



Racing Penalties Appeal Tribunal of Western Australia 2011/12 Annual Report



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Availability in other formats

This publication can be made available in alternative formats such as compact disc, audiotape or Braille. The report is available in PDF format at www.rpat.wa.gov.au

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STATEMENT OF COMPLIANCE

Hon. Terry Waldron, MLA
MINISTER FOR RACING AND GAMING

In accordance with section 61 of the *Financial Management Act 2006*, I submit, for your information and presentation to Parliament, the Annual Report of the Racing Penalties Appeal Tribunal of Western Australia for the financial year ended 30 June 2012.

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

A handwritten signature in black ink, appearing to read "Dan Mossenson".

Dan Mossenson
CHAIRPERSON

20 September 2012

OVERVIEW OF AGENCY

EXECUTIVE SUMMARY

It is with pleasure that I present the Annual Report of the Racing Penalties Appeal Tribunal for the year ended 30 June 2012.

The Report outlines the Tribunal's activities and is designed to satisfy its statutory reporting requirements. The Report includes a synopsis of the Tribunal's activities, performance indicators and audited financial statements.

The Tribunal continues to maintain the confidence of the Western Australian racing industry by providing an impartial judicial forum for the hearing of appeals against Racing and Wagering Western Australia Stewards' determinations. In this way, the Tribunal also maintains the confidence of the Western Australian public by ensuring the integrity of the racing industry is not compromised.

During the year, 13 appeals were heard and determined. This report includes a summary of three appeals heard and determined in order to provide the reader with an insight into the range of matters brought before the Tribunal. Appeal determinations are available from the Tribunal's website at www.rpat.wa.gov.au

I acknowledge and thank the members of the Tribunal for their invaluable contributions to the functioning of the Tribunal. They continue to give their time and expertise willingly in discharging their responsibilities and coping with the workload.

Finally, on behalf of the Tribunal, I thank the Executive Officer Seema Saxena, and Commission Support Officers Adele Murphy and Catherine Chiarelli, for their professionalism and dedication in providing effective and efficient support services to the Tribunal.



Dan Mossenson
CHAIRPERSON

OPERATIONAL STRUCTURE

ENABLING LEGISLATION

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

PURPOSE OF THE TRIBUNAL

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

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

RESPONSIBLE MINISTER

As at 30 June 2012, the Minister responsible for the Racing and Gaming Portfolio was the Honourable Terry Waldron MLA, Minister for Sport and Recreation; Racing and Gaming.

APPEALS WHICH MAY BE HEARD BY THE TRIBUNAL

A person who is aggrieved by a determination of RWVA, a steward or a committee of a racing club may appeal to the Tribunal within 14 days of the determination date. The Tribunal can hear the following matters:

- the imposition of any suspension or disqualification, whether of a runner or of a person;
- the imposition of a fine; or
- the giving of a notice of the kind commonly referred to as a warning-off.

In addition, the Tribunal may grant leave to appeal in relation to a limited range of other matters.

APPEALS WHICH ARE OUTSIDE THE JURISDICTION OF THE TRIBUNAL

The jurisdiction of the Tribunal does not extend to a determination of a steward, a racing club, or a committee in matters regarding:

- any protest or objection against a placed runner arising out of any incident occurring during the running of a race;
- the eligibility of a runner to take part in, or the conditions under which a runner takes part in, any race; or
- any question or dispute as to a bet.

These matters are dealt with by RWWA.

DETERMINATION OF APPEALS

The Tribunal is required to hear and determine an appeal based upon the evidence of the original hearing, but may allow new evidence to be given or experts to be called to assist in its deliberations.

When determining an appeal, the Tribunal may make the following orders:

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

Decisions of the Tribunal are final and binding.

ADMINISTERED LEGISLATION

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

OTHER KEY LEGISLATION IMPACTING ON THE TRIBUNAL'S ACTIVITIES

The Tribunal complied with the following relevant written laws in the performance of its functions:

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

ADMINISTRATIVE STRUCTURE

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

The composition of the Tribunal as at 30 June 2012 was as follows:

Mr Dan Mossenson - Inaugural Chairperson

Mr Dan Mossenson was admitted to practice law in 1970 and specialises in liquor licensing, hospitality and tourism law. Mr Mossenson became a partner of Lavan and Walsh in 1973, subsequently a founding partner of Phillips Fox and Lavan Legal, and currently is Chairman of Partners of Lavan Legal.

Mr Mossenson chaired both the WA State Government Gaming Inquiry in 1984 and the Land Valuation Tribunal of Western Australia from 1985 to 1997, was founding Vice-Chairman of the National Association for Gambling Studies, board member of the Australian Institute of Gambling Studies, the Indian Ocean Tourism Organisation and the Tourism Council Western Australia Limited and its predecessor body for 14 years. Mr Mossenson is the Immediate Past President of the Perth Hebrew Congregation Inc, board member of Yirra Yaakin Aboriginal Corporation and founder and secretary of the Small Bar Association of W.A. Inc.

Mr Patrick Hogan - Inaugural Member

Mr Patrick Hogan is a barrister admitted to the Supreme Court of Western Australia and the High Court of Australia in June 1982. Mr Hogan worked as a barrister and solicitor with the Legal Aid Commission of Western Australia practising in civil and criminal law, then in private practice as a barrister with Howard Chambers.

Mr Hogan was appointed as a part-time Magistrate of the Children's Court of Western Australia in September 1999 and President of the Gender Reassignment Board of Western Australia in 2007.

Mr John Prior - Member

Mr John Prior is a barrister practising with Francis Burt Chambers Perth, specialising in criminal and civil litigation in the areas of sports law and liquor licensing.

Mr Prior has served on many committees including President of the Criminal Lawyers' Association of Western Australia, Convenor of the Law Society of Western Australia Criminal Law Committee, Magistrates' Courts Liaison Committee, Ministry of Justice Advisory Council, Reduction of Delay in Criminal Jurisdiction of the District Court, Unrepresented Litigants Scheme Committee Supreme Court and chaired the Ministerial Taskforce on Drug Law Reform.

Ms Karen Farley - Member

Ms Karen Farley is a barrister and solicitor specialising in Legal Aid assistance and a councillor for the Shire of Peppermint Grove. Ms Farley was a totalisator operator at Ascot and Belmont Racecourses between 1978 and 1982.

Ms Farley has served on several boards and committees including Chairperson of the Board of Visitors to Alma Street Centre, Fremantle Hospital, Board of Visitors to Heathcote Hospital, Member of the Criminal Law Association, Vice-President of the Criminal Law Association, Secretary of the Criminal Law Association, Committee Member of the Pro Bono Committee of Law Society and Committee Member of the

Legal Aid Committee of Law Society. She is also currently Chair of the Council of Management, St Hilda's Anglican School for Girls.

Mr Andrew Monisse - Member

Mr Andrew Monisse was admitted as a barrister and solicitor of the Supreme Court of Western Australia in December 1990 after completing articles at Mallesons Stephen Jaques. His employment experience has included working as a solicitor assisting counsel at the WA Inc Royal Commission in 1991 and as a prosecutor for the Commonwealth Department of Public Prosecutions in the Perth office between 1992 and 1998. Since July 2000 he has worked as a barrister. He practises predominantly in criminal law at Quarry Chambers. Mr Monisse is a member of the Perth Legal Panel of the RAAF Specialist Reserve with the rank of Squadron Leader.

Mr Robert Nash - Member

Mr Robert Nash is a barrister admitted as a Practitioner of the Supreme Court of WA and the High Court of Australia, and also is a General Public Notary.

Mr Nash has served on several councils, committees and directorships, including Director of Bauxite Resources Ltd and North West Property Holdings Pty Ltd, Chairman of the WA Soccer Disciplinary Tribunal, Council Member of the Law Society of WA, Convenor Education Committee of Law Society of WA, Counsel Assisting the Royal Commission into the City of Wanneroo, Member of the Professional Conduct Committee of Law Society, Consultative Committee to the District Court on Civil Reforms in the District Court, the Ethics Committee of Law Society, Legal Panel of the Royal Australian Navy, resident tutor in law at St George's College, Council Member of WA Bar Association Council, Director WA Bar Chambers Ltd and Tutor in Civil Procedure at University of WA.

Mr William Chesnutt - Member

Mr William Chesnutt is a barrister and solicitor engaged in conducting general litigation matters with exposure to a wide variety of commercial and criminal matters. Mr Chesnutt has tutored in company law and legal framework of business subjects.

PERFORMANCE MANAGEMENT FRAMEWORK

AGENCY LEVEL GOVERNMENT DESIRED OUTCOME

Broad government goals are supported by this Tribunal via specific outcomes. The Tribunal delivers services to achieve these outcomes. The following table illustrates the relationship between the Tribunal's services and desired outcomes, and the government goal the Tribunal contributes to.

GOVERNMENT GOAL	DESIRED OUTCOME OF THE TRIBUNAL	SERVICES DELIVERED BY THE TRIBUNAL
Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	To provide an Appeal Tribunal in relation to determinations made by racing industry Stewards and controlling authorities.	Processing appeals and applications in accordance with statutory obligations.

CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

The Tribunal's Outcome Based Management Framework did not change during 2011/12.

SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The Tribunal did not share any responsibilities with other agencies in 2011/12.

AGENCY PERFORMANCE

REPORT ON OPERATIONS

Actual Results versus Budget Targets

FINANCIAL TARGETS	TARGET ¹	ACTUAL	VARIATION ²
	\$	\$	\$
Total cost of services (expense limit) (sourced from Statement of Comprehensive Income)	277,990	221,044	56,946
Net cost of services (sourced from Statement of Comprehensive Income)	0	(58,452)	58,452
Total equity (sourced from Statement of Financial Position)	156,724	274,287	117,563
Net increase (decrease) in cash held (sourced from Statement of Cash Flows)	0	59,050	59,050
	No.	No.	No.
Approved full time equivalent (FTE) staff level ³	0	0	0

The table below provides a summary of key performance indicators for 2011/12. A detailed explanation is provided on pages 44 and 45.

SUMMARY OF KEY PERFORMANCE INDICATORS	TARGET	ACTUAL	VARIATION ⁴
Total number of stay applications received	4	8	4
Number of stay applications determined same day	2	3	1
Indicator	50%	38%	12%
Average cost of processing an appeal	\$46,332	\$24,560	\$21,772

¹ As specified in the budget statements for the year in question.

² Explanations for significant variances are contained in Note 12 'Explanatory Statement' to the financial statements (page 42).

³ Executive support for the Commission is provided by the Department of Racing, Gaming and Liquor

⁴ Explanations for the variations between target and actual results are presented at pages 45 to 47.

MAJOR ACHIEVEMENTS FOR 2011/12

During the year, two appeals were carried over from 2010/11 and 13 new appeals were lodged with the Tribunal. As at 30 June 2012, the Tribunal determined 13 appeals and two were carried over to 2012/13.

These appeals, together with appeals from the previous year, are summarised by racing code as follows:

APPEALS LODGED AND DETERMINED							
Racing Code	2010/11				2011/12		
	Appeals carried over to 2010/11	Appeals Lodged	Appeals Determined	Appeals carried over to 2011/12	Appeals Lodged	Appeals Determined	Appeals carried over to 2012/13
Thoroughbred	0	8	6	2	8	9*	1
Harness	2	0	2	0	2	2	0
Greyhound	0	0	0	0	3	2	1

The results of the determinations in respect of the racing codes for the years 2010/11 and 2011/12 are summarised below.

APPEAL RESULTS BY RACING CODE						
Results	2010/11			2011/12		
	Thoroughbred	Harness	Greyhound	Thoroughbred	Harness	Greyhound
Allowed in Full	1	0	0	0	0	0
Allowed in Part (Penalty Reduced)	1	0	0	0	0	0
Referred Back to Stewards (RWWA)	0	1	0	0	0	0
Dismissed	4	1	0	5	2	2
Withdrawn	1	0	1	3	0	0
Leave to Appeal Refused	0	0	0	1	0	0
TOTAL	7	2	1	9	2	2

*This includes two appeals carried over from 2010/11.

APPEALS CARRIED OVER TO 2012/13	Thoroughbred Racing	Harness Racing	Greyhound Racing
Reserved Decision	1	0	0
Reserved Decision on penalty only	0	0	0
Reasons to be published	0	0	0
Yet to be heard	0	0	1
Total	1	0	1

STAYS OF PROCEEDINGS

In 2011/12 there were eight applications for stays of proceedings, compared to three in the previous year. The Chairperson made the determinations as follows:

APPLICATIONS FOR STAYS OF PROCEEDINGS						
	2010/11			2011/12		
Results	Thoroughbred	Harness	Greyhound	Thoroughbred	Harness	Greyhound
Stays Granted	1	0	0	0	0	0
Stays Refused	1	0	0	4	2	1
Withdrawn	0	0	1	1	0	0
TOTAL	2	0	1	5	2	1

The following table provides a summary of the number, nature and outcome of matters before the Tribunal during 2011/12. Full determinations are available on the Tribunal's website at www.rpat.wa.gov.au

APPLICATIONS HEARD AND DETERMINED IN 2011/12					
Case No.	Name	Nature of Appeal	Hearing Date	Determination Date	Outcome
731	Bradley M Parnham v RWWA Thoroughbred Stewards	Appeal against an 18 day suspension from riding for breach of Rule 137(a) of the Australian Rules of Racing	3/6/2011 and 1/7/2011	1/7/2011	Appeal dismissed
733	Clint Kenneth Harvey v RWWA Thoroughbred Stewards	Appeal against an 8 month suspension for breach of Rule 175(a) of the Australian Rules of Thoroughbred Racing	3/8/2011	31/8/2011	Appeal dismissed
734	Damian Winn v RWWA Thoroughbred Stewards	Appeal against a 5 month disqualification for breach of Rule 178 of the Australian Rules of Thoroughbred Racing	7/10/2011	7/10/2011	Application withdrawn
735	David J Powrie v Thoroughbred Stewards	Appeal against a 3 month disqualification for breach of Rule 175 (g) of Australian Rules of Racing	30/9/2011 and 6/10/2011	16/12/2011	Appeal dismissed
736	Ross Albert Oilivieri v RWWA Harness Stewards	Appeal against a 12 month disqualification for breach of Rule 190 of the Australian Rules of Harness Racing	22/12/2011	22/12/2011; reasons published on 15/3/2012	Appeal dismissed
737	Mr Gerard Peterson (as agent for the owners of HE'S REMARKABLE) v RWWA Thoroughbred Stewards	Appeal against determination relegating HE'S REMARKABLE from first to second place pursuant to Australian Racing Rule 136	24/1/2012	24/1/2012; reasons published on 7/6/2012	Appeal dismissed
738	Shane Anthony Loone v RWWA Harness Stewards	Appeal against a suspension of 6 weeks for breach of Rule 149(2) of the Rules of Harness Racing	11/1/2012	11/1/2012	Appeal dismissed
739	Aaron Paul Rogers v RWWA Thoroughbred Stewards	Appeal against a 14 day suspension for breach of Rule 137(a) of the Rules of Thoroughbred Racing	30/1/2012	30/1/2012; reasons published on 13/4/2012	Appeal upheld and conviction quashed
740	Tracey Peta Knotts v RWWA Thoroughbred Stewards <i>Stay Application</i>	Appeal against a 6 month suspension for breach of Rule AR175(k) and a 9 month disqualification for breach of Rule AR175(a) of the RWWA Rules of Thoroughbred Racing to be served concurrently with the previous penalty	10/2/2012	10/2/2012	Application withdrawn
742	Derek Coldstream v RWWA Greyhound Stewards	Appeal against a suspension of three months and a fine of \$1,000 pursuant to Rule 86(o) of the RWWA Rules of Greyhound Racing	20/3/2012	20/3/2012; reasons published on 21/5/2012	Appeal dismissed
743	Ryan Hill v RWWA Thoroughbred Stewards	Appeal against an 18 day suspension for breach of Rule AR137(a) of the RWWA Rules of Thoroughbred Racing	13/3/2012	13/3/2012	Application withdrawn
744	Graham Berry v RWWA Greyhound Stewards	Appeal against a disqualification of 3 months pursuant to Rule 86(o) of the RWWA Rules of Greyhound Racing	9/5/2012	9/5/2012; reasons published on 16/5/2012	Appeal dismissed
745	Andrew Steven Heffernan v RWWA Stewards of Thoroughbred Racing	Appeal against 6 weeks suspension for breach of Rule 83(a) of the Australian Rules of Thoroughbred Racing	31/5/2012	13/6/2012	Appeal dismissed

EXAMPLES OF APPEALS BEFORE THE TRIBUNAL

The following pages provide an insight into the nature of appeals heard before the Tribunal. Copies of determinations handed down since 1 January 2010 are available on the Tribunal's website at www.rpat.wa.gov.au

Appeal No. 731 - Bradley Michael Parnham

In the matter of an appeal against the determination made by the RWWA Stewards of Thoroughbred Racing on 25 May 2011, imposing an 18 day suspension from riding for breach of Rule 137(a) of the Australian Rules of Racing.

On 25 May 2011, the RWWA Stewards of Thoroughbred Racing conducted an inquiry into an incident that occurred during the running of Race 4. This led to Mr Bradley Parnham, one of the jockeys in the race, being charged with careless riding in breach of Rule 137(a) of the Australian Rules of Racing. The charge was laid in the following terms:

"...any rider may be penalised if in the opinion of the Stewards he is guilty of careless, reckless, improper, incompetent or foul riding. And the Stewards allege careless riding today Mr Parnham, the particulars being that near the 250m you allowed your mount TRIPLE KEN to shift inwards when insufficiently clear of SUNDANCEBOY ridden by Peter Hall which contributed to that gelding being tightened and restrained which in the opinion of the Stewards was the major cause for the interference received by SUNDANCEBOY."

Mr Parnham was subsequently convicted and suspended from riding for 18 days. He appealed on the grounds that the race footage was inconsistent with the Stewards' findings. The Tribunal heard the matter over two days, on 3 June 2011 and 1 July 2011.

Mr Parnham was represented by Mr Williamson at the hearing. Mr Williamson presented an argument which included an evaluation of the quality of the rides of the horses involved in the incident. The appellant produced a video of the race on which two parallel lines were superimposed.

The Tribunal was told these introduced lines accurately followed the path taken by Mr Parnham's horse as it came around the track and reached the point of the incident. The appellant's video gave the impression that at the relevant stages of the race, Mr Parnham's horse had remained equidistant to the running rail. Mr Williamson argued that Mr Parnham's horse had not in fact moved inwards and therefore, he should not have been found guilty of the charge.

Senior counsel for RWWA submitted that the appellant's footage was unreliable because the two parallel superimposed lines moved and distorted the unfolding race image.

The Tribunal adjourned the hearing to enable the technician who had introduced the tracking on the race film to be called to give evidence. The Tribunal also ordered the suspension of the operation of the penalty imposed on Mr Parnham.

On the resumption of the hearing on the 1 July 2011, the appellant called Mr Benny Ku, who holds a Bachelor of Science degree in multimedia technology, to provide evidence about the footage. Mr Ku submitted that he had introduced the parallel lines to follow the running line in a true position, and he stated the lines remained the same distance from the rail at all times. The slight movement of those lines, which was just visible, was said to have been a consequence of camera movement.

The Stewards called Mr Guy Cox from Perth Racing's Vision Department to respond to this evidence. Mr Cox submitted that the technology used by Mr Ku was not useful to ascertain lateral movement because there was a distortion caused by the angle as the horses came around the track. Mr Cox stated there was some form of optical illusion or compression occurring as the animals approached the camera and continued as the animals came closer to the camera. Mr Cox explained the parallel lines were not the same distance the entire trip as the race unfolded, despite the appearance to the contrary in the video.

The Tribunal accepted Mr Cox's evidence over that of Mr Ku. The Tribunal determined that the alignment markers which had been added to Mr Ku's film were unreliable in terms of the positions of the horses.

On 1 July 2012, the Tribunal dismissed the appeal and ordered the suspension of penalty to cease immediately.

Appeal No. 735 – David Powrie

In the matter of an appeal against the determination made by the RWWA Stewards of Thoroughbred Racing on 9 September 2011, imposing a three month disqualification for breach of Rule 175 (q) of Australian Rules of Racing.

David Powrie had been living at Mr Joe Miller's premises for a period of time prior to the incident. Mr Joe Miller was a licensed trainer who had employed the appellant to break horses and carry out track work.

A Stewards' inquiry was conducted into an incident that occurred at the back track adjacent to Ascot Race Course on 27 August 2011. It was alleged that the appellant deliberately head butted Mr Miller during a verbal altercation, causing facial injuries to

the latter. The appellant pleaded guilty to the charge. The Stewards imposed a three month disqualification.

A suspension of operation of the penalty was sought at the time the appeal notice against the penalty was lodged. After considering written submissions from both sides, the Tribunal refused to grant the stay application.

The Tribunal heard the matter over two days on 30 September 2011 and 6 October 2011.

The appellant was represented by his father, Mr F J Powrie, a former Chief Steward of the Western Australian Turf Club. Mr Powrie Snr endeavoured to submit new evidence relating to the appellant's motives and the reasons for his conduct at the Stewards' inquiry. The Tribunal ruled Mr Powrie Snr could not present new evidence on the appellant's behalf and to confine himself to dealing with the contents of the transcript of the proceedings before the Stewards.

Mr Powrie Snr sought leave to call Ms Laura Woolford as she had witnessed the incident. Ms Woolford had not given evidence before the Stewards' inquiry, nor was she present at the Tribunal hearing. The Tribunal granted leave to Mr Powrie Snr to call Ms Woolford and adjourned the hearing.

Ms Woolford appeared before the Tribunal on 6 October 2011 to testify on the appellant's behalf. The witness stated the fight began when the appellant was pulled off his horse by Mr Miller. She provided further details of the fight which took place after the forced dismount, and immediately prior to the head butt being delivered.

Ms Woolford's evidence presented the Tribunal with a completely different scenario to that which the Stewards had previously dealt with. On the evidence before the Stewards' inquiry the appellant's actions were capable of being categorised as totally irresponsible, unprovoked and completely inexplicable. By contrast, the Tribunal was required to adjudicate on a quite different factual situation. Ms Woolford's evidence proved crucial to the Tribunal's decision to partially uphold the appeal.

At the conclusion of Ms Woolford's testimony, Mr Powrie Snr continued with his submission. He criticised the way in which both the investigation and Stewards' inquiry were conducted. He submitted that the appellant had no opportunity to call witnesses or evaluate the evidence against him. Mr Powrie Snr argued that the Stewards failed to adopt the appropriate procedures which were incumbent on them as a judicial body.

The Tribunal found no fault in the way the Stewards conducted their inquiry. The Tribunal also found the Stewards provided the appellant with the specifics of the charge accompanied by adequate detail of the circumstances so that he clearly knew what was being alleged and what he was required to respond to.

The Tribunal was satisfied that the Stewards correctly determined that the appellant's actions amounted to a breach of Rule 175(q) and dismissed the appeal regarding the conviction on 6 October 2011. The Tribunal also announced that in light of the evidence provided by Ms Woolford, it was satisfied that imposing a three month disqualification on the appellant was inappropriate.

The Tribunal ordered the Stewards to provide further information regarding cases where fines had been identified as a penalty for a breach of Rule 175 (q) of the Australian Rules of Racing and granted Mr Powrie Snr leave to respond to the Stewards' response.

Subsequently, the Tribunal considered submissions received from the Stewards and Mr Powrie Snr. On 16 December 2011, the Tribunal quashed the penalty of three months disqualification imposed by the Stewards. The appellant was ordered to pay a \$1000 fine which was suspended until 31 August 2012, on the condition that he did not commit an offence under Rule 175(q) or any similar rule in relation to conduct.

Appeal No. 737 – Gerard Peterson

In the matter of an application for leave to appeal by Mr Gerard Peterson (as agent for the owners of HE'S REMARKABLE) against the determination made by the RWVA Stewards of Thoroughbred Racing on 19 November 2011, relegating HE'S REMARKABLE from first to second place pursuant to Australian Racing Rule 136.

The race meeting held at Ascot on 19 November 2011 was a major race day of great significance to Western Australian racing. The program included two Australian Group One events – the Railway Stakes (Race Eight) and the Winterbottom Stakes (Race Nine).

Australian Group One Races are the premier races for thoroughbreds during the Australian racing season. They offer the highest prize money. Owners, jockeys, and trainers set their sights on winning Group One races because of the prestige and value associated for the winning horses, especially those horses and mares being set for a career at stud.

HE'S REMARKABLE finished first in Race Eight. Following the running of Race Eight, the Stewards inquired into the protests of both the fourth runner (WARATAH'S SECRET), against the first runner (HE'S REMARKABLE), and the second runner (LUCKY GRAY), against the first runner. These objections arose out of an incident which occurred about the 600 metre mark. All four jockeys involved in the protests, the respective trainers as well as another jockey were present during the protest hearing. Both protesting riders were invited to state their objections and the other riders were called on to respond.

The protests were determined on the following basis:

“The Stewards are satisfied that the shift was from HE’S REMARKABLE and that caused tightening to WARATAH’S SECRET which blundered, with this causing LUCKY GRAY to receive indirect interference and that we believe that the interference to LUCKY GRAY was considerably greater than the long neck margin between both runners at the end of the race, however we are not fully satisfied that WARATAH’S SECRET would have beaten HE’S REMARKABLE. So based on this, gentlemen, it is our decision to uphold 2nd verses 1st and dismiss 4th verses 1st meaning that LUCKY GRAY is now declared the winner of the Railway Stakes. That’s our decision, so there will be an inquiry into the incident after the running of the last race.”

Subsequently, a further inquiry was convened at the conclusion of race day and Mr Mcevoy, the rider of HE’S REMARKABLE, was charged with a breach of careless riding as follows:

“...that passing the 600m you allowed your mount HE’S REMARKABLE to shift outwards causing WARATAH’S SECRET (Paul Harvey) to be tightened for room between your mount and BIG TED (M Chui), with WARATAH’S SECRET blundering from the heels and as a result RANGER (Pike), LUCKY GRAY (O’Donnell) and BATTLE EMBLEM (Yuill), were checked in consequence.”

Mr McEvoy pleaded guilty to the charge. He was disqualified from racing for 28 days.

On 2 December 2011, Mr Gerard Peterson, acting on behalf of the owners of HE’S REMARKABLE, sought leave to appeal against the decision to replace the winner on the basis that:

- there was insufficient evidence to conclude the interference affected the results of the race;
- there was a lack of procedural fairness in failing to call one of the riders, not advising the owners of the horse of their rights and putting leading questions to one of the jockeys; and
- the decision was unsafe in regard to the fresh evidence, being the careless riding inquiry which followed, the series of still photographs of the race and the racing tendencies of the horse which were not addressed at the protest hearing.

The leave application was supported by two affidavits. One was sworn by Mr Damian Vincent Wyer, a bloodstock agent and thoroughbred horse racing photographer. Mr Wyer had taken photographs of the race which were said to include the incident.

The other affidavit was from Mr John Bradley Struthers, part owner of HE'S REMARKABLE. Mr Struthers resides in New Zealand and had not previously raced a horse in Western Australia. Mr Struthers submitted that he lacked familiarity with the way in which protest hearings were conducted in WA. He was unaware at the time but had since learned of the tendency of BIG TED to lay inward, which he stated could have been the subject of questioning at the hearing had he been aware of it. Mr Struthers also stated the value of HE'S REMARKABLE would be \$3 million as a Group One winner, but only \$750,000 as a Group One second place getter. In addition, the difference in stake money in the race between first and second was said to be \$427,900.

The Tribunal heard the matter on 24 January 2012.

The appellant's senior counsel submitted that there was a denial of natural justice because the owners of HE'S REMARKABLE were not asked whether they wished to call any witnesses and nor were they asked whether they wished to cross-examine the jockeys. Counsel also stated that the significant amount of stake money involved, coupled with the publicity associated with the decision, meant it was a matter of public interest. The public interest consideration transcended the fact that the stake money had been paid out and therefore the Stewards should have conducted a more substantive inquiry.

The Stewards' senior counsel submitted that protest inquiries required a conclusion to be reached and the matter resolved before the next race. The inquiry's outcome had an impact on the public who were reconciled to the disappointment of losing and not being paid out. There was only 15 minutes scheduled between races and therefore, under the circumstances, the manner in which the inquiry was conducted was entirely fair.

It was submitted that the matter involved questions of private interest only, that is, it was the money which would have been otherwise entitled to go to the connections and the value of the horse. Weighed up against that was the need for finality and certainty of a racing decision. There was far more benefit from a public perspective in having the decision confirmed.

The Tribunal accepted that an urgently conducted hearing with a quick conclusion to both protests was necessary, not just for the sake of the punters who had bet on the race, but also for the sake of the industry as a whole.

The Tribunal determined there was no denial of natural justice to the appellant. Rather, an eminently appropriate panel was engaged to address this important matter which required a resolution before the next race. The Stewards had reached the correct conclusion based on the evidence before them.

On 24 January 2012, the Tribunal dismissed the appeal. The reasons were published on 7 June 2012.

SIGNIFICANT ISSUES AND TRENDS IMPACTING THE TRIBUNAL

CHANGES TO ACTS

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

CHANGES TO REGULATIONS

The *Racing Penalties (Appeals) Amendment Regulations 2011* provided new fees and charges under the *Racing Penalties (Appeals) Act 1990*. The new fees and charges came into effect on 1 January 2012.

LIKELY DEVELOPMENTS AND FORECAST RESULTS OF OPERATIONS

It is expected that the workload of the Racing Penalties Appeal Tribunal for 2012/13 will remain steady. Indications are that the Tribunal is adequately resourced to efficiently carry out its functions.

DISCLOSURES AND LEGAL COMPLIANCE

FINANCIAL STATEMENTS

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

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

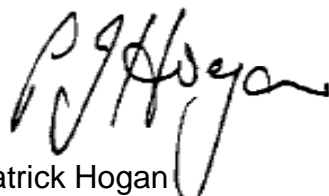
The accompanying financial statements of the Racing Penalties Appeal Tribunal of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2012 and the financial position as at 30 June 2012.

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



Terry Ng
Chief Finance Officer

19 July 2012



Patrick Hogan
Member, Racing Penalties
Appeal Tribunal of Western
Australia

19 July 2012



Dan Mossenson
Chairperson, Racing
Penalties Appeal
Tribunal of Western
Australia

19 July 2012

Racing Penalties Appeal Tribunal

Statement of Comprehensive Income

for the year ended 30 June 2012

	Note	2012 \$	2011 \$
COST OF SERVICES			
Expenses			
Tribunal members' expenses	13	49,994	39,724
Superannuation	13	4,514	3,575
Supplies and services		<u>166,536</u>	<u>164,046</u>
Total cost of services		<u>221,044</u>	<u>207,345</u>
Income			
<i>Revenue</i>			
Operating income	4	263,890	267,007
Interest revenue	5	<u>15,606</u>	<u>14,576</u>
Total Revenue		<u>279,496</u>	<u>281,583</u>
NET COST OF SERVICES	10	<u>(58,452)</u>	<u>(74,238)</u>
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>58,452</u>	<u>74,238</u>
OTHER COMPREHENSIVE INCOME			
Gains/(losses) recognised directly in equity		<u>0</u>	<u>0</u>
Total other comprehensive income		<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>58,452</u>	<u>74,238</u>

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

Racing Penalties Appeal Tribunal

Statement of Financial Position

as at 30 June 2012

	Note	2012 \$	2011 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	272,874	213,824
Receivables	7	<u>3,169</u>	<u>2,971</u>
Total Current Assets		<u>276,043</u>	<u>216,795</u>
TOTAL ASSETS		<u>276,043</u>	<u>216,795</u>
LIABILITIES			
Current Liabilities			
Payables	8	<u>1,756</u>	<u>960</u>
Total Current Liabilities		<u>1,756</u>	<u>960</u>
TOTAL LIABILITIES		<u>1,756</u>	<u>960</u>
NET ASSETS		<u>274,287</u>	<u>215,835</u>
EQUITY			
Accumulated surplus/(deficit)	9	<u>274,287</u>	<u>215,835</u>
TOTAL EQUITY		<u>274,287</u>	<u>215,835</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Racing Penalties Appeal Tribunal

Statement of Changes in Equity

for the year ended 30 June 2012

	Note	Contributed equity \$	Reserves \$	Accumulated surplus/ (deficit) \$	Total equity \$
Balance at July 2010	9	0	0	141,597	141,597
Changes in accounting policy or correction of prior period errors		0	0	0	0
Restated balance at 1 July 2010		0	0	141,597	141,597
Surplus/(deficit)		0	0	74,238	74,238
Other comprehensive income		0	0	0	0
Total comprehensive income for the period		0	0	74,238	74,238
Transactions with owners in their capacity as owners:					
Other contributions by owners		0	0	0	0
Distributions to owners		0	0	0	0
Total		0	0	0	0
Balance at 30 June 2011		0	0	215,835	215,835
Balance at 1 July 2011		0	0	215,835	215,835
Surplus/(deficit)		0	0	58,452	58,452
Other comprehensive income		0	0	0	0
Total comprehensive income for the period		0	0	58,452	58,452
Transactions with owners in their capacity as owners:					
Other contributions by owners		0	0	0	0
Distributions to owners		0	0	0	0
Total		0	0	0	0
Balance at 30 June 2012		0	0	274,287	274,287

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

Racing Penalties Appeal Tribunal

Statement of Cash Flows

for the year ended 30 June 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Tribunal members' expenses		(49,286)	(50,282)
Superannuation		(4,435)	(4,525)
Supplies and services		(166,529)	(164,046)
GST paid on purchases		(20)	(977)
GST payments to taxation authority		(26,734)	(26,421)
Receipts			
Receipts from customers		263,890	267,007
Interest received		15,416	13,766
GST receipts on sales		26,734	26,421
GST receipts from taxation authority		14	1,007
Net cash provided by/(used in) operating activities	10	<u>59,050</u>	<u>61,950</u>
Net increase/(decrease) in cash and cash equivalents		59,050	61,950
Cash and cash equivalents at the beginning of the period		213,824	151,874
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	10	<u><u>272,874</u></u>	<u><u>213,824</u></u>

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

**Racing Penalties Appeal Tribunal
Notes to the Financial Statements
for the year ended 30 June 2012**

Note 1. Australian Accounting Standards

General

The Authority's financial statements for the year ended 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Authority has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Authority for the annual reporting period ended 30 June 2012.

Note 2. Summary of significant accounting policies

(a) General statement

The Authority is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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

(b) Basis of preparation

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

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

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

(c) Reporting entity

The reporting entity comprises the Tribunal only.

(d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) IncomeRevenue recognition

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

The following specific recognition criteria must also be met before revenue is recognised for the major business activity as follow:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

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

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

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

(g) Financial instruments

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

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

Financial instruments have been disaggregated into the following classes:

- * Financial Assets
 - Cash and cash equivalents
 - Receivables
- * Financial Liabilities
 - Payables

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

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

(h) Cash and Cash Equivalents

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

(i) Receivables

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

(j) Payables

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

(k) Employee BenefitsAnnual and Long Service Leave

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

Superannuation

The Government Employees Superannuation Board (GESB) and other funds administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Authority to GESB extinguishes the agency's obligations to the related superannuation liability.

The Authority has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Authority to the GESB.

Tribunal members commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Tribunal members commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Authority makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Authority's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

(l) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), WSS, the GESBS, or other superannuation fund.

(m) Comparative figures

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

Note 3. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Authority has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2011 that impacted on the Authority.

AASB 1054	<p><i>Australian Additional Disclosures</i></p> <p>This Standard, in conjunction with AASB 2011-1 <i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project</i>, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.</p>
AASB 2009-12	<p><i>Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Int 2, 4, 16, 1039 & 1052]</i></p> <p>This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.</p>
AASB 2010-4	<p><i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Int 13]</i></p> <p>The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact.</p> <p>The amendments to AASB 101 clarify the presentation of the Statement of Changes in Equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity can be presented in either the Statement of Changes in Equity or the Notes. There is no financial impact.</p>
AASB 2010-5	<p><i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Int 112, 115, 127, 132 & 1042]</i></p> <p>This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.</p>
AASB 2010-6	<p><i>Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 & 7]</i></p> <p>This Standard introduces additional disclosure relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.</p>
AASB 2011-1	<p><i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Int 2, 112 & 113]</i></p> <p>This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.</p>
AASB 2011-5	<p><i>Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, 128 & 131]</i></p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity are not-for-profit non-reporting entities that comply with Australian Accounting Standards. There is no financial impact.</p>

Future impact of Australian Accounting Standards not yet operative

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Authority has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Authority. Where applicable, the Authority plans to apply these Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The Standard was reissued in December 2010. The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013
AASB 10	<p><i>Consolidated Financial Statements</i></p> <p>This Standard supersedes requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> and Int 112 <i>Consolidation - Special Purpose Entities</i>, introducing a number of changes to accounting treatments.</p> <p>The Standard was issued in August 2011. The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013
AASB 11	<p><i>Joint Arrangements</i></p> <p>This Standard supersedes AASB 131 <i>Interests in Joint Ventures</i>, introducing a number of changes to accounting treatments.</p> <p>The Standard was issued in August 2011. The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013
AASB 12	<p><i>Disclosure of Interests in Other Entities</i></p> <p>This Standard supersedes disclosure requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i>, AASB 128 <i>Investments in Associates</i> and AASB 131 <i>Interests in Joint Ventures</i>.</p> <p>The Standard was issued in August 2011. The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013
AASB 13	<p><i>Fair Value Measurement</i></p> <p>This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.</p>	1 Jan 2013
AASB 119	<p><i>Employee Benefits</i></p> <p>This Standard supersedes AASB 119 (October 2010). As the Authority does not operate a defined benefit plan, the impact of the change is limited to measuring annual leave as a long-term employee benefit. The resultant discounting of the annual leave benefit has an immaterial impact.</p>	1 Jan 2013

		Operative for reporting periods beginning on/after
AASB 127	<i>Separate Financial Statements</i>	1 Jan 2013
	This Standard supersedes requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> , introducing a number of changes to accounting treatments.	
	The Standard was issued in August 2011. The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 128	<i>Investments in Associates and Joint Ventures</i>	1 Jan 2013
	This Standard supersedes AASB 128 <i>Investments in Associates</i> , introducing a number of changes to accounting treatments.	
	The Standard was issued in August 2011. The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 1053	<i>Application of Tiers of Australian Accounting Standards</i>	1 Jul 2013
	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.	
AASB 2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Int 10 & 12]</i>	1 Jul 2013
	[Modified by AASB 2010-7]	
AASB 2010-2	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]</i>	1 Jul 2013
	This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.	
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i>	1 Jan 2013
	This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project - Reduced Disclosure Requirements [AASB 101 & 1054]</i>	1 Jul 2013
	This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.	

		Operative for reporting periods beginning on/after
AASB 2011-6	<i>Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, 128 & 131]</i>	1 Jul 2013
	This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards - Reduced Disclosure Requirements. There is no financial impact.	
AASB 2011-7	<i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]</i>	1 Jan 2013
	This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 <i>Separate Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> . The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 2011-8	<i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i>	1 Jan 2013
	This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as a result of issuing AASB 13 in September 2011. There is no financial impact.	
AASB 2011-9	<i>Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]</i>	1 Jul 2012
	This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The Authority has not yet determined the application or the potential impact of the Standard.	
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]</i>	1 Jan 2013
	This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is limited financial impact.	
AASB 2011-11	<i>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i>	1 Jul 2013
	This Standard gives effect to Australian Accounting Standards - Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.	
AASB 2012-1	<i>Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</i>	1 Jul 2013
	This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.	

Note 4. Operating income

	2012	2011
	\$	\$
Fees and charges	4,200	2,793
Funding from Racing and Wagering Western Australia	259,690	264,214
	<u>263,890</u>	<u>267,007</u>

Note 5. Interest revenue

	2012	2011
	\$	\$
Interest revenue		
Commonwealth Bank of Australia	<u>15,606</u>	<u>14,576</u>

Note 6. Cash and cash equivalents

	2012	2011
	\$	\$
Cash and cash equivalents are represented by funds held at the Commonwealth Bank of Australia	<u>272,874</u>	<u>213,824</u>

Note 7. Receivables

	2012	2011
	\$	\$
<u>Current</u>		
Interest receivable	3,128	2,937
GST receivable	41	34
Total current	<u>3,169</u>	<u>2,971</u>

The Authority does not hold any collateral or other credit enhancements as security for receivables.

Note 8. Payables

	2012	2011
	\$	\$
<u>Current</u>		
Accrued expenses	1,756	960
Total current	<u>1,756</u>	<u>960</u>

Note 9. Equity

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

Contributed equity

	2012	2011
	\$	\$
Balance at start of period	0	0
<u>Contributions by owners</u>		
Transfer of net assets from other agencies	0	0
Total contributions by owners	0	0
<u>Distributions to owners</u>		
Transfer of net assets to other agencies	0	0
Total distributions to owners	0	0
Balance at end of period	0	0
Accumulated surplus/(deficit)		
	2012	2011
	\$	\$
Balance at start of period	215,835	141,597
Result for the period	58,452	74,238
Income and expense recognised directly in equity	0	0
Balance at end of period	274,287	215,835
Total Equity at end of period	274,287	215,835

Note 10. Notes to the Statement of Cash Flows

	2012	2011
	\$	\$
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	272,874	213,824
	272,874	213,824
Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
	2012	2011
	\$	\$
Net cost of services	58,452	74,238
<u>(Increase)/decrease in assets:</u>		
Receivables ^(a)	(191)	(810)
<u>Increase/(decrease) in liabilities:</u>		
Payables ^(a)	796	(11,509)
Net GST receipts/(payments) ^(b)	(6)	30
Change in GST in receivables/payables ^(c)	(1)	1
Net cash provided by/(used in) operating activities	59,050	61,950

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase

of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

(c) This reverses out the GST in receivables and payables.

At the end of the reporting period, the Authority had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

Note 11. Financial instruments**(a) Financial risk management objectives and policies**

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

Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority.

The maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 11(c) 'Financial instruments disclosures' and note 7 'Receivables'.

Credit risk associated with the Authority's financial assets is minimal because the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority is exposed to liquidity risk through its trading in the normal course of business.

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

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks. Other than as detailed in the interest rate sensitivity analysis table at Note 11(c), the Authority has no borrowings and its exposure to market risk for changes in interest rates relates primarily to cash and cash equivalents which are interest bearing.

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2012	2011
	\$	\$
<u>Financial Assets</u>		
Cash and cash equivalents	272,874	213,824
Receivables ^(a)	3,128	2,937
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost	1,756	960

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

Racing Penalties Appeal Tribunal
Notes to the Financial Statements
for the year ended 30 June 2012

Note 11. (c) Financial instrument disclosures

Credit risk

The following table discloses the Authority's maximum exposure to credit risk and the ageing analysis of financial assets. The Authority's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Authority.

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

Aged analysis of financial assets

	Carrying Amount	Not past due and not impaired	Past due but not impaired					Impaired financial assets
			Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years	
	\$	\$	\$	\$	\$	\$	\$	\$
2012								
Cash and cash equivalents	272,874	272,874						
Receivables ^(a)	3,128		3,128					
	276,002	272,874	3,128	0	0	0	0	0
2011								
Cash and cash equivalents	213,824	213,824						
Receivables ^(a)	2,937		2,937					
	216,761	213,824	2,937	0	0	0	0	0

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

**Racing Penalties Appeal Tribunal
Notes to the Financial Statements
for the year ended 30 June 2012**

Note 11. (c) Financial instrument disclosures (contd)

Liquidity risk and interest rate exposure

The following table details the Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates					
			Fixed interest rate \$	Variable interest rate \$	Non- interest bearing \$		Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	More than 5 years \$	
2012												
<u>Financial Assets</u>												
Cash and cash equivalents	4.71	272,874		272,874		272,874	272,874					
Receivables ^(a)		3,128		3,128		3,128	3,128					
		276,002	0	276,002	0	276,002	276,002	0	0	0	0	0
<u>Financial Liabilities</u>												
Payables		1,756			1,756	1,756	1,756					
		1,756	0	0	1,756	1,756	1,756	0	0	0	0	0

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

Racing Penalties Appeal Tribunal
Notes to the Financial Statements
for the year ended 30 June 2012

Note 11. (c) Financial instrument disclosures (contd)

Liquidity risk and interest rate exposure

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates					
			Fixed interest rate \$	Variable interest rate \$	Non- interest bearing \$		Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	More than 5 years \$	
2011												
<u>Financial Assets</u>												
Cash and cash equivalents	5.01	213,824		213,824		213,824	213,824					
Receivables ^(a)		2,937		2,937		2,937	2,937					
		216,761	0	216,761	0	216,761	216,761	0	0	0	0	0
<u>Financial Liabilities</u>												
Payables		960			960	960	960					
		960	0	0	960	960	960	0	0	0	0	0

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

**Racing Penalties Appeal Tribunal
Notes to the Financial Statements
for the year ended 30 June 2012**

Note 11. (c) Financial instrument disclosures (contd)

Interest rate sensitivity analysis

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

	-100 basis points			+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
2012	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash and cash equivalents	272,874	(2,729)	(2,729)	2,729	2,729
<u>Financial Liabilities</u>					
Total Increase/(Decrease)		(2,729)	(2,729)	2,729	2,729
	-100 basis points			+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
2011	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash and cash equivalents	213,824	(2,138)	(2,138)	2,138	2,138
<u>Financial Liabilities</u>					
Total Increase/(Decrease)		(2,138)	(2,138)	2,138	2,138

Fair values

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

Note 12. Explanatory statement

Significant variations between estimates and actual results for 2012 and between the actual results for 2011 and 2012 are shown below. Significant variations are considered to be those greater than 10% or \$20,000.

(i) Significant variances between estimated and actual result for 2012

	2012 Estimate \$	2012 Actual \$	Variation \$
Tribunal members' expenses	92,871	49,994	(42,877)
Superannuation	8,360	4,514	(3,846)
Interest revenue	10,000	15,606	5,606

Tribunal members' expenses

The decrease of \$42,877 was mainly due to less appeals being lodged and dealt with than estimated in 2012.

Superannuation

The reason for the decrease of \$3,846 was explained in the Tribunal members' expenses mentioned above.

Interest revenue

The increase of \$5,606 was the result of a higher bank balance throughout the year.

(ii) Significant variances between actual results for 2011 and 2012

	2012 \$	2011 \$	Variance \$
Tribunal members' expenses	49,994	39,724	(10,270)
Superannuation	4,514	3,575	(939)

Tribunal members' expenses

The Tribunal members' expenses in 2012 were higher due to more appeals determined during the year.

Superannuation

The variance of \$939 was due to the impact of the increase in the Tribunal members' expenses in 2012.

Note 13. Remuneration of members of the Accountable Authority

The number of members of the accountable authority, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2012	2011
\$		
0 - 10,000	6	6
30,001 - 40,000	0	1
40,001 - 50,000	1	0
	\$	\$
The total remuneration of members of the accountable authority	<u>54,508</u>	<u>43,299</u>

The total remuneration includes the superannuation expense incurred by the Authority in respect of members of the accountable authority.

Note 14. Remuneration of auditor

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2012	2011
	\$	\$
Auditing the accounts, financial statements and key performance indicators	<u>9,900</u>	<u>6,350</u>

Note 15. Commitments

As at 30 June 2012 the Authority did not have any other material capital or expenditure commitments.

Note 16. Contingent liabilities and contingent assets

The Authority is not aware of any contingent liabilities and contingent assets as at the end of the reporting period.

Note 17. Events occurring after the end of the reporting period

We are not aware of any matters or circumstances that have arisen since the end of the financial year to the date of this report which has significantly affected or may significantly affect the activities of the Authority, the results of those activities or the state of affairs of the Authority in the ensuing or any subsequent financial year.

ADDITIONAL KEY PERFORMANCE INDICATOR INFORMATION

Key Performance Indicators (KPIs) are required by section 62 of the *Financial Management Act 2006* and are provided to assist interested parties such as Government, Parliament and community groups in assessing an agency's desired outcomes. KPIs measure the efficiency and effectiveness of an agency.

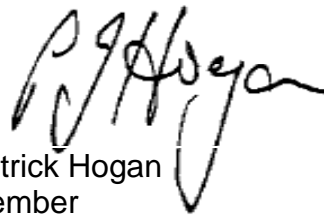
CERTIFICATION OF PERFORMANCE INDICATORS FOR THE RACING PENALTIES APPEAL TRIBUNAL FOR THE YEAR ENDED 30 JUNE 2012

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of the Racing Penalties Appeal Tribunal, and fairly represent the performance of the Racing Penalties Appeal Tribunal for the financial year ended 30 June 2012.



Dan Mossenson
Chairperson
Racing Penalties Appeal Tribunal

19 July 2012



Patrick Hogan
Member
Racing Penalties Appeal Tribunal

19 July 2012

DETAILED INFORMATION IN SUPPORT OF KEY PERFORMANCE INDICATORS

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

Strategy: To ensure that a timely and effective appeal forum is provided at minimum cost to the racing industry.⁵

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

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

Stays of proceedings is the only process the Tribunal has some control over in respect of the length of time taken to process an appeal. The time involved in processing of stay applications is governed by many factors including the availability of counsel for both parties, the provision of the transcript of a Stewards' inquiry and other supporting information, legal proceedings in other jurisdictions and the complexity of matters required to be determined.

	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Target	2011/12 Actual
Total number of stay applications received	9	8	2	4	8
Number of stay applications determined the same day	5	2	1	2	3
Indicator	56%	25%	50%	50%	38%

⁵ The effectiveness indicator for this activity is derived by dividing the number of stay applications determined the same day by the total number of stay applications received, then multiplying by 100.

The table below provides an explanation as to why the five stay applications were not processed the same day and highlights that factors beyond the Tribunal's control were responsible for such a delay.

Appeal No	Applicant	Explanation
736	Ross Olivieri v RWWA Stewards of Harness Racing	RWWA requested the opportunity to make oral submissions on the stay application, which was heard at the earliest convenience of the parties.
738	Shane Loone v RWWA Stewards of Harness Racing	Application received in the morning (8:05am), but responses from Appellant and RWWA not completed until the next day. Decision handed down in the morning of the next day (10:39am).
740	Tracey Peta Knotts v RWWA Stewards of Thoroughbred Racing	Submissions for the stay application made at an oral hearing. This matter was subsequently withdrawn.
743	Ryan Hill v RWWA Stewards of Thoroughbred Racing	Application received on Friday afternoon (2:12 pm) and refused on the following Monday (10:20am). This matter was subsequently withdrawn.
745	Andrew Steven Heffernan v RWWA Stewards of Thoroughbred Racing	Application received late on Wednesday afternoon (4:05pm) and determined the following day (2:39 pm).

Service: To perform functions for the racing industry.

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

The Racing Penalties Appeal Tribunal was created to maintain industry confidence in the enforcement of the various racing rules by providing the industry with an impartial judicial forum for the hearing of appeals against Racing and Wagering Western Australia determinations.

The Tribunal is responsible for hearing and determining appeals against penalties imposed in disciplinary proceedings arising from, or in relation to, the conduct of greyhound racing, horse racing and harness racing.

A person who is aggrieved by a Racing and Wagering Western Australia decision, or a determination made by a steward/stewards or a committee of a racing club, may make an appeal to the Tribunal within 14 days of the decision being handed down.

The Registrar of the Racing Penalties Appeal Tribunal must ensure that appeals and applications are processed in accordance with the *Racing Penalties (Appeals) Act 1990* and the *Racing Penalties (Appeals) Regulations 1991*, whilst providing an effective and efficient service to the racing industry at minimal cost.

The average cost can change for each reporting year as a result of increases or reductions in the number of matters heard before the Tribunal, combined with annual increases to the total cost of providing services to the Tribunal to conduct its operations.

This means the more applications that are heard in a given year the less it costs on processing an application. Conversely, if fewer applications are heard in a given year then it costs more on average to process an application.

The reason for the discrepancy between the estimated average cost of processing an application versus the actual cost of processing an application in 2011/12 is due to the actual number of applications heard and determined in 2011/12. There has been an increase in cost in comparison to previous years.

	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Target	2011/12 Actual
Average cost of processing an appeal ⁶	\$15,702	\$18,696	\$23,038	\$46,332 ⁷	\$24,560 ⁸

. . .

6 The average processing cost for each financial year was derived by dividing the total cost of services to the Tribunal by the number of appeals heard.

7 This is based on 2011/12 budgeted total cost of services of \$277,990 divided by a projected 6 applications heard.

8 This is based on 2011/12 actual total cost of services \$221,044 divided by 9 applications heard.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

RACING PENALTIES APPEAL TRIBUNAL OF WESTERN AUSTRALIA

Report on the Financial Statements

I have audited the accounts and financial statements of the Racing Penalties Appeal Tribunal of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2012, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Tribunal's Responsibility for the Financial Statements

The Tribunal is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Tribunal determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Tribunal's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Tribunal, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Racing Penalties Appeal Tribunal of Western Australia at 30 June 2012 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Racing Penalties Appeal Tribunal of Western Australia during the year ended 30 June 2012.

Controls exercised by the Racing Penalties Appeal Tribunal of Western Australia are those policies and procedures established by the Tribunal to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Tribunal's Responsibility for Controls

The Tribunal is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Racing Penalties Appeal Tribunal of Western Australia based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Tribunal complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the controls exercised by the Racing Penalties Appeal Tribunal of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2012.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Racing Penalties Appeal Tribunal of Western Australia for the year ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Tribunal's Responsibility for the Key Performance Indicators

The Tribunal is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Tribunal determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Tribunal's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the key performance indicators of the Racing Penalties Appeal Tribunal of Western Australia are relevant and appropriate to assist users to assess the Tribunal's performance and fairly represent indicated performance for the year ended 30 June 2012.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Racing Penalties Appeal Tribunal of Western Australia for the year ended 30 June 2012 included on the Tribunal's website. The Tribunal's management is responsible for the integrity of the Tribunal's website. This audit does not provide assurance on the integrity of the Tribunal's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL ASSURANCE SERVICES
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 September 2012

OTHER LEGAL AND GOVERNMENT POLICY REQUIREMENTS

ADVERTISING AND SPONSORSHIP

Section 175ZE of the *Electoral Act 1907* requires public agencies to report details of expenditure to organisation providing services in relation to advertising, market research, polling, direct mail and media advertising. The Tribunal did not incur expenditure of this nature in 2011/12.

OTHER GOVERNMENT POLICY REQUIREMENTS

The Commission meets its requirements through arrangements with the Department of Racing, Gaming and Liquor. The Department's Annual Report contains information on how the Department meets the following requirements:

- Disability Access and Inclusion Plan Outcomes.
- Compliance with Public Sector Standards and Ethical Codes.
- Recordkeeping Plans.
- Substantive Equality.
- Occupational Safety, Health and Injury Management.