



NSW RACEHORSE OWNERS
ASSOCIATION

AUG 2006

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RACING'S NIGHT OF CHAMPIONS

The NSWROA's 'Racing's Night of Champions' held on the 10th of August at The Pavilion at Royal Randwick was an unqualified success with over 650 guests attending the function.

This year the event was sponsored by the [AJC](#), [STC](#), [Racing NSW](#), [Network Ten](#), [Emirates](#), [Sydney City Lexus](#), [ABN Amro](#), [BT Financial Group](#), [Capella Apartments Kensington](#) developed by [Carrington](#), [Carrazzo Consulting](#), [Challenger Financial Group](#), [Citigroup](#), [Count Charitable Foundation](#), [Deutsche Asset Management](#), [ING](#), and [Macquarie Funds Management](#).

The awards for the best performed thoroughbreds of the previous season were presented by the Hon. Grant McBride, MP Minister for Gaming and Racing. Joe Janiak's **Takeover Target** took out the award for the Best NSW Sprinter/Miler sponsored by Sydney City Lexus, NSW Country Champion Horse of the Year

sponsored by BT Financial Group and the overall title, NSW Champion Horse of the Year sponsored by Count Charitable Foundation.

Miss Finland, took out the STC's Best NSW 2 Year Old award; **Mnemosyne** the AJC's Best NSW Three Year Old award; **Eremein** Emirates Best NSW Middle Distance Runner; Railings Citigroup's Best NSW Stayer and **County Tyrone** Capella Apartments Kensington's NSW Provincial Champion Horse of the Year.

Queen of the Autumn sponsored by the STC and the AJC was awarded to **Regal Cheer**

Congratulations to all the nominees, connections and winners.

The Theo Green Award for leading city apprentice went to **Tim Clark**, The George Moore Award for the leading city jockey went to **Darren Beadman** and The TJ Smith Award for the leading city trainer went to **John Hawkes**. These awards were all sponsored by Racing NSW.

The monster auction was a great success as always and, along with the silent auction and raffle, helped raise almost \$200,000 for Redkite (supporting children through cancer), and once again showed the generosity of the racing industry and all the guests and sponsors involved.

Many thanks to Tim Webster, our Master of Ceremony as well as Bruce Clark from TVN who hosted the Awards presentations, and James Keenan our Honorary Auctioneer.

Special guests on the night were Alan Jones, John Eales, Grant McBride, the Minister for Gaming and Racing, Mark Waugh and basketball paralympians Tina McKenzie and Sarah Stewart.

Special thanks must go to John Messara who donated a third share in a Hussonet filly bought on the night by Alan Jones and to Kevin Moses who donated two years free training for the filly. Other major prize donations came from Alister Simpson and Joseph Zbukvic in the form of wonderful paintings, Emirates who donated two business class tickets to Europe, and of course wine supplied by McWilliams and beer by Toohey's which were very well received.

The Lexus RX350 supplied by Sydney City Lexus for the Monster Auction was a big hit, while an Antarctic expedition on Cruise Explorer II and Tickets to the 1006 Aria Awards and after party hotly contested.

Marcia Hines gave a fantastic performance on the night, while Jellybean Jam kept people dancing well after the midnight cut-off.

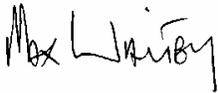
The continued support of our sponsors together with all our other donors and supporters helped make the evening a great success.

Members are urged to consider attending next year's Charity Awards night and help support the Association in its efforts to raise money for a worthy cause, as well as celebrate the wonderful horses and their owners.

FREE ENTRY – AUG

3 rd	Hawkesbury
5 th	Kembla Grange, Moruya
6 th	Muswellbrook
8 th	Taree
10 th	Gosford
11 th	Canberra, Tamworth
12 th	Broadmeadow
14 th	Bathurst, Nowra
16 th	Quirindi
17 th	Hawkesbury
18 th	Taree
19 th	Cowra, Grafton, Kembla Grange, Narrandera
20 th	Taree
21 st	Muswellbrook
24 th	Lismore, Wyong
25 th	Canberra, Scone
26 th	Broadmeadow, Moree
30 th	Grafton
31 st	Gosford

Yours in Racing



Max Whitby
President

PAUL CARRAZZO'S COLUMN

Business Plans – the ATO wants them! My last May 2006 article highlighted the need for horse industry players to have a Business Plan if they want to demonstrate to the ATO that they are conducting a taxation business of racing and/or breeding.

Why the need for a Business Plan? Well, virtually every client of mine that has been subject to review as part of the on-going racing industry audit has been asked to produce one in order to verify a significant BAS refund and/or the existence of a taxation business. In the eyes of the ATO, you cannot have a serious operation unless you have drawn up a plan demonstrating how your business will reach profitability.

Now that I have put you on notice, I will briefly note below the areas that should be addressed in any horse industry business plan. These areas are sourced from a combination of tax rulings, pronouncements and other feedback coming from the ATO during the course of this audit.

What should be in an ATO business plan? For the record, the ATO recommends the following as **minimum** disclosures in any business plan:

- a description of the business;
- the markets to which the taxpayer proposes to sell and realistic estimates of quantity and volume of sales;
- income expected;
- the research that has been conducted;
- information about the property where the business will be conducted
- information about expected expenses and capital outlays; and
- information about how the expenses and capital outlays will be funded.

However, my preferred thoroughbred industry business plan takes in most of the above ATO elements but adds areas which I think should be discussed to convince the ATO about the profit intention and long term viability of the business.

1. Executive summary
2. "SWOT" analysis

Simply speaking, this details the "strengths", "weaknesses", "opportunities" and "threats" of the business.

3. Description of the business
4. Ownership & their industry credentials
5. Management structure
6. Property, Plant & Bloodstock

This area should, as a minimum, refer to the current bloodstock of the business and what its favourable characteristics are.

7. Financial summary and projections

Your financial projections should be for a minimum of 3 years and must demonstrate long-term profitability.

Make sure they are realistic – for instance, if you assume you mares will produce foals every year, be mindful that the industry average is 61% "live-foal" rate.

8. Operations, products & services

This section deals with the way in which the business goes about doing what it does. For instance, what consultants are used?

9. Marketing and research
10. Business Vision
11. Mission statement

The business statement will define the direction and scope of your business and what product you will offer to the market to achieve your goals.

12. Action plans
13. Annexures

The annexure section gives you an opportunity to attach to your plan documentation referred to in the body of the plan, such as financial projections.

You are welcome to contact me if you wish me to clarify or expand upon any of the matters raised in this article.

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