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Racing codes benefit from prudent fiscal management

The New Zealand Racing Board will make a special funding distribution of \$6 million to the thoroughbred, harness racing and greyhound codes in March 2010.

Racing Board Chairman Michael Stiasny said he was pleased the Board was able to make the unscheduled pay-out which would benefit the grassroots industry.

“This unscheduled distribution is only possible due to the strong fiscal restraint being achieved by the Racing Board. The distribution is in addition to our budgeted distributions to the Codes which we will continue to make during the remainder of the financial year as scheduled.

“We are currently ahead of budget for the first five months of 2009/10, as a result of having worked to strip out more than \$10 million in operating costs, at the same time driving revenues with initiatives such as TAB TV. We are continuing to identify and implement additional operational efficiencies.

“Last year we also paid out more to the racing industry than we earned which depleted our reserves by \$22.2 million. However, we recognise that racing clubs are in need of additional support as the country emerges from the economic recession. And, given we are ahead of budget, it makes sense to pay out some of the surplus now rather than wait until the end of the financial year. It’s great to be in a position to help,” he said.

Mr Stiasny said the Board was tracking well ahead of budget for the first five months of 2009/10, with a total net profit of \$58.2 million, up nine per cent on the same period in 2008/09.

Total turnover was up three per cent to \$678.9 million for the same period, while operating expenses were down 7.3 per cent to \$30.4 million.

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