



NZTR FUNDING POLICY

For NZ thoroughbred meetings

2012/2013 Season

(SUBJECT TO APPROVAL OF THE NZRB BOARD)
UPDATED 2 AUGUST 2012

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1.0 EXECUTIVE SUMMARY OF NZTR FUNDING POLICY FOR THE 2012/2013 SEASON

Below is the NZ Thoroughbred Racing Industry Funding Policy for the 2012/2013 Season, covering the period 1 August 2012 to 31 July 2013.

The following key points should be noted:

- a) The payment of minimum stakes, Group and Listed race funding, iconic race funding and special interest race funding are considered direct funding elements, and will be altered accordingly if the full amount of this funding is not paid out in stake money.
- b) The remaining funding elements are calculation methods, and, subject to any conditions specifically listed below, will be paid out as indicated.

Executive Summary

- a) NZTR will directly pay all minimum stakes levels relative to meeting categories and race class as set out in the below documentation, including all minimums for Group and Listed races and stakes for the fillies and mares series races.
- b) Iconic race funding over the Group race minimums will be paid to races of national significance, as per the table in the below documentation.
- c) A total amount of \$100,000 in special interest funding will be available for clubs to apply for and receive for approved races as outlined in the documentation below.
- d) NZTR's payment of minimum stakes will directly match the minimum stake paid to participants for each race. Should not all of the minimum funding amount (including minimum stakes, Group and Listed, iconic and special interest funding) be paid to participants as stake money, then NZTR will only fund clubs up to the level of the actual funding amount paid out. This may occur in instances, for example, where the field size ends up lower than number of place getters intended to receive stake money as per the conditions of a race.
- e) The meeting fee payment to clubs has been standardised for all race meetings at \$30,000.
- f) All NZ thoroughbred clubs will be paid a total of 17% of actual on-course turnover, totalisator and racing fixed odds combined.
- g) The five major carnivals (as listed in the documentation below) will each receive funding of \$100,000 for event management, marketing and promotional support.
- h) A per meeting funding amount of \$3,500 and \$1,500 will be paid to clubs holding meetings at Strategic and Significant venues respectively.
- i) Meetings with jumps races will receive a \$2,500 jumping support fee. Jumps race stakes will be funded as per the table in the below documentation.
- j) A race meeting broadcast charge of \$11,000 per meeting will be invoiced to clubs by the NZRB for costs incurred for Trackside and radio coverage of each meeting.
- k) A NZTR race meeting service charge of \$2,500 per meeting will be invoiced to clubs for National Racing Bureau, handicapping, IT and other costs relating directly to the administration and control of each race meeting.
- l) A training centre subsidy will be paid according to the number of starts produced by the largest training venues, as per the table in the below documentation. This payment is recognition of the contribution to the industry that these venues make through the provision of tracks and facilities for horses in training.
- m) Nomination and acceptance fees will be charged by NZTR and incorporated into the Funding Policy income. Nomination fees will be charged at \$50 (plus GST) for all races excluding Group and Listed

and Prestige Jumping Races. Acceptance fees of 0.75% (plus GST) of the total stake will be charged for all Rating 75, Rating 85 and Open races.

- n) A scratching fee of 0.75% (plus GST) of the total stake will be charged to owners for any horse that has been scratched in a Maiden, 2YO, 3&4YO, Rating 65 and non-PJR jumping race.
- o) In all races, where a horse has been scratched and a jockey declared, a rider engagement fee of \$63.13 (plus GST) will be paid by NZTR and on-charged to the owner, provided the jockey is entitled to the fee. Where a jockey has not been declared, the owner will not be on-charged this fee.
- p) Clubs will continue to set nomination and acceptance fees for all Group and Listed and PJR races, based on NZTR guidelines, and will receive the income from these fees.
- q) Riders' fees paid by NZTR will be on-charged to owners for all race types.
- r) The RIU will directly employ and meet the costs of veterinarians, swabbing attendants and stenographers as required on raceday.
- s) Any races run in excess of the number granted under a club's licence in the NZRB Final 2012/2013 Calendar will need to be approved by NZTR, prior to withdrawal time.
- t) Any race with an early nomination and more than one withdrawal fee must be approved by NZTR, prior to advertising the conditions of the race.
- u) Clubs will be required to complete and return the race meeting income and expenditure report sent by NZTR after each race meeting, within six weeks of receiving the report from NZTR.
- v) Clubs will be required to complete an Annual Report for the 2011/2012 Financial Year and submit a copy each to the NZRB and NZTR by 31 December 2012.
- w) Clubs are required to comply with all other conditions of the betting licence/s issued to them by the NZRB in conjunction with the Final 2012/2013 Racing Calendar.

2.0 FUNDING POLICY DETAILS FOR 2012/2013 SEASON

The following elements from the NZ Thoroughbred Funding Policy will apply to the full 2012/2013 season:

1. Stake minimums per meeting and race class (non Group and Listed):

Clubs are to be funded to the full minimum level for each race and meeting class in the below table, provided all of this funding is paid to participants as stake money. Specific classifications for each meeting have been advised to clubs in separate documentation.

Class	Description	Open	R85	R75	R65/ Spec Cond	3&4YO	2YO	Mdn
P	Premier	\$40,000	\$30,000	\$25,000	\$20,000	\$20,000	\$20,000	\$20,000
F	Feature	\$25,000	\$15,000	\$15,000	\$12,500	\$12,500	\$12,500	\$12,500
T2F	T2 Feature	\$15,000	\$12,000	\$10,000	\$8,000	\$8,000	\$8,000	\$7,000
I	Industry	\$12,000	\$8,000	\$8,000	\$7,000	\$7,000	\$7,000	\$7,000

2. Group and Listed minimums (all meeting types):

Clubs conducting Group and Listed races are to be funded to the minimum level of the Group and Listed race levels below, provided the full amount of this funding is paid to participants as stake money.

Minimum Stake	G1	G2	G3	Listed
Group and Listed	\$200,000	\$85,000	\$70,000	\$50,000

3. Iconic race funding

Iconic races will be funded as identified in the below table. Clubs will have to make a contribution to the stake for the full amount as noted and the total Group race and iconic funding must be paid to participants for the full iconic stake funding to apply.

Club	Race	Minimum Total Stake FY13	Group and Listed Status	NZTR Group race min funding	NZTR Iconic funding FY13	Club contri- bution
Auckland RC	NZ Derby	\$750,000	Group 1	\$200,000	\$350,000	\$200,000
Auckland RC	Auckland Cup	\$500,000	Group 1	\$200,000	\$50,000	\$250,000
Hawke's Bay RI	Spring Classic	\$300,000	Group 1	\$200,000	\$50,000	\$50,000
Canterbury Racing	1,000 Guineas	\$300,000	Group 1	\$200,000	\$50,000	\$50,000
Canterbury Racing	2,000 Guineas	\$300,000	Group 1	\$200,000	\$50,000	\$50,000
Canterbury Racing	NZ Cup	\$225,000	Group 3	\$75,000	\$50,000	\$100,000
Canterbury Racing	Couplands	\$235,000	Group 2	\$85,000	\$50,000	\$100,000
Wellington RC	Wellington Cup	\$200,000	Group 2	\$85,000	\$50,000	\$65,000
Wellington RC	Telegraph Hcp	\$250,000	Group 1	\$200,000	\$50,000	\$0
Wellington RC	NZ Oaks	\$300,000	Group 1	\$200,000	\$50,000	\$50,000
Total	Iconic races	\$3,360,000		\$1,645,000	\$800,000	\$915,000

4. Fillies and mares series

In addition to the above, NZTR will be conducting a series of fillies and mares races in all three regions over the course of the season. A national series of 80 fillies and mares races will be run for \$12,000 on Industry or Tier 2 Feature days, complemented by 10 races run for \$25,000 on Feature or Premier days.

5. Special interest funding

A pool of \$100,000 in funding for special interest races run at above minimum stake levels will be available for clubs to apply for. Appendix One details the criteria for the fund and the deadline for applications to the fund.

6. Meeting fee payment (all meetings)

All meetings will receive a meeting fee payment of \$30,000. Clubs are able to use this payment for all race meeting costs not already directly funded as well as general club and venue operating costs.

7. On-course totalisator and FOB racing turnover funding (17.0%)

All NZ thoroughbred clubs will be paid a total of 17% of actual on-course turnover, totalisator and racing fixed odds combined.

8. Carnival funding

Funding of \$100,000 will be paid to each of the five major carnivals (Hawke's Bay Spring, Canterbury NZ Cup, Auckland Christmas/New Year, Wellington Cup and Auckland Cup carnivals) to support additional event management, marketing and promotional costs associated with these events.

9. Venue category minimum standard support payment

A new venue category minimum standard payment will be made to clubs holding meetings at Strategic and Significant venues. The per-meeting support payment is detailed in the table below and is targeted to assist with these venues matching the minimum standards expected of each category of venue. A full list of all NZ thoroughbred venues and their categorisation under NZTR's Draft Infrastructure Strategy is attached as Appendix Two.

Venue Category	Minimum Standard Payment (per meeting)
Strategic	\$3,500
Significant	\$1,500
Supporting	\$0
Community	\$0

10. Jumping races

Jumping race stakes will be paid as per the table in Appendix Three, based on meeting category, race class and the overall jumping programme.

A \$2,500 per meeting payment will be paid to clubs conducting jumping races to recognise jumping infrastructure and set-up costs.

11. Race meeting charges to clubs

In order to increase transparency around the actual costs incurred to conduct race meetings, NZRB and NZTR charging structures have been altered to identify and pass on race meeting related costs. The following charges will be invoiced to clubs in the 2012/2013 Season on a per meeting basis:

Charge	Amount
NZTR race meeting service charge. (National Racing Bureau, handicapping, IT and other costs)	\$2,500 (plus GST)
NZRB race meeting broadcast charge. (Trackside and radio charges)	\$11,000 (plus GST)

Clubs will receive a quote for both charge types in advance of each race meeting and an invoice for both immediately after each meeting, payable within seven days. NZTR will subsidise actual NZRB broadcast costs over and above those charged to clubs and will continue to pay other NZRB venue service charges on behalf of clubs.

12. Training venues operating subsidies

Training venues will receive a training centre subsidy set according to the number of starts produced by each venue, as per the below table. This payment is recognition of the contribution to the industry that these venues make through the provision tracks and facilities for horses in training.

The venues and payment amounts will be confirmed with the relevant clubs separately following a review of the 2011/2012 season final starter numbers. As per NZTR's strategic training centre policy, a venue's annual subsidy may be adjusted should there be a significant move in the number of starts produced by the venue over the full season.

Venue - Starts Produced	Total Annual Subsidy
3,000+	\$70,000
2,250-2,999	\$50,000
1,500-2,249	\$35,000
1,250-1,499	\$20,000
1,000-1,249	\$15,000
750-999	\$10,000

13. Nomination, Acceptance, Scratching and Riders' fees

Nomination and acceptance fees will be charged by NZTR and incorporated into the Funding Policy income. Nomination fees will be charged at \$50 (plus GST) for all races excluding Group and Listed and Prestige Jumping Races. Acceptance fees of 0.75% (plus GST) of the total stake will be charged for all Rating 75, Rating 85 and Open races.

A scratching fee of 0.75% (plus GST) of the total stake will be charged to owners for any horse that has been scratched in a Maiden, 2YO, 3&4YO, Rating 65 and non-PJR jumping race.

In all races, where a horse has been scratched and a jockey declared, a rider engagement fee of \$63.13 (plus GST) will be paid by NZTR and on-charged to the owner, provided the jockey is entitled to the fee. Where a jockey has not been declared, the owner will not be on-charged this fee.

Clubs will continue to set nomination and acceptance fees for all Group and Listed and PJR races based on NZTR guidelines, and will receive the income from these fees.

Riders' fees paid by NZTR will be on-charged to owners for all race types.

14. Policy for funding abandoned meetings and meetings with additional or deleted races

Appendix Four details NZTR policy in the event of abandonment of a meeting, and addition or deletion of races with respect to each of the above funding streams.

15. Other Race Day Costs

Previous subsidies for swabbing vets, swabbing attendants and stenographers will no longer be paid. These officials will be employed by the RIU, with their costs top-sliced from NZTR's funding.

Starting or 2nd race day veterinarians will also be employed directly by the RIU, with their costs also top-sliced from NZTR's funding. NZTR is not intending to on-charge clubs as a result of this reduction in its funding and, as a result, savings will be realised directly by clubs.

16. Conditions of Funding

In addition to the above, the following conditions will apply to clubs in order to qualify for the full amount of funding payable for each race meeting:

- Any races run in excess of the number granted under a club's licence in the NZRB Final 2012/2013 Calendar will need to be approved by NZTR, prior to withdrawal time.
- Any race with an early nomination and more than one withdrawal fee must be approved by NZTR, prior to advertising the conditions of the race.
- Clubs will be required to complete and return the race meeting income and expenditure report sent by NZTR after each race meeting, within six weeks of receiving the report from NZTR.
- Clubs will be required to complete an Annual Report for the 2011/2012 Financial Year and submit a copy each to the NZRB and NZTR by 31 December 2012.
- Clubs are required to comply with all other conditions of the betting licence/s issued to them by the NZRB in conjunction with the Final 2012/2013 Racing Calendar.

3.0 CHANGES TO FUNDING STREAMS 2011/2012 V 2012/2013

Comparison of 2011/2012 Season Funding Base with Funding Policy 2012/2013	
2011/2012 Funding Stream	2012/2013 Funding Model
Minimum stake funding (stakes matrix).	Unchanged except for some meeting classification changes from 2011/2012 and fillies and mares series.
Group and Listed minimums.	Unchanged.
Iconic and 3 year old classic race funding of \$800k across 7 races.	Same amount of total funding (\$800k) reallocated across 10 races run at the same clubs, to make returns to participants in these races more transparent.
Special interest funding (\$100k).	Same amount to be paid, specific allocations to be determined via application process.
Minimum stake funding (including Group and Listed, iconic & special interest) based on calculation method and paid to clubs as indicated in the Funding Policy.	Direct funding of minimum stakes, with funding to clubs adjusted if the full amount is not paid out in stake money.
\$15k per meeting funding for Premier and Feature, \$16.5k for Tier 2 Feature and Industry meetings.	Increased to a flat Meeting Fee of \$30k for all meetings.
\$7.85 million on-course funding paid to clubs on the basis of relative on course totalisator and on-course fixed odds betting sales (equivalent to approximately 20%).	17% to be paid on actual on-course turnover, totalisator and racing fixed odds combined.
Carnival Racing Support \$160k x 5 carnival events.	To be paid at \$100k x 5 Carnival events.
No venue category based payments.	Payment of venue minimum standard support of \$3,500 per meeting to Strategic venues and \$1,500 per meeting to Significant venues.
Jumping meeting support funding of \$2,500 and jump race stakes schedule.	Unchanged, although with some meeting, race and stake alterations.
NZRB servicing costs absorbed by NZTR Funding Policy.	Standard per meeting charge of \$11,000 to be passed onto clubs, representing an apportionment of NZRB costs to broadcast their meeting on Trackside and radio.
NZTR race meeting control costs.	Standard per meeting charge of \$2,500 to be passed onto clubs, representing an apportionment of NZTR costs to control and conduct a thoroughbred race meeting.
Strategic Training Centre funding subsidy.	Unchanged. Allocation to be confirmed after a review of 2011/2012 final starter numbers.
\$50 (plus GST) nomination fee for all non-Group and Listed races paid to NZTR.	Unchanged.
0.75% (plus GST) acceptance fee for Rating 75 races and above and a 0.75% (plus GST) scratching fee for races below paid to NZTR.	Unchanged.
Income from nomination and acceptance charges for Group and Listed/early entry races paid to clubs.	Unchanged.
Riders' fees on-charged to owners for all race types.	Unchanged.
Cost of swabbing attendants, one veterinarian and stenographer subsidised by NZTR.	These officials to be employed directly and their costs covered by the RIU. NZTR subsidy to clubs to be removed.
Cost of starting or 2 nd veterinarian paid by clubs.	This official to be employed by the RIU and their costs covered by the RIU. Saving to clubs currently employing this vet will result.

Note – **changes highlighted in blue.**

APPENDIX ONE: CRITERIA FOR SPECIAL INTEREST RACE FUNDING

NZTR has allocated a fund of \$100,000 for use towards special interest races run at above minimum stake levels by clubs. This funding has not been allocated to specific races, but is available to clubs to make application for.

Clubs will be expected to at least match any additional stakes funding provided by NZTR with their own additional funding. For example, a club may be keen to increase the stake for an Open race at a Tier 2 Feature meeting to \$20,000 (currently funded to a minimum of \$15,000). In this instance, the club could apply for \$2,500 special interest funding from NZTR, on the basis that the club was also going to add \$2,500 to the total stake of the race.

The deadline for applications from clubs to be considered by NZTR will be 5 September 2012. NZTR will consider all applications for special interest funding, but will take into account races previously receiving such funding as well as the future sustainable level of stakes for these races.

APPENDIX TWO: NZ THOROUGHBRED VENUE CATEGORISATION AND VENUE MINIMUM STANDARD FUNDING SUPPORT

Minimum Standards Funding Support to venues		
Venue	Category	Funding per meeting
Ellerslie	Strategic	\$3,500
Riccarton Park	Strategic	\$3,500
Te Rapa	Strategic	\$3,500
Awapuni	Strategic	\$3,500
Matamata	Significant	\$1,500
Pukekohe	Significant	\$1,500
Hastings	Significant	\$1,500
Otaki	Significant	\$1,500
Trentham	Significant	\$1,500
Wingatui	Significant	\$1,500
New Plymouth	Significant	\$1,500
Tauranga	Significant	\$1,500
Ruakaka	Significant	\$1,500
Wanganui	Supporting	
Te Awamutu	Supporting	
Avondale	Supporting	
Rotorua	Supporting	
Te Aroha	Supporting	
Ashburton	Supporting	
Invercargill	Supporting	
Timaru	Supporting	
Foxton	Community	
Woodville	Community	
Gore	Community	
Waverley	Community	
Motukarara	Community	
Tauherenikau	Community	
Hawera	Community	
Te Teko	Community	
Oamaru	Community	
Stratford	Community	
Riverton	Community	
Taupo	Community	
Winton	Community	
Waipukurau	Community	
Cromwell	Community	
Waimate	Community	
Thames	Community	
Wyndham	Community	
Omakau	Community	
Gisborne	Community	
Kumara	Community	
Blenheim	Community	
Dargaville	Community	
Kurow	Community	
Hokitika	Community	
Wairoa	Community	
Omoto	Community	
Waikouaiti	Community	
Reefton	Community	

APPENDIX THREE: JUMPING RACE STAKES

The following stakes are budgeted to be paid for jumping races, based on the programme of jumping races proposed to be held at the end of the 2012 jumping season. Dates, clubs, races and stakes for meetings held in the 2013 jumping season will be advised at a later date and will be subject to a review of the overall structure of jumps racing.

Race Date	Club	PJR S or O S	PJR H or O H	RO S	RO H	0-1 S	0-1 H	M S	M H	Total Stakes
Sat 4/08/2012	Canterbury JC	25,000	25,000					12,500		62,500
Wed 8/08/2012	Canterbury JC		60,000			20,000			12,500	92,500
Sat 11/08/2012	Canterbury JC	60,000					20,000			80,000
Thu 16/08/2012	Egmont RC			12,000	12,000			7,000	7,000	38,000
Fri 24/08/2012	South Canterbury RC			12,000	12,000				7,000	31,000
Sat 25/08/2012	Pakuranga HC	30,000	30,000					12,500	12,500	85,000
Thu 30/08/2012	Egmont RC			12,000	12,000			7,000	7,000	38,000
Mon 3/09/2012	Te Aroha			12,000	12,000			7,000	7,000	38,000
Tue 4/09/2012	Otago RC			12,000	12,000					24,000
Sat 8/09/2012	Auckland RC	100,000	100,000							200,000
Tue 11/09/2012	Woodville RC				12,000				7,000	19,000
Sat 15/09/2012	Marton JC			12,000						12,000
Wed 19/09/2012	Rotorua-BOP HC		16,000		12,000				7,000	35,000
Sun 30/09/2012	Waikato RC	20,000	20,000			15,000	15,000	10,000	10,000	90,000
Thu 2/05/2013	Riverton RC									
Sat 4/05/2013	Waikato RC									
Tue 7/05/2013	Wanganui JC									
Sun 12/05/2013	Riverton RC									
Mon 13/05/2013	Northern Region									
Sat 18/05/2013	Waikato RC									
Fri 24/05/2013	Canterbury JC									
Mon 27/05/2013	Hawke's Bay RI									
Mon 3/06/2013	Auckland RC									
Sat 8/06/2013	Wellington RC									
Sun 9/06/2013	Otago RC									
Wed 19/06/2013	Te Aroha, Racing									
Sat 15/06/2013	Manawatu RC									
Thu 20/06/2013	Oamaru JC									
Sat 29/06/2013	Hawke's Bay RI									
Wed 3/07/2013	Cambridge JC									
Thu 11/07/2013	Wanganui JC									
Fri 12/07/2013	Sth Cant RC									
Sat 13/07/2013	Wellington RC									
Mon 15/07/2013	Te Aroha, Racing									
Wed 24/07/2013	Northern Region									
Thu 25/07/2013	Manawatu RC									
Mon 29/07/2013	Oamaru JC									

**2013 Jumping Season Programme
to be advised.**

**(Dates and clubs are indicative only
for this period).**

APPENDIX FOUR: POLICY FOR FUNDING ABANDONED MEETINGS AND MEETINGS WITH ADDITIONAL OR DELETED RACES

Type of abandonment	Type of funding	Funding club receives		
Full abandonment: Abandoned before race day. (If meeting is subsequently transferred then relevant funding will apply to the new meeting)	Minimum stakes funding	Nil		
	On-course turnover funding	Nil		
	Meeting fee payment	To be determined between the club and NZTR and capped at the amount stated within the Funding Policy for meeting payment.		
	Jumping support fee	Nil		
	Iconic race, special interest & carnival funding	To be determined between club and NZTR		
Full abandonment: Abandoned on race day prior to race 1	Minimum stakes funding	Nil		
	On-course turnover funding	17% to be paid on actual on-course turnover, totalisator and racing fixed odds combined.		
	Meeting fee payment	To be determined between the club and NZTR and capped at the amount stated within the Funding Policy for meeting payment.		
	Jumping support fee	Nil		
	Iconic race, special interest & carnival funding	To be determined between club and NZTR		
Partial abandonment: Abandoned during race meeting	Minimum stakes funding	Minimum stakes of all races completed		
	On-course turnover funding	17% to be paid on actual on-course turnover, totalisator and racing fixed odds combined.		
	Meeting fee payment	Full entitlement (no pro-rata rate applies).		
	Jumping support fee	Full entitlement		
	Iconic race, special interest & carnival funding	To be determined between club and NZTR		
Addition or deletion of races All race days	Minimum stakes funding	Funding adjusted to include minimum stake of race/s added or to exclude minimum stake of race/s deleted		
	On-course turnover funding	17% to be paid on actual on-course turnover, totalisator and racing fixed odds combined.		
	Meeting fee payment	Full entitlement (no pro-rata rate applies)		
	Jumping support fee	Increase from zero to one or more jumps races	Full entitlement	
		Add more jumps race/s to jumps race/s already programmed	Full entitlement (no additional funding)	
		Deletion(s) resulting in no jumps races	Nil	
Iconic race and special interest funding	Full entitlement if major races run			