Bay Cup. The Mark Walker and Sam Bergerson-prepared five-year-old mare certainly enjoys the scenery at Trentham having placed at her only two previous appearances there, including finishing second to Pennyweka in the 2023 Group 1 New Zealand Oaks (2400m). The daughter of Almanzor had franked her staying potential with

a winning double at Riccarton last November where she claimed the Listed Metropolitan Trophy (2600m) and Group 3 New Zealand Cup (3200m) in consecutive weeks. However she was overlooked a little by punters in the Hawke's Bay Cup as she started a \$11 chance, despite having finished third in the New Zealand St Leger (2600m) at her last start. Sutherland wasn't afraid to take the initiative from barrier rise as she went to the lead on the mare leaving the straight before relinquishing that position with 1200m to run when tackled by Final Return.

Turning for home Mehzebeen was trucking along nicely and Sutherland dived underneath Final Return at the 200m and sent the mare for home as she sprinted clear before holding out the strong late challenges of Nereus and Orlov by three-quarters of a length at the line. Sutherland knew she may have to spend some time in front of the judicial committee regarding her movement on the winner in the straight but was thrilled to get the victory.

"We got to the front fairly easily and as she has led before we just cruised along and then got some cover (behind Final Return)," she said. "I may have carved up one in the straight to get her out but she has gone really well. "When she quickens up she does it well and I knew she has a good turn of foot."

Listed City of Napier Sprint

Distance	OPN HCP 1200m - \$80,000
Date	12 April 2025
Course	TRENTHAM
Jockey	Lily Sutherland
Trainer	Tony Pike
Owner	Dato Kim San Yap, N Greenhalgh, H B Norcross, M Watson, T Dixon, Fayette Park Stud, Haunui Farm LP, Waikato Stud Ltd, Whakanui Stud Ltd, Wentwood Grange, R Seabrook, P Stephens, T Pratley, B & L Waldron & Pike Racing Ltd
Breeder	Katom
Breeding	5 year old gelding No Nay Never x Pedicel (by Redoute's Choice)
Margins	1/2 head, 1/2 head, 3/4 length
Time	1:05.13 (Soft 5)

SLIPPER ISLAND

The Listed City Of Napier Sprint (1200m) capped a remarkable four-win sequence at Trentham for Slipper Island, whose trainer Tony Pike now has his eye on an even bigger prize at the Wellington track.

As recently as January of this year, Slipper Island was an underachiever with a record that fell far short of his talent. The five-year-old son of No Nay Never had won only twice in a 26-start career, with another nine minor placings and a rating languishing in the low 60s. But Pike mapped out a series of sprints down the Trentham chute through the summer and early autumn, and Slipper Island has turned his whole career around with four straight wins. He kicked off the sequence in Rating 65 grade on Wellington Cup Day on January 18, followed by Rating 75 victories on March 2 and again under a 59kg topweight on March 29.

The \$80,000 Listed City Of Napier Sprint was another big step up in class, but Slipper Island rose to the occasion and carried on his winning way. Slipper Island began awkwardly from gate three but soon recovered and took up a midfield position along the rail.

When the front-runner Idyllic rolled away from the fence coming across on to the course

1st	Slipper Island
2nd	Pier
3rd	Tomodachi



proper, jockey Lily Sutherland drove Slipper Island through on her inside. Slipper Island dashed to the front with 200m remaining and quickly moved two lengths clear of Idyllic, but his job was far from over. Group 1 winner Pier was powering out of the pack, while the talented mare Tomodachi flew home down the extreme outside.

The three of them hit the finish line locked together, with Slipper Island maintaining a margin of a half-head over Pier. Tomodachi was the same margin away in third. Slipper Island was offered by Hallmark Stud at the 2021 Karaka yearling sales, where Pike Racing bought him for \$180,000. His latest Trentham success took his record to 30 starts for six wins, nine placings and \$246,664 in stakes.

“He was very good today,” Pike said. “He’s certainly loved that chute at Trentham in his last few starts and has gone to a whole new level.

“He’s probably done enough in this preparation now and can go out for a bit of a spell. We’ll see how he comes up next time in, but if he could get to the level of a race like the Telegraph (Group1, 1200m), that would be a great target to try to aim at.”



Te Whāngai

- ROMNEYS -

HB Hurdles

PRESTIGE

Distance OPEN HDL 3100m - \$60,000
Date 13 July 2025
Course WOODVILLE
Jockey Emily Farr
Trainer Gail Temperton
Owner C R Grace QSM, Taikorea Thoroughbreds Ltd & Miss G S Temperton
Breeder C R Grace QSM, Taikorea Thoroughbreds Ltd & Miss G S Temperton
Breeding Margins 6 year old gelding Shocking x Pirinitete (by Johar) ¾ length, 2½ lengths, 1 ¾ lengths
Time 3:41.52 (Heavy 10)

NEVER LOOK BACK

Gail Temperton's emerging talent Never Look Back conquered one of the feature jumping races on the New Zealand calendar when taking out the Te Whangai Romneys Hawke's Bay Hurdle (3000m) at Woodville.

A winner of four flat races, Never Look Back had been a consummate professional in his jumping debut in mid-May, but had mixed his jumping in the Manawatu Hurdles (2500m) and Waikato Hurdle (3200m), albeit still finishing fifth in the latter. The market was a slight reflection of those results, with the son of Shocking drifting from \$5.50 to \$8, while all the focus was narrowed in on dual-Grand National winner Berry The Cash, and Happy Star, who was making a much-anticipated return to jumping after two years off the scene.

Never Look Back negotiated the first fence beautifully under Emily Farr, who allowed him to settle into a rhythm in midfield, while the big-striding Taika found the early lead and then Saint Bernard, who was over-racing, took over and set a decent pace. The pressure really dialled up at the 800m and Happy Star cruised into contention, hitting the lead turning for home and giving his rivals something to catch.

Berry The Cash was making up ground through the field, but the big danger was Never Look Back, who came level with Happy Star over the last and had the extra edge late to score by three quarters of a length. Temperton bred and races Never Look

1st Never Look Back
2nd Happy Star
3rd Berry The Cash

Back alongside her partner Stanley Alexander and well-known racing identity Christopher Grace, and she was quietly confident coming into the feature. "He's a wonderful horse, Stan and I bred him and we raced his mother, so it feels super," she said.

"I actually thought he could do that, and the reason I thought he could do it was because he's won four races on the flat, and I thought he was the fastest horse in the race. But when they began, they were going so fast, so my confidence went out the window. "It came back on the turn, and I had told Emily, on this track, you get going at the 600, and she did exactly that. She was wonderful."

Farr was delighted with the result and credited Temperton's pre-race tactics. "I thought he was a lot bigger horse than he actually is," she said.

The Waikato hoop was having her first ride aboard Never Look Back and noted how much he'd improved through recent runs.

"One thing I noticed from his replays was that he chucked his head up a little bit and got a bit fractious, but he must've learnt so much in the last couple of runs," she said. "He was easy today."

Never Look Back was the third foal out of a two-win Johar mare Pirinitete, who has been a success in the broodmare paddock. Alongside Never Look Back, she has produced stakes performer Tamahine, three-race winner Knickerless, and Jolting, a winner of four races in Australia.





SUPER SIMMENTALS

Hawke's Bay Steeplechase PRESTIGE



Distance OPEN STP 4800m - \$75,000
 Date 13 July 2025
 Course WOODVILLE
 Jockey Mathew Gillies
 Trainer Dan O'Leary
 Owner R E & M K Thompson
 Breeder Simms Davison
 Breeding 7 year old gelding
 Complacent x Celebrity (by Volksraad)
 Margins Neck, 30¼ lengths, 2¾ lengths
 Time 6:10.05 (Heavy 10)

1st Smug
 2nd West Coast
 3rd Hey Hey Hey

The heartbreak of Trentham was well and truly healed for the connections of Smug when the rising star came out on top in a stirring edition of the Glenanthony Simmentals Stud Hawke's Bay Steeplechase (4800m). The son of Complacent was initially capable hurdler and placed in the Hawke's Bay Hurdle (3100m) last season, but when he switched into the steeplechasing role for the first time last month, he looked right at home.

Smug made every post a winner in that debut, until disaster struck, when his rider confused the two open-rail gaps and took the wrong route out of the figure-eight course at Trentham. The horse was disqualified and jockey Michael Roustoby went for a three-meeting suspension, alongside two other riders that had followed suit.

His trainer Chris Wood was understandably disappointed with the outcome, but having seen Smug's ability in that effort, he decided to press onto the Hawke's Bay feature, where Smug started third favourite behind Jakama Krystal and champion jumper West Coast.

In similar fashion to his debut, Smug was out in front early, jumping beautifully with his ears pricked under Mathew Gillies. He got into a good rhythm lobbing along inside of Izymydaad, with West Coast settling in the trail. Gillies ramped up the tempo entering the third and final lap and it wasn't long

before his rivals began to tire, and suddenly Smug and West Coast were lengths clear of their rivals, setting up a grandstand finish for the big crowd. Smug had a life when brushing through the penultimate fence, but Gillies didn't flinch, pressing onto the final jump, and the pair flew it in unison. Neither would give an inch in the last 100m, but Smug kicked up in the shadows of the post to take a thrilling contest by a neck. Wood had contemplated starting in the maiden steeplechase earlier in the day but elected to go for the \$75,000 prize and was rapt to pull it off. The win was Smug's second in 47 starts, and Wood believes the seven-year-old has found his sweet spot over the bigger fences.

"He struggled in the hurdle races because he just didn't quite have the pace to keep up, but with the slightly slower tempo in the steeplechases, I think he's found his niche in life," he said.

Smug is raced by Ron and Maryanne Thompson. "Ron is about 82, and he's had a horse in work every month of his life since he was 20 years of age," Wood said. The result continued a successful riding return for Gillies this year, having taken out the Waikato Hurdle (3200m) last month aboard Dictation.

"Chris gave me a lot of support back in the day, when I gave up riding and worked for him over in Aussie," Gillies said. "It was good to be able to pay him back today."

SMUG



ONE BOLD CAT

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Directory

Hawkes Bay Racing Inc
For the year ended 31 July 2025

Address

300 Prospect Road
Raureka, Hastings 4122

Incorporation Number

227180

Date of Incorporation

24 April 1914

IRD Number

010-872-553

Auditors

Baker Tilly Staples Rodway Audit Limited
Crn Hastings & Eastbourne Streets
Hastings 4156

Bankers

ANZ Bank
101 Queen Street West
Hastings 4153

Approval of Financial Report

Hawkes Bay Racing Inc For the year ended 31 July 2025

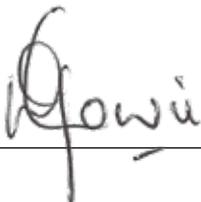
The Board are pleased to present the approved financial report including the historical financial statements of Hawkes Bay Racing Club Inc for the year ended 31 July 2025

APPROVED

For and on behalf of the Board:



RICHARD RIDDELL
Chairman



GARTH COWIE
Board Member

HAWKE'S BAY RACING INC

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Statement of Comprehensive Revenue and Expenses

Hawkes Bay Racing Inc
For the year ended 31 July 2025

	NOTES	2025	2024
Revenue			
Raceday Income	2.1	2,247,688	7,367,465
Event Income	2.2	148,237	99,599
Other Income	2.3	88,868	339,442
Rental Property Income	2.4	100,898	203,750
Track & Grounds Income	2.5	118,882	129,868
Total Revenue		2,704,572	8,140,125
Expenses			
Raceday Expenses	2.1	1,737,469	6,095,199
Event Expenses	2.2	38,955	24,527
Interest & Depreciation	2.3	687,237	842,682
Operating Expenses	2.3	1,426,026	3,538,943
Property Development Expenses	2.3	57,244	88,958
Rental Property Expenses	2.4	62,531	23,232
Track & Grounds Expenses	2.5	130,751	156,331
Total Expenses		4,140,214	10,769,873
Net Loss		(1,435,641)	(2,629,748)
Other comprehensive revenue and expenses		-	-
Total Comprehensive Revenue and Expenses		(1,435,641)	(2,629,748)

These financial statements should be read in conjunction with the accompanying notes

HAWKE'S BAY RACING INC ANNUAL FINANCIAL ACCOUNTS

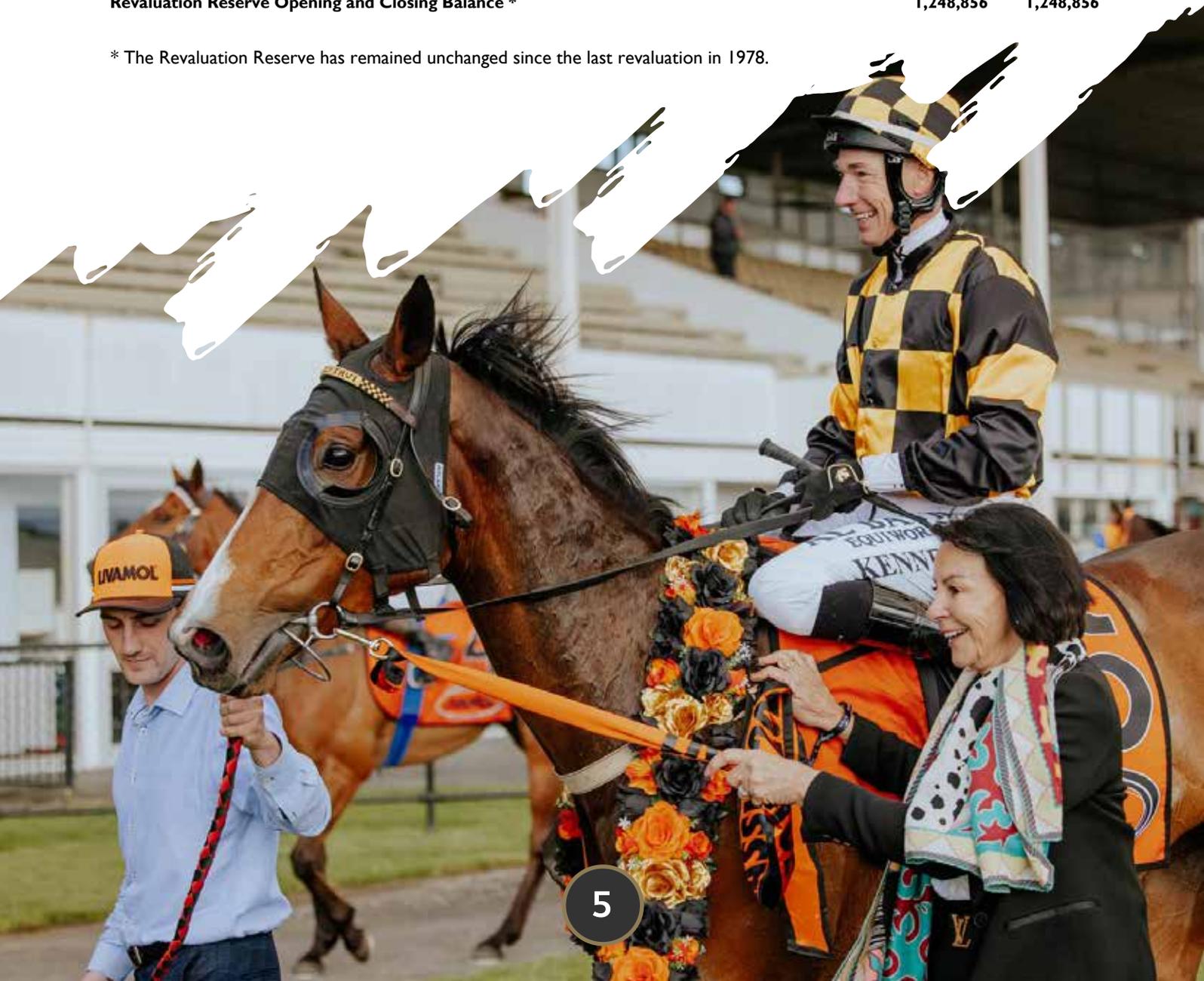
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Statement of Changes in Equity

Hawkes Bay Racing Inc
For the year ended 31 July 2025

	2025	2024
Equity		
Opening Balance	477,474	3,107,222
Current Year Earnings	(1,435,641)	(2,629,748)
Total Equity	(958,168)	477,474
Comprising:		
Accumulated Funds Opening Balance	(771,382)	1,858,366
Current Year Earnings	(1,435,641)	(2,629,748)
Accumulated Funds Closing Balance	(2,207,023)	(771,382)
Revaluation Reserve Opening and Closing Balance *	1,248,856	1,248,856

* The Revaluation Reserve has remained unchanged since the last revaluation in 1978.



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Statement of Financial Position

Hawkes Bay Racing Inc
As at 31 July 2025

	NOTES	2025	2024
Current Assets			
Bank	3	107,238	272,239
Cash On Hand		450	1,119
Accounts Receivables	4	64,436	130,194
Inventory	5	9,956	19,123
Prepayments		4,956	19,348
Total Current Assets		187,036	442,023
Current Liabilities			
Accounts Payable	6	217,349	344,465
ANZ Loans	10	1,898,528	6,919,971
Employee Entitlements	7	46,587	64,490
NZTR Loans	10	965,732	277,057
Total Current Liabilities		3,128,196	7,605,984
Net Current Assets		(2,941,160)	(7,163,961)
Non-Current Assets			
Investments	8	8,590	8,590
Property, Plant & Equipment	9	1,974,403	7,632,844
Total Non-Current Assets		1,982,993	7,641,434
Total Assets		(958,168)	477,474
Net Assets		(958,168)	477,474
Equity			
Accumulated Funds		(771,382)	1,858,366
Current Year Earnings		(1,435,641)	(2,629,748)
Revaluation Reserves		1,248,856	1,248,856
Total Equity		(958,168)	477,474

HAWKE'S BAY RACING INC

ANNUAL FINANCIAL ACCOUNTS

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Statement of Cash Flows

Hawkes Bay Racing Inc
For the year ended 31 July 2025

	NOTES	2025	2024
Operating Activities			
Receipts from customers		2,444,313	7,526,175
Payments to suppliers and employees		(3,722,451)	(8,312,911)
Cash receipts from other operating activities		308,648	655,874
Net Cash Flows from Operating Activities		(969,490)	(130,862)
Investing Activities			
Proceeds from sale of property, plant and equipment		5,186,750	0
Payment for property, plant and equipment		(50,162)	(30,541)
Net Cash Flows from Investing Activities		5,136,588	(30,541)
Financing Activities			
Repayment of loans		(5,021,433)	0
Increase in loans		688,675	217,190
Net Cash Flows from Financing Activities		(4,332,768)	217,161
Net Cash Flows			
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period		237,358	217,599
Net change in cash for period		(165,670)	55,759
Cash and cash equivalents at end of period		107,688	273,358

Notes to the Financial Statements

Hawkes Bay Racing Inc For the year ended 31 July 2025

1. BASIS OF PREPARATION

Reporting Entity

Hawke's Bay Racing Incorporated (henceforth, "the Club") is incorporated under the Incorporated Societies Act 1908. The primary objective of the Club is to promote, conduct and control thoroughbred racing and it is registered with the New Zealand Thoroughbred Racing Code ("NZTR") consistent with NZTR's constitution. The Club is a recognised industry organisation in accordance with the Racing Act 2003.

Statement of Compliance

The financial statements have been prepared in accordance with the Racing Act 2003, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP").

As the primary objective of the Club is not towards making financial returns but the promotion, conduct and control of thoroughbred racing, it has designated itself as a not-for-profit public benefit entity (PBE) for financial reporting purposes.

The Club has elected to report in accordance with the Tier 2 PBE accounting standards on the basis that it is not publicly accountable and not considered large for financial reporting purposes.

The financial statements of the Club comply with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) as appropriate for Tier 2 not-for-profit entities and disclosure concessions have been applied.

Measurement Basis

The financial statements have been prepared on a historical cost basis, and are presented in New Zealand dollars which is also the Club's functional currency.

Going Concern

Several factors currently affect the Club's status as a going concern. Following a loss in the 2024 year, for the 2025 financial year, the Club also reported a loss, primarily due to the aftermath of a property sale and losses sustained from purchasing two properties intended for possible relocation to Paki Paki. The Club has negative working capital of \$2.062m at balance date. The Club's earning capacity was further diminished by the suspension of racing, which resulted from safety concerns regarding the track beyond the finishing post and the adjacent bend.

Encouragingly, New Zealand Thoroughbred Racing (NZTR) and the Club extended an earlier agreement under which NZTR will fund the Club's reasonable operational expenses through to at least December 2026. The redevelopment plan, mentioned in last year's note, has now been set in motion. The re-cambering and re-turfing of the track are underway with the aim of resuming racing by the Spring Carnival 2026.

Although the Club's liabilities exceed its assets (when recorded at cost), independent valuations indicate that the value of the Racecourse, the three Southland Road properties, and the Wall Road property are all significantly higher than the values currently reflected in the accounts. These properties are now all included in the Development Agreement referred to in the Events Subsequent to Balance Date note below.

The Directors acknowledge that three years of losses and the suspension of racing create a material uncertainty that casts significant doubt on the Club's ability to continue as a going concern, however, the Directors are satisfied that the Club is a going concern and will be in operation for the foreseeable future. The Directors have reached this conclusion based on:

- The Return to Racing Plan has been actioned and the re-cambering and re-turfing is progressing well and is on schedule allowing racing for the Spring Carnival 2026.

HAWKE'S BAY RACING INC

ANNUAL FINANCIAL ACCOUNTS

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Notes to the Financial Statements

- The successful renegotiation of its funding facilities with both NZTR and our bankers subsequent to balance date whereby, the loans are no longer recorded as a current liability but are now a long-term liability.
- The receipt of three independent valuations of the Clubs land holdings in early 2025 showing the combined value well exceeding, the recorded land value at cost by more than \$28 million. Regrettably the timing of these valuations and the additional costs of updating them along with the Peer review costs and the inclusion of the properties in the Development Agreement meant the proposed inclusion in the Accounts of the revalued land did not eventuate.
- The Directors believe that the values of the properties covered by the Valuations do reflect fair value as at balance date, given an independent offer that has been received, by way of the Development Agreement.
- The signing by all parties of the Development Agreement between the Club, NZTR and a Project Contractor for the relocation of the Club to a new site featuring a sand-based Evergreen track with appropriate support facilities. Although conditional on a number of conditions and parameters, this clearly reaffirms (1) NZTR support of Hastings as part of their strategic plan as one of five or six Group One Metropolitan venues in NZ, and (2) the revaluation of the Club's land holdings.
- The Development Agreement is a turnkey solution on a new site, where essentially the Project Contractor carries most of the risk.

Income Taxes

The Club is exempt from New Zealand income tax pursuant to section CW 47(2) of the Income Tax Act 2007.

Changes in Accounting Policies

All policies have been applied on the same basis as the previous year, except for the change to Cost of Goods Sold - bar costs, as outlined in Note 2.1.

2. Revenue and Expenses

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Club and it can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account, contractually defined terms of payment and excluding taxes or duty.

Revenues are classified as to whether they arise from an exchange or non-exchange transaction. An exchange transaction is one in which the Club receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange and includes sale of goods, rendering of services and charges for the use of the Club's assets (e.g., interest and dividends). The Club recognises revenue from exchange transactions when the revenue recognition criteria mentioned above are satisfied. A non-exchange transaction is any other transaction not classified as exchange. The only non-exchange revenue is non-raceday grants/donations in note 2.3. All other revenue is exchange revenue.

Race meeting revenues comprise the amounts received or receivable for services provided and goods sold that directly relate to race meeting events conducted by the Club during the financial year. These primarily include industry distributions from the New Zealand Racing Board (NZRB) and NZTR and other receipts that directly relate to the Club's race meeting activities from members of the Club (aside from membership fees included in other operating income) and third parties in the form of grants and subsidies.

The Club incurred certain direct costs and expenses in conducting its race meeting days and recognises these as costs and expenses when incurred regardless of when the payment is made unless they qualify for recognition as an asset. Direct costs and expenses on race meeting days are presented below excluding depreciation expense.

Revenue from the sale of goods (i.e., agricultural produce and harvest) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Club.

The Club performed various services including course and venue rental, events and animal-care related services to members of the Club and other third parties.

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

Revenue from a non-exchange transaction is recognised as soon as the inflow of resources can be recognised as an asset in the financial statements but only to the extent that no present obligation is recognised with respect to the asset received/receivable. A present obligation exists when there is a condition attached to the asset received that requires the Club to use the resources as specified by the transferor or return the same if the condition is not satisfied.

An asset acquired through a non-exchange transaction (e.g., cash, discounts, goods, inventory, or property, plant and equipment) is initially measured at its fair value as at the date of acquisition consistent with the fair value basis applicable for each type of asset receive. Revenue from non-exchange transactions are measured on the basis of the value of the asset received less any present obligation attached as of the date of transfer.

The Club also receives services in kind from members and external parties and although these are greatly valued, such types of revenues are usually difficult to measure. As such, these revenues are not included in the Club's financial statements.

Costs and expenses relating to the overall costs of running the Club include staff time, office space, rental, information technology and asset costs. These are recognised as incurred and are presented in the table below. This includes a portion of salaries and wages and depreciation and amortisation expenses incurred in relation to the revenues generated by the Club.

	NOTES	2025	2024
2.1 Raceday Revenue and Expenses			
Revenue			
Bar Revenue		95,419.50	192,249.39
Bulk Funding		1,120,775.00	4,905,432.00
Carnival Funding		106,452.14	53,750.00
Compliance Funding		16,000.00	93,750.00
Event Tier		28,500.00	156,000.00
General Admission Ticket Sales		104.35	15,823.52
Meeting Funding		55,000.00	148,000.00
Nominations & Acceptance		141,563.03	311,660.33
NZTR Jumps Support		-	3,000.00
On-Course Commission		109,172.99	230,941.98
Private Function Revenue		342,571.02	744,743.72
Punter Competitions		20,843.51	(20,068.79)
Race Book Sales		645.22	2,720.86
Raceday Services		-	80,000.00
Sponsorship Income		172,363.19	236,457.47
Stand Ticket Sales		1,278.28	11,754.33
Venue Category Funding		37,000.00	201,250.00
Total Revenue		2,247,688.23	7,367,464.81
Expenses			
Bar Staff Wages		6,583.25	58,714.41
Cleaning		5,472.37	17,697.35
Compliance-Photo Finish		3,942.59	6,614.97
Cost of Goods Sold*		23,779.00	147,260.78
Farrier		2,420.00	13,746.00
Financial Transaction Expense		901.37	12,087.58
Hireage Expense		3,041.59	28,883.46

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

	NOTES	2025	2024
Marketing & Communications (Advertising)		92,795.19	47,445.42
MC/Compere/Presenter		-	3,371.74
Other Raceday Expenses		74,468.36	69,461.92
Private Function Expenses		286,796.40	382,684.03
Public Address System		4,404.34	18,747.82
Public Entertainment		6,402.42	2,405.33
Race Book Expenses		344.40	7,065.17
Raceday Staff		16,532.83	39,436.69
Raceday Wages - Admin		4,489.85	41,774.16
Raceday Wages - Track		2,507.49	24,946.63
Security		39,713.57	75,639.86
Stakes		-	4,968,295.00
Stake Expense		1,120,775.00	-
Starting Stalls		6,810.45	38,541.38
Tote Staff & Expenses		19,911.71	59,624.92
Trophies and Prizes		9,335.07	13,650.37
Wastage - Bar		1,253.74	1,968.78
Waste Management		344.00	5,551.24
Winner/Owners		4,444.39	9,584.33
Total Expenses		1,737,469.38	6,095,199.34
Total 2.1 Raceday Revenue and Expenses		510,218.85	1,272,265.47

*Change in presentation – bar costs

In the current year, the Club changed the presentation of costs for complimentary drinks provided to sponsors, board members and all-inclusive ticket holders. These costs are now classified within operating expenses rather than Cost of goods sold – bar. This change affects only the allocation between expense categories and has no impact on the reported surplus/(deficit) or net assets/equity.

The comparative cost of goods sold - bar figure has not been reclassified because it is impracticable to reliably determine the portion of prior year Cost of goods sold – bar relating to complimentary drinks. Accordingly, the bar gross profit percentage for the current year is not directly comparable with the prior year.

	NOTES	2025	2024
2.2 Event Revenue and Expenses			
Revenue			
Awards Revenue		4,698.26	6,284.32
Bar Revenue		43,415.25	18,416.50
Catering Revenue		960.43	847.83
Equipment Hire Income		4,026.95	-
Venue Hireage Income		95,135.88	74,050.84
Total Revenue		148,236.77	99,599.49
Expenses			
Awards Expenses		5,139.55	5,482.77
Catering Expense		806.57	322.55
Cleaning Expense		(92.57)	373.53
Cost of Goods Sold		16,835.87	7,252.81
General Expense		-	65.56

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

Hireage Expense	3,389.23	1,243.04
Marketing Expense	273.19	7,335.18
Wages	12,603.03	2,451.52
Total Expenses	38,954.87	24,526.96
Total 2.2 Event Revenue and Expenses	109,281.90	75,072.53
	NOTES	2025
		2024

2.3 Other Income and Interest, Depreciation, Operating and Property Development Expenses

Revenue

Dividends Received	780.00	720.00
Interest Received	1,531.35	9,084.40

Other Income

Administration Costs Recovered	5.00	125.00
Club Administration Fees	6,000.00	6,000.00
Club Compliance	-	29,000.00
Hay/Silage Sales	2,975.00	-
Lamb Sales	-	34,188.66
Membership Income	25,951.44	33,812.91
Non-Raceday Grants/Donations - non-exchange revenue	26,292.50	179,614.63
Non-Raceday Sponsorship	4,181.93	6,959.17
Other Income	21,150.42	25,937.26
Racecourse Infield Income	-	14,000.00
Total Other Income	86,556.29	329,637.63

Total Revenue	88,867.64	339,442.03
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Expenses

Depreciation	239,457.56	249,549.71
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Interest Paid

Interest-O/D	26.49	11.88
Interest Paid - NZTR (OCR+1.5%)	25,161.08	10,250.56
Interest Paid - Paki Paki Road	165,210.74	252,690.41
Interest Paid - Railway Road	257,381.56	330,179.69
Total Interest Paid	447,779.87	593,132.54

Operating Expenses

ACC Levies	4,499.16	4,200.00
Accountancy	1,552.30	8,763.88
AGM Expenses	549.31	545.05
Asset Security	9,565.43	13,512.88
Financial statement audit fees paid to baker Tilly Staples Rodways	30,250.00	23,836.00
Bad Debts	-	5,282.61
Bank Charges	2,476.43	985.07
Committee Expenses	2,205.40	1,770.99
Computer Expenses	3,606.28	6,965.60
Consumables	1,232.40	4,992.31

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

Equipment Lease	2,516.93	3,726.36	
Fleet Costs	24,731.49	12,174.98	
General Expenses	23,547.04	12,340.55	
Group Medical Insurance	3,831.92	3,237.52	
Health & Safety	4,359.94	2,421.69	
Insurance	92,362.48	102,768.48	
Lambs Expenses	-	23,221.95	
Light & Power	62,890.00	49,450.75	
Loss/Gain on Sale/Disposal of Assets	378,493.82	2,269,835.00	
Membership Expenses	1,238.22	2,344.00	
Other Staff Costs	19,132.02	33,301.52	
Printing, Stationery & Postage	3,774.17	6,348.58	
Rates	110,383.17	140,509.50	
Realised Currency Gains	314.61	174.83	
R&M - Main Buildings	22,866.35	36,166.72	
Rubbish	7,120.04	6,161.49	
Subscriptions & Licences	11,814.38	10,000.93	
Telephone & Tolls	7,263.92	8,262.90	
Travel & Accommodation	5,279.92	6,940.69	
Wages Admin	298,434.49	427,497.39	
Wages Course	289,734.26	311,203.21	
Total Operating Expenses	1,426,025.88	3,538,943.43	
Property Development	57,244.37	88,958.25	
Total Expenses	2,170,507.68	4,470,583.93	
Total 2.3 Other Income and Interest, Depreciation, Operating and Property Development Expenses	(2,081,640.04)	(4,131,141.90)	
	NOTES	2025	2024

2.4 Rental Property Revenue and Expenses

Revenue		
Paki Paki Road	3,900.00	48,600.00
Railway Road	72,739.46	110,500.00
Railway Road Farm	6,058.34	26,450.04
Southland Road	18,200.00	18,200.00
Total Revenue	100,897.80	203,750.04
Expenses		
Insurance	17,399.24	4,379.19
Rates	21,248.58	-
Rental Property Expenses	23,882.89	18,852.63
Total Expenses	62,530.71	23,231.82
Total 2.4 Rental Property Revenue and Expenses	38,367.09	180,518.22

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

	NOTES	2025	2024
2.5 Track & Grounds Revenue and Expenses			
Revenue			
Jumpout Income		16,065.00	27,823.06
NZTR Track Support Fee		20,000.00	22,500.00
Stables Income		12,080.00	9,710.00
Track Fees		70,736.95	69,835.27
Total Revenue		118,881.95	129,868.33
Expenses			
Jumpout Expenses		10,275.64	21,120.48
Grounds		14,837.30	31,222.53
Plant Maintenance		13,459.29	5,202.06
R&M - Stables		7,725.73	2,120.60
R&M - Tie Ups		927.40	3,800.53
R&M - Track		56,417.31	70,852.48
Track Vehicle Costs		16,452.40	14,766.10
Vehicle Lease		10,656.00	7,245.83
Total Expenses		130,751.07	156,330.61
Total 2.5 Track & Grounds Revenue and Expenses		(11,869.12)	(26,462.28)
	NOTES	2025	2024

3. Bank

Call Account		0.01	5,861.85
Current Account		104,051.80	68,179.51
Ticketing Account		3,186.20	198,197.84
Total Bank		107,238.01	272,239.20
	NOTES	2025	2024

4. Accounts Receivables

GST Receivable		27,660.33	27,822.72
Sundry Debtors		-	782.00
Trade Debtors		36,775.79	101,589.31
Total Accounts Receivables		64,436.12	130,194.03

Receivables are initially recognised at the fair value of the amount to be received and subsequently measured at amortised cost less any provision for impairment loss due to uncollectability. Impairment is assessed if there is objective evidence that the customer cannot settle the amount due to the Club.

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

	NOTES	2025	2024
5. Inventory			
Beverage Stock on Hand		9,955.76	19,123.15
Total Inventory		9,955.76	19,123.15

Inventory is measured at cost upon initial recognition. For inventory acquired through non-exchange transactions (i.e., for no cost or for a nominal cost to the Club), the cost of the inventory is its fair value at the date of acquisition.

After initial recognition, inventories held for resale are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

	NOTES	2025	2024
6. Accounts Payable			
Accounts Payable		178,782.20	164,244.71
Accrued Interest		9,916.56	49,368.78
Credit Cards		(284.99)	743.82
Revenue in advance		-	107,757.31
Sundry Creditors		28,935.00	22,350.00
Total Accounts Payable		217,348.77	344,464.62

	NOTES	2025	2024
7. Employee Entitlements			
Accrued Wages		15,255.81	23,158.74
Holiday Pay Owing		31,331.01	41,331.75
Total Employee Entitlements		46,586.82	64,490.49

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee rendered the related services and are generally expected to be settled within 12 months of the reporting date.

The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled.

8. Investments

The Club holds ownership interest in the form of shareholding in the Central Districts Starting Gates Consortium over which the Club exercises significant influence demonstrated by its ability to participate in but not exercise control or joint control over the financial and operating policy decisions of the investees.

Under the equity method, the investment is initially recognised at cost and is subsequently adjusted for the Club's share of the associate's post-acquisition surplus or deficit and movements in net assets, and reduced by distributions received.

9. Property, Plant & Equipment

Property, plant and equipment is measured initially at cost which includes expenditure that is directly attributable to the acquisition of the asset. The cost of an item of property, plant and equipment is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the Club and if the cost or fair value can be measured

HAWKE'S BAY RACING INC

ANNUAL FINANCIAL ACCOUNTS

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Notes to the Financial Statements

reliably. Subsequent costs that meet the recognition criteria are recognised in the carrying value of the item of property, plant and equipment.

Subsequent to initial recognition, property, plant and equipment are measured using the cost model with the exception of land, course developments and improvements which are recorded at 1978 Government Valuation plus subsequent additions at cost less building accumulated depreciation. Under the cost model, the item is carried at cost net of accumulated depreciation and any impairment losses.

An item of property, plant and equipment is derecognised upon disposal or when the Club assesses that it has no further economic benefits or service potential expected from its use. Gain and losses on disposal are determined by comparing the proceeds from the carrying amount and are included in surplus or deficit except to the extent of any revaluation reserve previously recognised for the particular asset which is transferred to accumulated comprehensive revenue and expense.

Depreciation

Depreciation is charged on a straight line or diminishing value basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining life. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

Valuation

Prior to 1979, land, course developments, and buildings were revalued to the 1978 Government Valuation. Any subsequent additions have been recorded at cost.

As of 1 July 2023, the most recent Hastings District Council Rating Valuation for land and buildings is \$34,560,000.

The sites on Paki Paki Road and Railway Road South, which were included in last year's accounts, have both been sold by the balance date. The financial outcomes of these sales are reflected in this year's results.

Earthquake Risk

The buildings are not at current building code standards and the club have until 2037 to remedy the situation. The Directors have reassessed the useful lives of the buildings and at the reassessed depreciation rate the buildings are expected to be fully depreciated in approximately 2 years. The club has replacement insurance for the non-land assets and also liability insurance.

	NOTES	2025	2024
Fixed Assets			
Buildings			
Opening Balance		512,189.39	683,154.43
Depreciation		(170,099.36)	(170,965.04)
Total Buildings		342,090.03	512,189.39
Useful Life - refer to 'earthquake risk' comment above		-	-
Land			
Opening Balance		6,647,578.26	8,155,417.26
Additions/Disposals		(5,434,100.00)	(1,507,839.00)
Total Land		1,213,478.26	6,647,578.26
Useful Life - not depreciated		-	-
Land Improvements			
Opening Balance		-	761,996.00
Additions/Disposals		-	(761,996.00)
Total Land Improvements		-	-

HAWKE'S BAY RACING INC

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Notes to the Financial Statements

	NOTES	2025	2024
Useful Life - not depreciated		-	-
Plant & Machinery			
Opening Balance		457,185.08	467,153.34
Additions/Disposals		1,295.83	58,906.82
Depreciation		(47,908.39)	(68,875.08)
Total Plant & Machinery		410,572.52	457,185.08
Useful Life - 5-15 years		-	-
Office Equipment			
Opening Balance		15,891.65	25,601.24
Depreciation		(7,629.73)	(9,709.59)
Total Office Equipment		8,261.92	15,891.65
Useful Life - 5-10 years		-	-
Total Fixed Assets		1,974,402.73	7,632,844.38
	NOTES	2025	2024

10. Borrowings

ANZ Loans - Current Liabilities

Paki Paki Road	-	3,000,000.00
Railway Road	1,898,528.43	3,919,971.00
Total ANZ Loans - Current Liabilities	1,898,528.43	6,919,971.00

NZTR Loans - Current Liabilities

Cashflow	499,211.32	-
Paki Paki Road	466,520.77	277,057.46
Total NZTR Loans - Current Liabilities	965,732.09	277,057.46

Total Borrowings	2,864,260.52	7,197,028.46
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All of the Club's borrowings are classified as financial liabilities carried at amortised cost.

Bank Borrowings

These borrowings are secured over the land and buildings at the main racecourse on Prospect Road, Wall Road, and by a general security agreement over all present and acquired property of the Club.

Loans and Advances

The movements and carrying value of such loans are summarised in the following table.

Party	Start Date	Maturity Date	Interest Rate	Opening Balance	Repaid	Addition	Closing Balance
ANZ	24/04/2022	31/01/2026	6.15%	\$3,919,971	\$2,021,443	\$0	\$1,898,528
ANZ	01/04/2023	31/01/2026		\$3,000,000	\$3,000,000	\$0	\$0
NZTR	16/05/2023	03/05/2026	4.75% (OCR+1.5%)	\$277,058	\$0	\$189,463	\$466,521
NZTR	05/02/2025	03/05/2026	4.75% (OCR+1.5%)	\$0	\$0	\$499,211	\$499,211
TOTAL				\$7,197,029	\$5,021,443	\$688,674	\$2,864,260

HAWKE'S BAY RACING INC

ANNUAL FINANCIAL ACCOUNTS

11. Commitments and Contingencies

11.1 Non-Cancellable Operating Lease Commitments - Club as Lessee

The Club leases the Ford Ranger from Fleet Services for a monthly payment of \$888 exclusive of GST.

11.2 Contingencies

There are no contingent liabilities at balance date (2024: Nil).

12. Financial Instruments

12.1 Categories of Financial Instruments

The following table summarises the categories of the Club's financial instruments.

	NOTES	2025	2024
Financial Assets			
Bank		107,238.01	272,239.20
Cash On Hand		450.00	1,119.00
Accounts Receivable		64,436.12	130,194.03
Investments		8,590.00	8,590.00
Total Financial Assets		180,714.13	412,142.23

The Club recognises financial assets when it becomes party to a contract. These assets may be classified into one of the two categories of financial assets depending of the Club's intention to hold them and the nature of the investments.

All financial assets are recognised at amortised cost.

	NOTES	2025	2024
Financial Liabilities at Amortised Cost			
Accounts Payable		217,348.77	344,464.62
ANZ Loans		1,898,528.43	6,919,971.00
NZTR Loans		965,732.09	277,057.46
Total Financial Liabilities at Amortised Cost		3,081,609.29	7,541,493.08

The Club's financial liabilities include payables and borrowings. The Club recognises financial liabilities when it becomes party to a contract. All financial liabilities are recognised at amortised cost.

HAWKE'S BAY RACING INC

ANNUAL FINANCIAL ACCOUNTS

13. Related Parties

13.1 Transactions and Balances with Related Parties

The following Directors have transacted with the Club during the year, G Lowry incurred Track & training fees of \$40,781 (2024: \$41,785).

13.2 Transactions and balances with key management personnel

Key management personnel (KMP) of the Club include the members of the Committee and various sub-committees of the Club, the Chief Executive and Executive Management Team who exercise control or significant influence over the financial and operating decision-making of the Club. For purposes of financial reporting disclosures, the Club also considers transactions with close members of the KMP's family as related party transactions.

Transactions

KMP are also members of the Club and pay membership fees and other fines and charges on the same rate and terms as charged to other members who are not KMP. In addition, members of the Club may have interest in racing through ownership, breeding, training, driving or similar capacity. KMP and close members of their family may also join races and be eligible for stake money from the Club under normal trade terms and conditions applicable to other persons not otherwise considered KMP.

With the exception of the regular fees and charges, compensation (discussed below) and race-related transactions under normal terms, there have been no other transactions between the Club and its KMP and close members of their family during the year (2024: nil).

Remuneration

The amounts disclosed in the following table are recognised as an expense during the reporting period related to KMP. They did not receive any remuneration or compensation other than in their capacity as KMP (2024: nil). The Club has 8 KMP, determined on full-time equivalent basis, which received compensation from the Club during the year (2024: 7 KMP).

	NOTES	2025	2024
Payment to KMP			
Salaries and Other Short Term Benefits		588,168.75	738,700.60
Total Payment to KMP		588,168.75	738,700.60

The Club did not provide any compensation at non-arm's length terms to KMPs and close family members of KMPs during the year (2024: nil).

Darin Balcombe has been seconded to HBRI from NZTR since January 2025 at no charge to HBRI.

14. Critical Accounting Estimates, Judgements and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates 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 any future periods affected.

Estimate - Useful Lives of Property, Plant and Equipment

The Club reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Club believes that the estimated useful lives of the property, plant and equipment, as disclosed in note 9, are appropriate to the nature of the property, plant and equipment at reporting date.

HAWKE'S BAY RACING INC

ANNUAL FINANCIAL ACCOUNTS

Notes to the Financial Statements

Estimate – Impairment of Assets

The Club reviews the estimated recoverable amount of assets at the end of each reporting date. Where the recoverable amount is less than the carrying amount, the Club reduces the carrying value of the assets. The Club believes that the resulting carrying amounts of its assets are appropriate.

Judgement – Classification of Borrowings

The Club exercises judgement in determining whether borrowings are disclosed as current or non-current. Borrowings are disclosed as current unless, in the Club's judgement, there is, at the reporting date, a right to defer settlement for more than 12 months. Borrowings are disclosed at note 10.

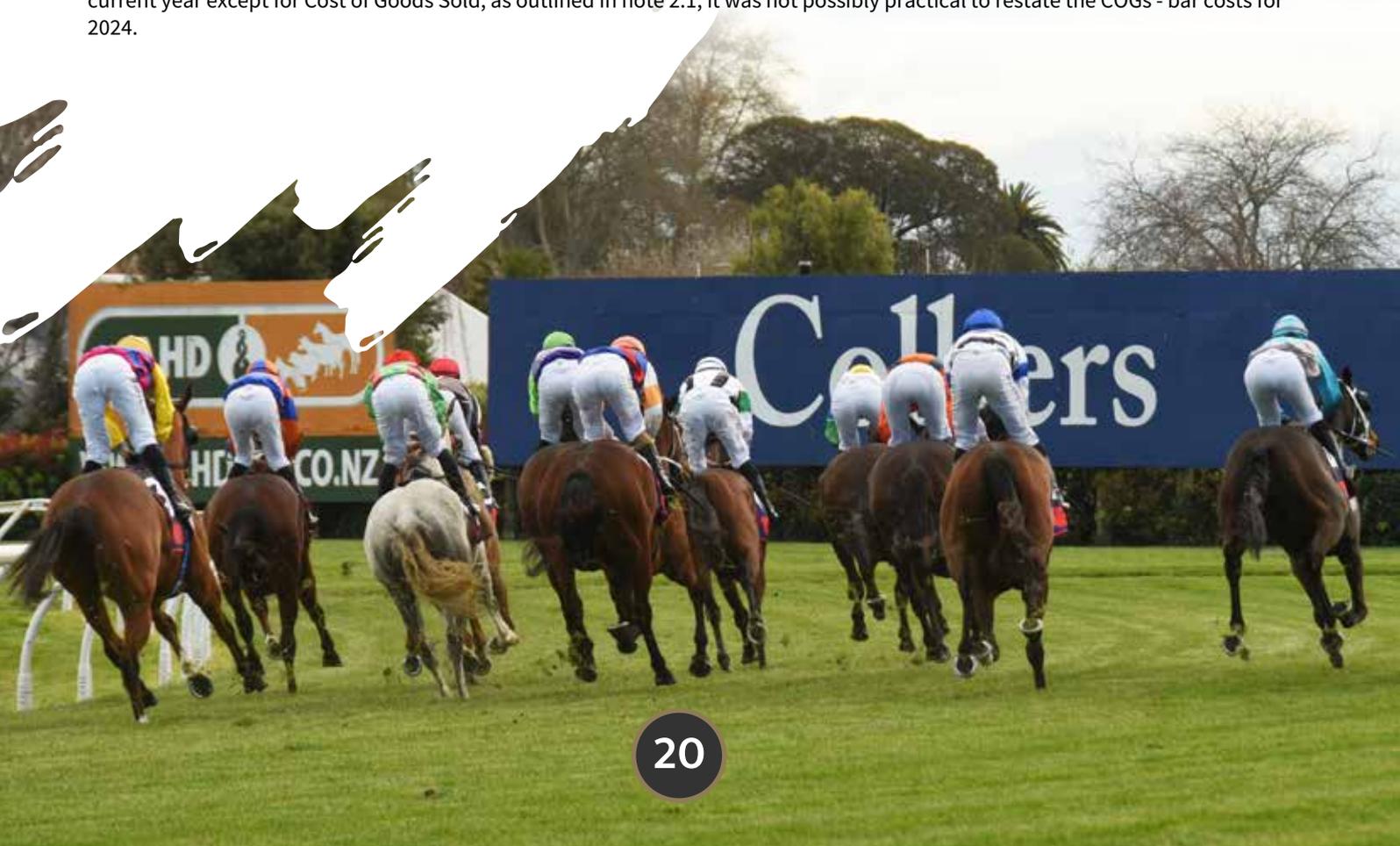
15. Subsequent to Balance Date

After balance date, the Hawkes Bay Racing Club entered into a Development Agreement with New Zealand Thoroughbred Racing and a Project Contractor. This agreement involves relocating the Club to a new site featuring a sand-based Evergreen track and appropriate support facilities, with the intention of commencing races by the Spring Carnival 2029. The details of this confidential agreement will only be actioned if certain conditions and parameters are satisfied, including approval from HBRI members at a Special General Meeting.

Additionally, with the support of NZTR, the Club has launched its Return to Racing Plan with a track re-cambering and re-turfing project to enable the resumption of racing activities for the 2026 Spring Carnival. As of the time of writing, this project—focused on the area around the top bend past the finish line—is progressing well and remains on schedule according to the established timetable.

16. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year except for Cost of Goods Sold, as outlined in note 2.1, it was not possibly practical to restate the COGs - bar costs for 2024.



HAWKE'S BAY RACING INC ANNUAL FINANCIAL ACCOUNTS



Statement of Service Performance

Hawkes Bay Racing Inc
For the year ended 31 July 2025

Notes to the Financial Statements

Vision		Mission	
Hawkes Bay Racing is a valued and respected leader in Thoroughbred Racing, Entertainment and Hospitality in Australasia.		Hawke's Bay Racing exists to provide and promote excellence in racing and innovative entertainment for the wider community.	
Multipurpose venue with sustainable and diversified revenue streams			
Metric: Venue Hirers 2023/24 - 17 2024/25 - 21	Metric: Membership 2023/24 - 362 2024/25 - 270	Metric: Non-racing Sponsors 2023/24 - 3 2024/25 - 3	
Hastings Racecourse to deliver racing services as a significant racing venue			
Metric: Number of Racedays 2023/24 - 12 2024/25 - 2	Metric: Number of Races 2023/24 - 91 2024/25 - 20	Metric: Horses Raced 2023/24 - 854 2024/25 - 189	
Hawke's Bay Racing has exercised judgement in selecting performance measures that provide information about their efforts to achieve their mission.			



INDEPENDENT AUDITOR'S REPORT

To the Members of Hawke's Bay Racing Incorporated

Report on the Audit of the General Purpose Financial Report

Opinion

We have audited the general purpose financial report of Hawke's Bay Racing Incorporated ('the Club') which comprises the financial statements on pages 5 to 21, the statement of service performance on page 22. The complete set of the financial statements comprise the statement of financial position as at 31 July 2025, the statement of comprehensive revenue and expense, the statement of changes in net assets and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Club as at 31 July 2025, and the financial performance, and cash flows for the year then ended; and
- the service performance for the year ended 31 July 2025 in that the service performance information is appropriate and meaningful and prepared in accordance with the Club's measurement bases or evaluation methods

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR') issued by the New Zealand Accounting Standards Board.

Our report is made solely to the Members of the Club. Our audit work has been undertaken so that we might state to the Members of the Club those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members of the Club as a body, for our audit work, for our report or for the opinions we have formed.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)') and the audit of the service performance information and entity information in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 ('NZ AS 1') (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the General Purpose Financial Report* section of our report. We are independent of the Club in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor, our firm carries out other assignments for Hawke's Bay Racing Incorporated in the area of Agreed Upon Procedures relating to the vote count for the Special General Meeting during the year ended 31 July 2026. The provision of these other services has not impaired our independence.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Club incurred a net loss in 2024 and 2025, and has negative working capital of \$2.941m. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of the Board Of Directors for the General Purpose Financial Report

The Board of Directors are responsible on behalf of the Club for:

- the preparation and fair presentation of the financial statements and the statement of service performance in accordance with PBE Standards RDR
- the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with PBE Standards RDR;
- the preparation and fair presentation of service performance information in accordance with the Club's measurement bases or evaluation methods, in accordance with PBE Standards RDR;
- the overall presentation, structure and content of the service performance information in accordance with PBE Standards RDR; and
- such internal control as the Board of Directors determine is necessary to enable the preparation of the general purpose financial report that is free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, the Board Of Directors are responsible on behalf of the Club for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Of Directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the statement of service performance are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14-1/>

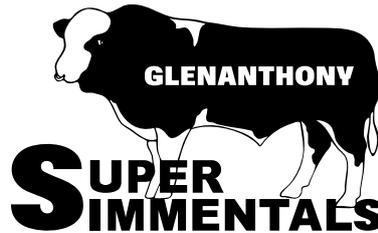
BAKER TILLY STAPLES RODWAY AUDIT LIMITED

Hastings, New Zealand

January 2026

SPONSORS

AHD Animal Health Direct	McClurgs Jewellers
Betta Inspect It	Napier City Council
Colliers Commercial Hawke's Bay	New Zealand Bloodstock
D'Esposito Family	New Zealand Community Trust
Elephant Hill Winery	New Zealand Racing Board
El Roca Westbury Stud	Placemakers Hawke's Bay
Glen Anthony Simmentals HB	Poverty Bay Turf Club
Hawke's Bay/Poverty Bay Thoroughbred Breeders Association	Pub Charity
Hastings District Council	TAB New Zealand
Jennian Homes	The Peninsular Beachfront Resort Mooloolaba - Australia
J Swap Stockfoods	Three Wise Birds
KASA Bloodstock	Te Whangai Romneys
Livamol - International Animal Health Products	Thompsons Suits
Linden Estate Winery	Valley d' Vine Restaurant
MacTaggart Family	Vet Services Equine Hawke's Bay
Mary Aitken	Westbury Stud





THE WORLD
OF THE

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MEMBERSHIP

iLife Membership

David Buddo	Jim Harvey	Sam Nelson	Lucy Scoular	Mick Small
Graham de Grunchy	Sam Holden	Michael Ormsby	Colin Shanley	Barry Smyth
R Ellingham	Wayne Mudgway	Peter Roebuck	Beryl Skidmore	Tim Symes

iHonorary Membership

Ann Bary	Peter Coleman	Dianne Jones	Paul Nelson	Jell Sheild
D Bishop	W Dent	Sharne Little	David Nichol	Christopher Sherratt
Ken Browne 	John Frizzell	Pat Lowry	Stan Northover	David Stevenson
Douglas Callaghan	Peter Grieve	Peter McDonald	Keith Orange	Michael Thomson
Hylton Chard	P Guerin	John McMillin	Mick Ormond	Neville Twist
Wayne Chittick	David Holden	Richard Miller	Mikey Razos	Jill Verschaffelt
Allan Chittick	John Holland	Robert Mulcaster	Ivan Richardson	Paul Ward
Brian Chittick	Bruce Jans	Marcia Murtagh	AR Robson	Tuppence Willis
Elma Christensen				

Membership

Chris Agland	Joseph Bradley	Fred Coates	R Ellingham	Bernard Hickey
Mary Aitkin	Patricia Brady	Julie Collins	Peter Exeter	Graeme Hill
Anthony Aldridge	Philippa Breakwell	Trevor Conen	Anthony Ferguson	David Holden 
Murray Andersen	Doug Breban	Kathy Conen	Ronald Fly	S Holden
Mark Apatu	Gloria Breban	Eliot Cooper 	Fiona France	Ruth Holmes
Paul Apatu	Murray Brenton-Rules	Nick Costello	John Frizzell	Grahame Hook
Donald Armstrong	Mary Brigham	Sharyn Craig	Maree Gallagher	Alison Horrocks
Limin Armstrong	David Buddo	Mike Craig	Diane Galloway	Roger Jefferd
Roger Arrowfield	George Bulled	Sam Cushing	Andrea Gibbs	Ted Jones
Richard Atkins-North	Karen Bulled	Sandra Cushing	Tim Gillespie	Leanne Jones
David Baird	Richard Burt-Andrew	Mark Davenport	Jay Goldsack	Kathy Jones
Daryl Baker	John Byrne	Michael Davenport	Kadin Good	Kevin Jones
Ann Bary	Doug Callaghan	Jane Davenport	Jeanette Good	Paul Jury
Shirley Bath	Alistair Cameron	Bruce Davie	Max Goodall	Harry Kain
Andrea Baxter	John Campbell	Malcolm Davie	Richard Grace	Jack Kendrick
Weslie Bayliss	Pauline Campbell	Graham de Grunchy	David Gray	Paul Kerins
Paul Beamish	Donna Carter	Murray Deans	Bryant Gray	Gerard Kerins
Graeme Bell	Barbara Caryl	Richard Dee	Michael Greaney	Richard Kettle
Robert Bennett	Gavin Chaplow	Stephen Dine	Phillip Greer	Rosemary Koorey
Kevin Bentley	Carol Chapman	Malcolm Dixon	Ivan Grieve	Richard Koorey
Ray Bernie	Hylton Chard	Robin Dodd	Brian Hancock	Rosemary Laffey
Martin Biggs	Christine Chilton	Nick Dorward	Glenys Hannan	Patrick Laffey
Kevin Bird	Wayne Chittick	William Downey	Jim Harvey	Clive Lambert
Martin Birrell	Brian Chittick	Irene Downey	Stephen Healy	Kirsty Lawrence
Mason Birrell	Richard Clark	Jeff Drinkwater	Barry Hebblerley	Cheryl Leonard
Chris Bishop	Aayden Clarke 	Graham Duff	David Henderson	Bruce Lewis
Ross Black	Andrew Clinton	Bridget Eivers	Iain Henderson	John Lightfoot
Grant Boyes	Jayne Clinton	Richard Elgie	Tony Heywood	Noel Lister



BOARD MEMBER

Membership

Sharne Little	Paul Nelson	Chris Russell	Cheryl Trew
Maurice Lloyd	Sam Nelson	Mark Schirnack	James Truman
Guy Lowry 	Richard Nicol	Peter Schirnack	Judy Turner
Joannie Lowry	Stan Northover	Andrew Schmidt	Neville Twist
Mark Lucas	Kevin O'Connor	Lucy Scoular	Patsy Vermunt
Ken Lynch	Bryan O'Dwyer	Colin Shanley	Jill Verschaffelt
Mary MacLeod	Harold O'Grady	Kevin Sheeran	Chris Walker
Maureen MacMillan	Shaun O'Neill	Garry Sherratt	Joshua Wall
Tim MacPhee	Keith Orange	Christopher Sherratt	Anthony Wall
Tony Mahony	Paul Ormerod	Jell Shield	Tony Wall
Erin Mahony	Marcus Ormond	Murray Shivas	Robyn Waller
Lorraine Margaret	Mick Ormond	Barry Skidmore	Sarah Walsh
Tony Martin	Michael Ormsby	Mick Small	Dick Walter
Peter Matthews	Prue O'Shaghnessy	Barbara Smith	Paul Ward
Gerald McCarthy	Dennis Owen	Arnold Smith	Graeme Wedd
Peter McDonald	Terence (Terry) Parkin	Barry Smyth	Dave West
Richard McKenzie	Bronny Paterson	Sue Speedy	Wayne Weston
John McKenzie	Lorraine Petowski	Ron Spotswood	Glenda White
John McLaughlin	Sophie Phillips	Kieran Spring	Neil Whitmore
Ian McLean	Allan Pickering	Paul Stevenson	John Wiley
John McMillin	Donald Popplewell	Mike Stovell	Tony Wiley
Ian Milligan	Lauralei Powell	Stanley Stubbs	Casey Williams 
Mark Mitchell	Stephen Prenter	Paul Sullivan	Peter Williams
Jennifer Morison	Klarry Razos	Wilfred Symes	R Williams
David Morison	Mikey Razos	Guy Symes	Kevin Williams
Christopher Moughan	Jeanette Reeder	Tim Symes	Graeme Williamson
Wayne Mudgway	William (Bill) Reilly	Grant Syminton	Tuppence Willis
Robert Mulcaster	Iain Renton	Alison Syminton	Pam Winfield
Glenys Murphy	Pip Renton	Brian Tasker	Steve Winfield
Patrick Murphy	Sue Reynolds	Susan Thomas	Stephen Wolland
Marcia Murtagh	Richard Riddell 	Dominic Thompson	Richard & Liz Wood
Susan Nation	Graham Roddick	Phillipa Thompson	Sam Wood
David Nelson	Jason Roebuck	Ben Tohill 	Kathleen Wright
Mark Nelson	Peter Roebuck	Sally Tohill	Ian Yarlett
	David Roy	Stewart Train	John Yorke

HAWKE'S BAY
Racing

Prospect Road, Hastings, New Zealand
www.hawkesbayracing.co.nz