



HORSE RACING  
IRELAND  
[www.hri.ie](http://www.hri.ie)

08

# ANNUAL REPORT 2008











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## MISSION STATEMENT

*To develop and promote Ireland as a world centre of excellence for horse racing and breeding.*

In identifying its mission statement, Horse Racing Ireland (HRI) has placed emphasis on Ireland's position in both the international horse racing and breeding industries and the quality of the product being offered to the racegoing public.

The continuity of funding necessary to develop strategies to achieve the mission is the key element of the HRI Strategic Plan.

The claim to be a world centre of excellence is a realistic one and the benefits of the strategies pursued to achieve the mission will be reflected in the economic, cultural and social environment of the country.

This mission gives expression to the values and sense of purpose of the organisation.







## CEO, BOARD MEMBERS & COMMITTEES OF HRI



BRIAN KAVANAGH

FRANCIS HYLAND

MICHAEL DOYLE

JOHN McSTAY

MICHAEL MURPHY

DERMOT CANTILLON

DENIS BROSAN

### SCHEDULE OF HRI BOARD MEMBERS & SUBSIDIARY BOARDS & HRI APPOINTEES TO OTHER BOARDS

<b>Denis Brosnan</b>	Chairman
<b>Nicholas Wachman</b>	Vice Chairman Racing Regulatory Body representative
<b>Dan Kirwan</b>	Representative of persons employed directly in the horse racing industry
<b>Dermot Cantillon</b>	Racehorse Breeders representative
<b>Noel Cloake</b>	Representative of persons employed in the horse racing industry
<b>Michael Doyle</b>	Racing Regulatory Body representative
<b>Francis Hyland</b>	Authorised Bookmakers representative
<b>John McStay</b>	Racing Regulatory Body representative
<b>Noel Meade</b>	Racehorse Trainers representative
<b>John Moloney</b>	Racing Regulatory Body representative
<b>Michael Murphy</b>	Racecourses representative
<b>Jim Nicholson</b>	Representative of persons in the horse racing industry in Northern Ireland
<b>Mary O'Connor</b>	Racing Regulatory Body representative
<b>John Power</b>	Racehorse Owners representative

### APPOINTMENTS & REMUNERATION COMMITTEE

**Denis Brosnan** *Chairman*  
Nicholas Wachman

### AUDIT COMMITTEE

**Jim Nicholson** *Chairman*  
Francis Hyland  
Dan Kirwan  
Liam Madden

### BOOKMAKERS COMMITTEE

**Roy Craigie** *Chairman*  
Raymond Horan  
Dan Kirwan  
Mary O'Connor

### FAIRYHOUSE COMMITTEE

**Roy Craigie** *Chairman*  
Pat Byrne  
Gerry Corry  
Michael Dowling  
George Mernagh  
Michael J Murphy

### FINANCE COMMITTEE

**Denis Brosnan** *Chairman*  
Brian Kavanagh  
John McStay  
John Moloney  
John Power  
Nicholas Wachman





NOEL MEADE

JOHN MOLONEY

JOHN POWER

NICHOLAS WACHMAN

DAN KIRWAN

MARY O'CONNOR

NOEL CLOAKE

JIM NICHOLSON

#### **FIXTURES COMMITTEE**

**Nicholas Wachman** *Chairman*

Michael Doyle  
Francis Hyland  
Noel Meade  
John Moloney  
Michael Murphy  
John Power

#### **LEOPARDSTOWN COMMITTEE**

**Dave McGrath** *Chairman*

Finbar Cahill  
Eithne Fitzpatrick  
Dan Kirwan  
Gerry Magee  
John Oxx  
Tom Taaffe

#### **MEDIA RIGHTS COMMITTEE**

**Michael Murphy** *Chairman*

Mary O'Connor  
John Power

#### **IRISH THOROUGHBRED MARKETING LIMITED**

**Dick O'Sullivan** *Chairman*

John Clarke  
Joe Foley  
Jim Mernagh  
Joe Osborne  
David O'Loughlin  
Janet Williamson

#### **FOAL LEVY COMMITTEE**

**John Moloney** *Chairman*

John Clarke  
Joe Foley  
Joe Hernon  
Edmund Loder  
John McStay  
Tim O'Regan  
Joe Shorthall

#### **NAVAN COMMITTEE**

**Finbar Cahill** *Chairman*

Noel Cloake  
Liam Madden  
Pat Martin  
Jimmy Owens  
Peter Reynolds

#### **PROGRAMMES COMMITTEE**

**Nicholas Wachman** *Chairman*

Dermot Cantillon  
Michael Doyle  
Francis Hyland  
Noel Meade  
Michael Murphy  
John Power

#### **TOTE IRELAND COMMITTEE**

**Jim Nicholson** *Chairman*

Dermot Cantillon  
Pat Garvey  
Brian Kavanagh  
Donal O'Mahony  
Sue Phelan

#### **HRI APPOINTEES TO OTHER BODIES:**

##### **CORK RACECOURSE**

Raymond Horan  
Joe Walsh

##### **DUNDALK RACECOURSE**

Philip Furlong  
Noel Meade  
Jason Morris

##### **IRISH EQUINE CENTRE**

Dermot Cantillon  
Margaret Davin  
Michael Sadlier

##### **PUNCHESTOWN RACECOURSE**

David Mongey  
Raymond Horan  
Dick O'Sullivan  
Nyall Speirs

##### **RACE**

Margaret Davin  
Dan Kirwan  
David Wright

## CHAIRMAN'S REPORT



I am pleased to present the 2008 Annual Report for Horse Racing Ireland.

As can be seen from the accounts and associated notes, 2008 was in many ways another successful year for Irish racing. This success was achieved as a result of the historical support from Government and thanks to the dedication of the officials in the Department of Arts, Sport and Tourism. Irish racing has over the past decade been supported in a way that has provided a sound environment for long term planning and development. It is essential that such an environment persists in the future, so as to maintain the significant economic value of the thoroughbred industry to our rural economy and the agricultural sector.

However, 2008 also saw a downturn in many of our areas of activity in the face of an increasingly

challenging economic environment. Secure long-term funding remains central to a return to growth within the industry, and Horse Racing Ireland continues to work with Government to achieve this aim so as to safeguard the 16,500 mainly rural jobs within the Irish horse racing and breeding industry.

In presenting these accounts, I would like to thank all of my colleagues on the Board of Horse Racing Ireland and the hard working executive team led by Brian Kavanagh, along with all those who served on the subsidiary Boards and Committees. It is an honour and privilege to serve as Chairman of such a dedicated Board and executive team, and I look forward to working with them to restore growth to this great industry and build upon our many successes of recent years.

**Denis Brosnan**









## CHIEF EXECUTIVE'S REPORT



The Irish horse racing industry saw a decline in many of the sector's key performance indicators in 2008. This was due primarily to the effects of the general economic slowdown, coupled with bad weather which led to an unprecedented number of race meeting cancellations in the second half of the year. Overall attendances at Irish racecourses fell by 9% from their record level of 1.52 million in 2007 to 1.39 million in 2008. This was mainly attributable to the significant number of fixtures lost due to the weather, especially from August to October. There were 42 cancellations in total, up from 12 the previous year and including important race days at the Tramore, Tralee, Galway (September) and Listowel Festivals, as well as the postponement of the Irish Champion Stakes Day at Leopardstown.

The area which suffered the biggest fall during 2008 was in bloodstock sales at public auction. The total value dropped by 44% to €99.5 million, while exports of thoroughbreds declined from €220 million to €180 million, reflecting a breeding industry now under significant pressure. On-course betting turnover likewise fell significantly by 18% in 2008, with bookmakers (down 21%) faring worse than the Tote (down 11%).

The drop in these measures must be viewed in the context of an industry that has enjoyed consistent growth since the introduction of the Horse and Greyhound Racing Fund in 2001. The pre-eminent position which the Irish racing and breeding industry holds worldwide, following its success of recent years, is a result of the positive approach which successive Governments have taken to the sector. The establishment of the Horse and Greyhound Racing Fund allowed long term strategic planning to take place and acted as a catalyst for the sustained development and growth of the industry. Between 2000 and 2007, on-course betting rose by 25% and off-course betting grew by a massive 208%. Fixtures increased by 23%, while prize money nearly doubled. Over the period, the number of foals produced grew by 44% and the number of horses in training soared by 52%, creating significant extra employment.

The return which the State has received from this investment has also been significant with in excess of 16,500 people at work in the industry, mostly in rural areas. There are an estimated 80,000 tourist visits to the country annually, with the Punchestown and Galway Festivals contributing €45 million and €60 million respectively to their local economies. Significant tax revenues are paid to the exchequer with all elements of the racing and breeding industry fully taxed, making an estimated gross annual contribution of €330 million.

Indeed, the horse racing and breeding industry serves as a showcase for Ireland. It is a vital part of the rural and agri-economies and is a world leader in elite international sporting achievement. This is illustrated by the fact that in 2008 Irish trained horses won a remarkable 29 of the 44 Group 1 flat races held in Britain and Ireland, while three of the top five horses in the world in 2008 were bred in Ireland, and two of these were trained here.

Thankfully, 2008 also saw participation in the sport grow to its highest ever level, with record numbers of fixtures, races, runners and owners. There was also a rise, from €60.7 million to €61.6 million, in total prize money, which remains the vital catalyst for economic activity in the industry by driving investment in bloodstock and providing the commercial incentive to put horses into training. The total sum invested by racehorse owners in training expenses (not taking account of capital costs) is estimated to exceed €240 million per annum, with a significant proportion of this comprising foreign direct investment from overseas owners. HRI's contribution towards prize money of €35 million in 2008 therefore achieved a near eight-fold return for the Irish economy.

There is no doubt that HRI's prize money policy has played a significant part in the considerable successes of Irish-bred, owned, trained and ridden horses in recent years, both at home and abroad. In 2008, Irish-trained horses won 147 races overseas, accumulating prize money of €14.2 million, more than twice the amount (€5.8 million) secured by overseas trained horses in Ireland. HRI is committed to staging racing of the highest quality in Ireland. Central to this commitment are our prize money and race planning strategies, with more than 10% of the races offering black type. During 2008, the Board extended its quality control measures aimed at ensuring that adequate opportunities are created for the better horses within the system. Thus, the minimum qualifying rating for flat races was increased from 45 to 47 and for hurdle races from 77 to 80.

HRI also continued its ongoing programme of improvement of facilities at Irish racecourses during 2008 through a countrywide Racecourse Improvements Scheme which saw grant aid of €814k allocated to Category 1 and Category 2 courses with the emphasis on the development of enhanced facilities for the general public. Additionally, grant aid of €8.661 million was paid in grants towards racecourses for capital development projects, with October seeing the opening of a new stand in Cork. 2008 also saw the first full year of operation for the new All Weather racecourse in Dundalk, which opened in August 2007. The track

continues to be well supported by the leading owners and trainers. It also served a very useful purpose in September 2008 when additional meetings were able to be staged at short notice following the cancellation of all the flat racing at the Listowel Festival due to the wet weather.

The challenge now facing HRI is to protect the industry's enviable record of success in recent years as an employer, an exporter, a major contributor to the exchequer and local economies, and as a sport where success has been achieved at the highest international

level. In the face of the general economic downturn, it is vital that the industry has the long-term certainty of funding that will allow it to plan and invest. This focus will ensure that Irish racing and breeding maintains its dominant position in one of the world's most competitive global markets.

In conclusion, I would like to pay tribute to the Minister for Arts, Sport and Tourism and his officials for their support and advice during the year, and also to thank the dedicated employees of HRI and its subsidiary companies for their contribution towards Irish racing.



## FINANCE REVIEW

The financial results continue to be satisfactory for 2008 giving strong financial support to HRI's Capital Development Programme with Racecourses.

Within the year, a group deficit of €2.386m arises primarily due to a decrease in total turnover for the Group.

## GROUP INCOME AND EXPENDITURE ACCOUNT

Turnover for the year was down 9% or €6.5m to €65.3m compared to €71.7m in 2007. The turnover decrease is primarily due to the Tote decreasing by 11% or €6.2m.

Income from bookmakers and Betting Exchange decreased by €119k. The income from On-Course Bookmakers' betting and Pitch charges is paid back to the relevant racecourses. This amounted to €1.8m in 2008 down from €2.1m the previous year.

The number of fixtures in 2008 has increased by 9 over 2007 or 2.7% to a figure of 342. 22 of these fixtures were run in Northern Ireland. The numbers of Races run in 2008 increased by 57 (2%) to 2,454 up from 2,397 in 2007.

Complete statistics for Irish Racing are available in the Horse Racing Ireland Fact book 2008 and on the web site [www.goracing.ie](http://www.goracing.ie).

## OTHER INCOME

Other income has decreased by €5.4m or 5.2% to €98m. Profit on disposal of land in 2007 amounted to €7.196m which was land disposed of under CPO to the RPA. The increase in the Horse and Greyhound Racing Fund was €2.49m or 4.3%, while Foal Levy contributions were up €317k. There was a decrease in the number of foals

registered in 2008 of 1.7% (12,419 in 2008 compared to 12,633 in 2007). Registrations Income was down €68k or 2% from the previous year. Interest Income decreased by €88k from the previous year and media income which was a new income stream in the previous year increased by €333k in 2008.







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## PRIZE MONEY

The total prize money of €61.6m showed an increase of €914k from the prior year total of €60.7m. The number of fixtures in 2008 had increased by 2.7% from the previous year. The

contribution from owners was down by €427k from the prior year. Sponsor contributions decreased by €519k while HRI's contribution increased by €1.86m to €35.2m in 2008.

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## EXPENDITURE

Other Group Expenditure at €38.9m was down €10.6m or 21% from the 2007 figure of €49.5m. The main decrease reflects a reduction of €9m in Capital Grants paid to third party Racecourses. The amount paid in Capital Development Grants to third party Racecourses in 2008 was €8.7m against €17.7m in 2007.

Integrity and Racecourse Services costs increased by 9% or €916k in 2008. This is mainly due to the increase in the number of fixtures in 2008.

Payments made to Racecourses for various programmes decreased by 11% to €3.4m from €3.9m. This was primarily due to a decrease in Levy and Pitch Fee Payments to Racecourses of €289k in 2008.

Grants/Fees paid to Industry Bodies decreased by €40k in 2008. Grants paid to RACE, which is the training body for industry employees, amounted to €600k, an increase of €10k from 2007. The Irish Equine Centre received €738k with an additional funding of €1m paid under the Foal Levy Scheme,

a total increase in funding of €135k in 2008.

Distributions made under the Foal Levy Scheme in 2008 increased by €61k in 2008 to €1.774m. The main third party beneficiaries in 2008 were as in previous years, the Irish Equine Centre and ITBA.

Administration costs have increased by €1.374m or 27%. This is mainly due to pension/FRS 17 charges which have increased by €1.093m in 2008. Departmental running costs have increased by €181k in 2008. Building running costs have increased by €100k in 2008 due to the move to the new building and increased depreciation and running costs etc.

General Marketing and Promotional costs were down €490k. This is mainly due to a decrease in total activity costs which is primarily due to a reduction in promotional activity.

A pension settlement loss is included in 2007 amounting to €3.251m.

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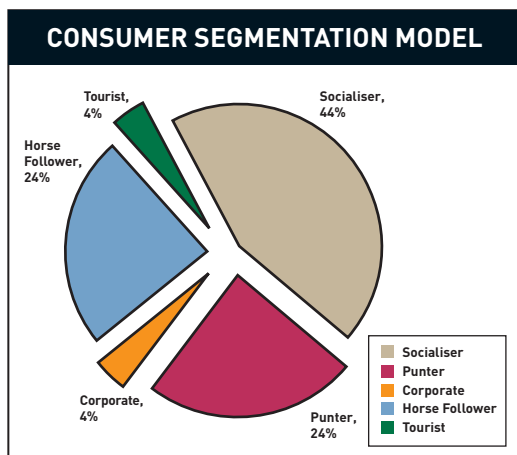
## GROUP CASH FLOW

Group cash flow from operations amounted to an outflow of €2.963m. The net cash inflow from returns on investments and servicing of finance amounted to €0.951m giving a total cash outflow of €2.101m after taxation paid of €89k. The Group had payments to acquire fixed assets totalling

€2.9m in 2008. Net cash outflow before financing totalled €4.129m for 2008. Group Bank loan repayments amounted to €4.222m in the year and bank loans drawn down in the period amounted to €8.534m for capital development programmes. This resulted in an increase in cash for 2008 of €183k.

## MARKETING REVIEW

In 2008 HRI Marketing's focus was to consolidate our key objectives: to increase attendances at race meetings by positioning horse racing as a leisure/social experience; to make racing contemporary and relevant for new users; and to maintain political and public awareness of the industry's contribution to Ireland's social and economic life.



HRI's five consumer segments remain the same, comprising socialisers, horse lovers, punters, corporate guests and tourists. HRI Marketing understands the growth potential with international racegoers, especially from Britain, and with that in mind embarked on a joint quantitative research project with Failte Ireland to determine the number of British and overseas visitors attending race meetings in Ireland. Conducted by the research company Behaviour & Attitudes, fieldwork began in June 2008 at the Derby Festival and will continue until the Punchestown National Hunt Festival in 2009.

Quality standards and positive raceday experiences for racegoers are fundamental to our marketing objectives. HRI Marketing continued to work with the Racegoers Consultative Forum and the fourteen regional representatives of the Forum to ensure quality standards were maintained. HRI hosted the first Northern Region Public Forum in Dundalk in December where members of the public were invited to share their views and present ideas on how to improve racing in their region.

HRI appointed a new advertising agency in January 2008 and the "Let Yourself Go!" TV and radio campaign featuring Hector O'hEochagain was rolled out for the final year. The TV advertisement was used in four major campaigns: to track GAA coverage over the summer/autumn period, and to promote the Punchestown NH Festival in April, the Listowel Harvest Festival in September and the Leopardstown/Limerick Christmas Festivals. The radio adverts were used on a regional level to promote approximately ten different meetings, including key dates such as the Fairyhouse Easter/Winter Festivals, Killarney July Festival and the Cork National meeting. The Hector campaign was effective in radically

changing perceptions of the raceday experience for the target audience, which both served HRI's corporate objectives and worked at local level for racecourses.

Hector also hosted a number of events including 'Hector & the Sports Stars' at the opening night of the Galway Festival where he interviewed star rugby and GAA players, along with leading jockeys such as Ruby Walsh. In addition, Hector's Big Bash at the Ploughing Championships in Co Kilkenny, interviewing a plethora of racing stars over the three days, drew large crowds to the HRI marquee. Furthermore, HRI continued to work with all racecourses to promote their key fixtures and festivals from both a public relations and advertising perspective. Karen Koster from TV3's Xpose was appointed as the HRI Fashion Ambassador for 2008 to launch the summer racing season, as well as being the Celebrity Judge at many successful Ladies Days including The Curragh, Kilbeggan, Dundalk, Bellewstown and Leopardstown.

As part of HRI's on-going racecourse marketing support, a Marketing Seminar was held for all racecourse managers and their staff to educate them on new trends in various topics such as sponsorship, tourism marketing and understanding customers through market research.

The 6th HRI Awards were held in Dublin to honour Ireland's equine and human talent and to acknowledge the continued success of Irish horses, owners, trainers and jockeys at the highest levels of elite international sport. The HRI Awards have quickly become established and greatly increase the profile of Ireland's racing stars.

HRI took part in a major collaboration with RTE and Mint Productions to produce 'In the Blood – the History of Irish Racing', a one-hour TV documentary which traced the sport back to its earliest days and gave an insight into Ireland's pre-eminence in the world of horse racing. The TV programme was also developed into a DVD and was available to purchase in all major music, DVD and equine retailers.

HRI also supported and part-sponsored an Irish-made documentary called 'Going the Distance' which aired as a four-part series on Setanta Ireland in October. The programme followed the students at RACE (Racing Academy & Centre of Education) during their year-long course to become apprentice jockeys. In addition, HRI partly sponsored the ITBA International Trade Fair and Symposium and the Irish National Hunt jockeys' team which travelled to Australia.

In summary, HRI Marketing renewed its efforts to grow attendances, to increase awareness of racing as a social experience, and to promote the value of the sport and industry to the Irish economy through an integrated marketing communication strategy.

## TOTE REVIEW 2008

The Tote's performance in 2008 was disappointing. Turnover declined by 11% for the year, primarily due to a decline in attendances and a poor run of weather which particularly affected the business in the second-half of the year. As a consequence of these factors, course revenues declined sharply by 20%. Total revenues on-course of €28.6 million was down by €7.5 million relative to 2007.

Betting by Tote Account holders declined by 5%, after having experienced strong growth the previous year of 24%. The decline was biased towards the end of the year when the contraction of the Irish economy began to have a marked impact on retail spending. Total turnover through the Accounts business was €13.1 million relative to €13.7 million the previous year. The "Tote Price Promise" which guarantees Account Holders the better of Tote Odds or the Bookmakers' SP, continues to be the cornerstone of the Account businesses strategy for attracting and retaining customers. The share of betting through the Internet remained steady at ca. 30% of the Accounts business.

Betting from third parties such as the UK Tote (and their bookmaker partners), the French Tote (PMU) and a number of other international Totes (including Totes in the US, Germany and Netherlands) totalled €13.4m, which represented growth of 17%. This was largely driven by growth from new revenue streams in particular Ladbrokes' 200 shops in Ireland and Betfair who both began offering Tote betting to their

customers. The adverse movement in the Sterling/Euro exchange rate affected the value of business from the UK Tote.

On March 17th 2008, Tote Ireland began offering pools on racing from Down Royal. This involved putting in place a new system at Down Royal racecourse which enables the racecourse to offer the traditional Tote Ireland bets, whilst also allowing Tote Ireland Account holders and the Tote's third party partners to bet into the Irish Tote pools for Down Royal. Although in its infancy, this new deal has led to a significant increase in the Down Royal pools.

The Jackpot unit stake was changed on July 18th 2008 from €0.50 to €1.00. This has been well received by customers and has resulted in a greater incidence of rollovers. As a consequence, turnover on the Jackpot grew by 17% relative to an overall contraction of the business.

Gross profit for the year decreased to €8.9m from €10.6m. Costs increased by €0.25m primarily due to one-off redundancy costs. The significant decline in turnover experienced in 2008 has led Tote management to embark on a radical cost cutting plan which aims to reduce the Tote's cost base by 30% over an 18 month time period. Although this will lead to some significant one-off changes and costs, the longer term benefits of a reduced cost base will ultimately bring the Tote back to acceptable levels of profitability.





## HRI RACECOURSES

2008 was the third year of operations for the HRI Racecourse Division (HRI Racecourses Limited) which is responsible for:

- Leopardstown
- Navan
- Fairyhouse
- Tipperary

The racecourses are supported by centralised resources from HRI's headquarters, Ballymany, The Curragh, Co. Kildare – Finance, Strategic Planning and Management, Human Resources, Training and IT.

The Racecourse Division worked throughout 2008 to build a customer-oriented commercial culture across all racecourses, and to be innovative in developing the offering to racegoers. Building on a solid foundation of racing fixtures and programmes, the courses focused on improved facilities, additional raceday

entertainment offerings, and creative public food and hospitality packages.

Developing new non-raceday revenue streams continued to be a focus of activity and each course will continue to position themselves as venues for a wide range of business and entertainment purposes to maximise use of their facilities.

With 73 fixtures, HRI Racecourses had 21 % of the national total and their combined attendance of 286,000 was 21% of the national total. This represented a decline of 13% in attendances on 2007 showing that our tracks were badly hit by the severe contraction across the racing industry and the economy generally.

Tote betting amounted to €10,755,555 while bookmaker turnover came to €46,053,571.

## LEOPARDSTOWN

Leopardstown staged 23 racemeetings in 2008, comprised of 8 National Hunt and 15 Flat fixtures with overall attendances of 155,463, a decrease of 8% on 2007.

Tote Betting for the year amounted to €5,944,779 while Bookmaker turnover reached a figure of €23,024,659.

2008 proved to be a difficult trading year, not helped by inclement weather conditions which had a particularly adverse affect on the Summer Evening meetings and also caused the deferral of the Tattersalls Millions Irish Champion Stakes for one day.

The returns from the Christmas Festival meetings were most encouraging with attendances and income just slightly behind 2007 figures despite a sharp economic downturn.

The Christmas Festival also marked the introduction of a "one enclosure" system and a restructuring of prices, a move which proved very popular with racegoers.

In June, a new Commercial Manager was appointed to Leopardstown Racecourse. This role is to lead and implement the sales and marketing of race day and non race day activity at Leopardstown.

In November, following a tendering process, Compass Ireland Ltd were appointed as caterers to Leopardstown Racecourse and commenced operations at the Christmas Festival.

Leopardstown Golf had a significant year – profitability although lower than 2007 was a significant contribution to the complex.



## FAIRYHOUSE

There were 22 fixtures in Fairyhouse in 2008, 18 National Hunt and 4 Flat, some of which were badly affected by the inclement weather. Due to the large number of cancellations earlier in the year, Fairyhouse hosted an additional fixture on the inside track.

Overall attendances were 66,337, a decrease of 18% on the previous year. Tote betting amounted to €2,785,959 and bookmaker turnover was €12,356,690.

The highlight of the calendar was the annual Easter festival with Easter Sunday falling at the unusually early time of March 23rd. This was just one week after the Cheltenham festival and prompted the unusual situation where St. Patrick's Day and Good Friday fell in the same week. For the first time, the Easter festival was extended to four days, commencing on Easter

Saturday. Attendances for the festival were 31,868, showing a decrease on the 2007 festival of almost 14%.

During 2008, Fairyhouse extended its profile as a multi-purpose venue. In June, Fairyhouse played host to the Planet Love music festival which was attended by over 10,000 people. In July, the Redeemed Christian Church of God hosted 10,000 of its followers in a custom built marquee and in August, Fairyhouse hosted a round of the World Motocross Championships which attracted crowds in excess of 20,000 over the weekend. This event was promoted by Motor Cycling Ireland who constructed a championship course in the centre of the racecourse which will be used for the Irish Championships in the future. The Sunday Market continues to be a key contributor to Fairyhouse attracting very large crowds to the venue every Sunday.

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## NAVAN

Navan raced 17 times in 2008 comprising of 12 National Hunt and 5 Flat meetings. Despite the inclement weather Navan fulfilled its full racing programme. Overall attendances for the year were 44,931, an 11% decrease on 2007.

We had a difficult end to the year with the 2 feature days of the year clashing with the involvement of the local Navan O' Mahonys in the Leinster club championship and also a period of very wet weather.

Tote betting amounted to €1,420,854 while bookmaker turnover came to €7,526,541.

It was also an exciting year for Navan with the completion of many new developments following on

from the AA Quality Report, consisting of improved public bar and food hall areas, along with additional toilet facilities. There have been significant changes to the public areas of the racecourse as we try to improve the comfort and seating available to all our patrons. Navan has a loyal customer base and we are actively trying to attract new customers and to cater for the needs of all those that attend.

The Golf Course continues to be promoted in a very competitive market with income from green fees and societies being actively promoted together with the sales of new golf memberships. We are looking at opening new membership schemes in order to attract further members to the Golf course.

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## TIPPERARY

Tipperary staged 11 of its 12 scheduled fixtures in 2008 with 8 Mixed cards and 3 Flat cards. The attendance for the year was just under 20,000, a decrease of 30% on 2007.

Tote betting amounted to €603,963 and bookmaker turnover was €3,150,279.

'Super Sunday' continues to attract our largest attendances which in 2008 were 3,463, 15% lower than 2007 but for the second year running an early inspection was required following 30mm of rain over the previous 24 hours.

On the non-racing side, Tipperary entered the Guinness Book of records as the venue for the largest horse and carriage procession ever held when over 260 horse

drawn vehicles paraded around the track in August.

Tipperary Show continues to grow, following the move to the first Saturday in August. This event followed a wet week but on the day the sun shone and the attendance was a recent record. The show featured cattle, flowers, dogs and ponies. The racecourse played host to numerous other smaller events as we continue to grow new income streams and develop use of the facilities.

The second phase of the racecourse improvement scheme took place towards the end of 2008 when the High Chaparral Room was completely refurbished, a new emergency stairs was installed and the self-service dining room was completely upgraded. This work, in conjunction with the works completed in 2007, will significantly improve the customer facilities.

## IRISH THOROUGHBRED MARKETING REVIEW

2008 was a challenging year for the global bloodstock industry. Turmoil with the international monetary markets coupled with the collapse of the banking system had a direct effect on the sale of thoroughbreds in the last quarter of the year. In real terms, the economic crash led to a 44% decrease in the value of bloodstock sold at public auction in Ireland. The Goffs Million Yearling sale was the sale most affected as its opening day coincided with the stock market crash on 6th October. Historically this sale has contributed significantly to the total sales figure of bloodstock in Ireland so a drop in turnover in this sale had a knock-on effect on the annual figure.

The November sale of breeding stock also at Goffs experienced a healthy level of trade. This sale has benefited from considerable investment from Indian, Turkish, UK, French and Italian breeders and it has become an important export sale for Irish stud farms. ITM have invested significant resources in developing the Turkish and Indian markets over the past five years, and this investment is now definitely paying off. It is even more important to maintain and develop these markets in the coming years, especially India. Given the size and scale of the country, it has great scope and potential to remain an integral importer of Irish bloodstock.

The year began off the back of a very successful 2007 for both Irish racing and breeding. This success for both Irish bred and trained horses continued throughout the year. Irish bred horses won 14 races at the 2008 Cheltenham Festival including 9 of the 12 Grade 1 races run. Comply Or Die continued the fine record of Irish bred horses when winning the Aintree Grand National. Overall Irish bred horses won 56% of the Grade 1 National Hunt races run in Ireland and Britain during

the 2007/8 season. On the flat, success for both Irish bred and trained horses was even more evident. Three of the top five horses in the World Thoroughbred Rankings were bred in Ireland and two of them were trained here. The world champion New Approach achieved his position through victories in the Epsom Derby and the English & Irish Champion Stakes. He was trained by Jim Bolger and was bred by Seamus Burns of Lodge Park Stud. Ballydoyle trainer Aidan O'Brien saddled an amazing 23 Group 1 winners worldwide and was crowned champion trainer in the UK as well as Ireland.

Throughout the year the ITM team maintained a busy schedule of market visits. These trips incorporate race sponsorships, government trade missions, bloodstock auctions and attending racing festivals. The team were active in a number of countries around the world including USA, South Africa, Hong Kong, Japan, the Middle East, Australasia, India, Turkey, Eastern Europe and Mainland Europe. Race sponsorships included key races at Newmarket, York and Salisbury. Involvement with these races enables ITM and representatives of the Irish sales companies to make contact with both existing and new clients of the Irish bloodstock industry at a time when the major Irish bloodstock sales are approaching. ITM also continued its association with Cheltenham Racecourse, sponsoring the 'Ownership Experience'. This association provides ITM a considerable presence at the home of British national hunt racing and it allows ITM direct access to their target market.

ITM appointed a new European agent. Based in Italy he has lived there for many years and he will focus on developing Italy and neighbouring countries as markets for Irish bloodstock.





## 2008 RACING REVIEW

The first big handicap of 2008 was the Piersie Hurdle at Leopardstown, and it witnessed a game winning performance from the James Barrett-trained Barker under Timmy Murphy. The following week, the MacLochlainn Road Markings Ltd Kinloch Brae Chase at Thurles took centre stage and it was the Michael Hourigan-trained Hi Cloy that emerged on top under Tom Doyle. Later in the month, the Normans Grove Chase, which transferred from Fairyhouse to Gowran Park due to weather, was won by the Martin Brassil-trained Nickname. The month ended with the AIG Europe Champion Hurdle at Leopardstown and there was a very impressive winner here in the shape of Henry De Bromhead's Sizing Europe.

The Hennessy Cognac Gold Cup meeting at Leopardstown in early February witnessed an English trained victor as The Listener gained compensation for a narrow defeat in the same race twelve months previously. On the same card, the Deloitte Novice Hurdle saw the Tom Cooper-trained Forpadydeplasterer emerge the gritty winner under Davy Russell. Later that week, the Red Mills Chase (Grade 2) was the feature race at Gowran Park and there was a shock in store here with 33/1 chance, Ballistraw, taking the major honours, while there was a very popular winner for trainer Oliver Brady the following day at Navan, as his Maralan was left clear by the final fence fall of Clopf to take the Kevin McManus Flyingbolt Novice Chase.

The Cheltenham Festival in March produced no fewer than seven Irish-trained winners. The Edward Harty-trained Captain Cee Bee provided a perfect start when taking the opening Anglo Irish Bank Supreme Novice Hurdle, while Garde Champetre gave Enda Bolger and Nina Carberry another winner in the BGC Cross Country Steeplechase. There was a major shock in store on the second day of the Festival, as the meeting was cancelled due to the hazards posed by high winds. This resulted in a marathon ten-race programme on Thursday, while Friday's card stretched to nine races. There was further Irish success when the Tom Taaffe-

trained FingerOnthePulse landed the Jewson Novice Handicap Chase, while trainer Willie Mullins saddled his sixth Weatherbys Festival Champion Bumper winner in the shape of Cousin Vinny, ridden by his young son, Patrick.

On the concluding day, Irish-trained horses dominated the finish of the Ballymore Properties Novice Hurdle, with the Willie Mullins-trained Fiveforthree just beating three fellow compatriots in a tight finish. There was further cause for celebration when Tiger Cry credited trainer Arthur Moore with a seventh Cheltenham Festival win by landing the Johnny Henderson Grand Annual Chase, before Tom Hogan's Silver Jaro pulled off a 50/1 shock when winning the concluding Vincent O'Brien County Hurdle.

Less than two weeks after the conclusion of the Cheltenham Festival, the four-day Fairyhouse Easter Festival got under way and the €250,000 Powers Whiskey Irish Grand National on Easter Monday went the way of 33/1 outsider, Hear The Echo, trained by Mouse Morris and ridden by Paddy Flood. The day was also memorable for jockey Conor O'Dwyer as he brought his distinguished riding career to a close after partnering the Davy Fitzgerald-trained Mister Top Notch to a comfortable success in the two mile conditions hurdle.

Having landed six of the previous nine renewals, there were high hopes for another Irish trained winner of the John Smith's Aintree Grand National at Liverpool, but David Pipe's Comply Or Die ultimately proved the best horse on the day as he thwarted the Arthur Moore-trained King Johns Castle in an exciting finish, with the Willie Mullins-trained Snowy Morning in third and the Tom Taaffe-trained Slim Pickings in fourth. It was a memorable day for winning jockey Timmy Murphy, who earlier recorded a fine triumph on the John Queally-trained Al Eile in the Aintree Hurdle as this top class performer recorded a third victory in this event in the last four years.



On the Flat, Dermot Weld continued his fast start to the season by having a notably successful day at Leopardstown's Guineas trials meeting, winning the Leopardstown 1,000 Guineas Trial Stakes with Carribean Sunset and the Leopardstown 2,000 Guineas Trial Stakes with Famous Name. The following weekend at the Curragh, it was the Jessica Harrington-trained Jumbajukiba who stole the headlines, winning the Castlemartin & La Louviere Stud's featured Gladness Stakes (Group 3) in great style under Fran Berry.

The latter part of the 2007/8 National Hunt season was dominated by the Punchestown Festival and for the first time it was held over the course of five days. British-trained raiders enjoyed an excellent time of it with seven winners during the week. The Guinness Gold Cup was also notable as it was the final race run by the ten-time Grade 1 winner, Beef Or Salmon, who was retired after the race. It wasn't until Saturday that the Irish triumphed in the feature events, with the small stables of Leonard Whitmore and Sabrina Harty enjoying excellent successes with Brave Right and Won In The Dark, who took the honours in the Ballymore 25th Anniversary Handicap Hurdle and the Eventus Marquees Champion 4-Y-O Hurdle respectively.

Trainer Willie Mullins was on fire at Punchestown, ending the season on a high note with eight winners to bring his seasonal total to 111. The €2.23 million prize money he earned was enough to give him a third Champion Trainers' Title, while Ruby Walsh was crowned Champion National Hunt Jockey for the sixth time with 131 winners, just beating Davy Russell on 125 wins.

The first Classics of the season took place at Newmarket in early-May and Irish horses dominated the finish of the Stanjamesuk.com 2000 Guineas, with the Aidan O'Brien-trained Henrythenavigator narrowly beating off the Jim Bolger-trained New Approach under an inspired Johnny Murtagh ride. The first Irish Classic saw the much-anticipated rematch in the Boylesports 2000 Guineas but, with New Approach failing to act on the firmer going, Henrythenavigator ran out the easy winner. The following day, O'Brien completed a four-timer on the card that included a Group 1 double with the Boylesports 1000 Guineas going to Halfway To Heaven under Seamie Heffernan and the Tattersalls Gold Cup being won by Duke Of Marmalade under Johnny Murtagh.

The opening days of June were dominated by the Epsom Derby and, under a superb Kevin Manning ride, New Approach came from an unpromising position at Tattenham Corner to claim the spoils by half a length from Tartan Bearer with the Dermot Weld trained Casual Conquest in third place. The previous day, Soldier Of Fortune had added yet another Group 1 win to the Ballydoyle tally when winning the Juddemonte Coronation Cup at the same track.

Royal Ascot is always one of the highlights of the Flat season and 2008 witnessed the Irish raiding party enjoy a remarkable level of success. The opening day saw Aidan O'Brien and Johnny Murtagh complete a Group 1 double, with Haradasun winning the Queen Anne Stakes and Henrythenavigator winning the St James Palace Stakes. The pair went on to gain further Group 1 glory at the meeting with Duke Of Marmalade winning the Prince Of Wales's Stakes and the remarkable Yeats gaining a historic and very emotional third consecutive win in the Ascot Gold Cup. Trainer Jim Bolger and jockey Kevin Manning then took the honours on the Friday of the meeting, with Cuis Ghaire taking the Albany Stakes before Lush Lashes won the Coronation Stakes in impressive fashion.

Back on the domestic scene, there was a dramatic late withdrawal from the Dubai Duty Free Irish Derby when New Approach was forced to miss the race due to a leg injury, leaving the way clear for Aidan O'Brien to saddle his sixth winner of the race in the shape of 16/1 outsider, Frozen Fire, who came from last place rounding the home turn to beat Casual Conquest in the hands of Seamie Heffernan. Aidan O'Brien's remarkable run of form in Group 1 races continued when Moonstone completed a 1-2 for the yard in the Darley Irish Oaks, with just a short-head separating Johnny Murtagh's mount and the unfancied Ice Queen.

The Galway Festival is well established as a highlight of the Irish racing calendar, and 2008 was no different. Trainer Paul Nicholls managed to steal one of the feature events of the meeting away to Britain, sending out Oslot to win the William Hill Galway Plate under Ruby Walsh. The following day, the Guinness Galway Hurdle was won by the John Kiely-trained Indian Pace under the promising Paul Townsend. As always, Dermot Weld was a dominant force at the meeting, claiming



a total of ten wins between both codes, with the highlight coming when Majestic Concorde landed the GPT Galway Handicap on the opening day.

As if Aidan O'Brien had not already done enough in the month of July, he closed out the month with a flurry of Group 1 wins. Firstly, he saddled the admirably tough Duke Of Marmalade to win the King George VI and Queen Elizabeth Stakes at Ascot before Mastercraftsman took the Independent Waterford Wedgewood Phoenix Stakes at the Curragh. Then, at Glorious Goodwood, Henrythenavigator recorded his fourth consecutive Group 1 success in the Sussex Stakes, while Halfway To Heaven narrowly beat off the very unlucky Lush Lashes in a dramatic renewal of the Nassau Stakes.

At the end of August, David Wachman saddled a Group 1 winner on consecutive weekends, with Bushranger winning the Prix Morny at Deauville before Again captured the Moyglare Stud Stakes at the Curragh. On Tattersalls Millions Irish Champion Stakes day at Leopardstown, it was once again Bolger and Manning that stole the spotlight, winning the two feature races on the card. New Approach made no mistake in landing the odds in the feature race, while Lush Lashes ground out another Group 1 win in the Coolmore Fusaichi Pegasus Matron Stakes.

Back at the Curragh for the St Leger meeting, it was Aidan O'Brien that resumed his domination of proceedings, saddling Septimus to win the Irish Field St Leger by thirteen lengths under Seamie Heffernan, completing a remarkable Grand Slam of the Irish Classics for Ballydoyle. The following day, Johnny Murtagh was at his strongest to drive Mastercraftsman home by a short-head to maintain his unbeaten record in the Bank of Scotland (Ireland) National Stakes.

The Listowel Harvest Festival looked in danger of being lost due to the inclement weather but, with great co-operation from all parties, HRI transferred all of the Flat races planned for the Festival to three hastily arranged meetings at Dundalk, and the five days of the Listowel meeting that remained took place without further disruption. The Guinness Kerry National was the highlight of the meeting and it witnessed a second consecutive win in the race for the Eric McNamara-trained Ponmeoath.

In the opening days of October, David Wachman gained his third Group 1 win of the season when saddling Bushranger to win the Shadwell Middle Park Stakes at Newmarket. Later that month at the same venue there was a tremendous winning performance from the Jim Bolger-trained, Kevin Manning-ridden New Approach in the Emirates Airline Champion Stakes at Newmarket on what would prove to be the three-year-old's final career outing. Earlier on that card, the pair had gained a less expected win with Intense Focus in the Dewhurst Stakes, their third consecutive victory in the race.

Paul Nicholls and Ruby Walsh combined to land a big race double at Down Royal in early November, with the mighty Kauto Star easily justifying favouritism in the JNwine.com Champion Chase, while Noland was a decisive winner of the Killultagh Properties Ltd Chase. The hugely popular Hardy Eustace showed that he was no back number at the age of eleven by gaining a shock victory in the featured Maplewood Development Hurdle at Punchestown in the hands of Paddy Flood.

The Irish Flat season came to a close in the first week of December at Dundalk and, after a hotly contested battle, the Champion Jockey's title was claimed for the fifth time by Pat Smullen, with Emmett McNamara claiming the Apprentice title.

The Leopardstown Christmas Festival proved hugely popular as always, with the Durkan New Homes Novice Chase being won by the Oliver McKiernan-trained Follow The Plan. The Willie Mullins-trained Hurricane Fly ran out the hugely impressive winner of the Future Champions Novice Hurdle, while the Paddy Power Dial-A-Bet Chase saw the Colm Murphy-trained Big Zeb make a winning return to action under Matt O'Connor. The Tony McCoy-ridden Exotic Dancer emerged on top in the Lexus Chase, while Robbie Hennessy gained a spectacular first win as a trainer when saddling Sublimity to prevail in the Festival Hurdle.

Over at Kempton, the hugely talented Harchibald won the Christmas Hurdle for a second time under Paul Carberry. There was further Irish success at Chepstow a day later when Jim Dreaper's Notre Pere became the first Irish trained winner of the Coral Welsh National in the hands of Andrew Lynch.





## HRI DIRECTORS



### HRI DIRECTORS

Brian Kavanagh (Chief Executive), Margaret Davin (Chief Financial Officer), Jason Morris (Director of Racing), Raymond Horan (Company Secretary), Frank Meldon (Director of I.T) & Michael O'Rourke (Chief Executive of HRI Racecourse Division)

AUDITED REPORTS & **GROUP FINANCIAL STATEMENTS**

**08**

## AUDITED REPORTS & GROUP FINANCIAL STATEMENTS

### MEMBERS AND OTHER INFORMATION

#### MEMBERS

Mr Denis Brosnan	Chairman
Mr Nicholas Wachman	Vice Chairman
Mr Dermot Cantillon	
Mr Noel Cloake	
Mr Michael Doyle	
Mr Francis Hyland	
Mr Dan Kirwan	[Retired 18/12/2008]
Mr John McStay	[Appointed 7/2/2008]
Mr Noel Meade	[Appointed 7/2/2008]
Mr John Moloney	[Retired 18/12/2008]
Mr Michael Murphy	
Mr James Nicholson	
Ms Mary O'Connor	[Appointed 7/2/2008]
Mr John Power	

#### REGISTERED OFFICE

Ballymany  
The Curragh  
Co Kildare

#### SECRETARY

Mr Raymond Horan

#### AUDITORS

Comptroller and Auditor General  
Dublin Castle  
Dublin 2

#### SOLICITORS

Arthur Cox  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2

#### BANKERS

Bank of Ireland  
AIB Bank  
Ulster Bank  
Bank of Scotland  
Anglo Irish Bank



## STATEMENT OF MEMBERS' RESPONSIBILITIES

The members of Horse Racing Ireland are required to prepare financial statements in respect of the financial year ended 31st December 2008, which give a true and fair view of the state of affairs of Horse Racing Ireland and the group at the end of that period and of the result of the group for the period then ended. In preparing those financial statements, the members of Horse Racing Ireland are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Horse Racing Ireland and the group will continue in business;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The members of Horse Racing Ireland are responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland. They are also responsible for safeguarding the assets of Horse Racing Ireland and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Denis Brosnan,**  
**Chairman**  
**29th June 2009**

**John McStay,**  
**Director**  
**29th June 2009**

## REPORT OF THE COMPTROLLER AND AUDITOR GENERAL FOR PRESENTATION TO THE HOUSES OF THE OIREACHTAS

I have audited the financial statements of Horse Racing Ireland for the year ended 31<sup>st</sup> December 2008 under the Horse and Greyhound Racing Act, 2001.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Group Income and Expenditure Account, the Group Statement of Total Recognised Gains and Losses, the Group Balance Sheet, Horse Racing Ireland Balance Sheet, the Group Cash Flow Statement and the related notes.

### **RESPECTIVE RESPONSIBILITIES OF HORSE RACING IRELAND AND THE COMPTROLLER AND AUDITOR GENERAL**

Horse Racing Ireland is responsible for preparing the financial statements in accordance with the Horse and Greyhound Racing Act 2001 and for ensuring the regularity of transactions. Horse Racing Ireland prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of Horse Racing Ireland are set out in the Statement of Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects Horse Racing Ireland's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **BASIS OF AUDIT OPINION**

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in

## REPORT OF THE COMPTROLLER AND AUDITOR GENERAL FOR PRESENTATION TO THE HOUSES OF THE OIREACTHAS CONTINUED

relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to Horse Racing Ireland's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

### **OPINION**

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Group's and Horse Racing Ireland's affairs at 31st December 2008 and of the Group's income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by Horse Racing Ireland. The financial statements are in agreement with the books of account.

**John Buckley**  
**Comptroller and Auditor General**  
**30th June 2009**



## STATEMENT ON INTERNAL FINANCIAL CONTROL FOR HORSE RACING IRELAND FOR THE YEAR ENDED 31ST DECEMBER 2008

On behalf of the Board of HRI, I acknowledge our responsibility for ensuring that a system of internal financial control is operated and maintained.

The internal financial controls are such that they provide reasonable, but not absolute, assurance that assets are safeguarded, transactions are authorised and properly recorded and that any material errors or irregularities would be detected in a timely period.

The Board has taken steps to ensure an appropriate control environment is in place through

- A clearly defined Management Structure within Horse Racing Ireland and its subsidiaries with clarity on management responsibilities and powers.
- Developing a strong culture of accountability across all levels of the organisation.
- Establishment of formal procedures through various Committee functions to monitor activities and safeguard the assets of all companies within the organisation.
- Establishing procedures for reporting significant control failures and ensuring appropriate corrective action is taken. This includes an active Audit Committee, an Internal Audit function and regular reporting to the Board.

The implementation of a formal process to identify and evaluate organisation business risks is continuing.

The System of Internal Financial Control is built on a framework of

- Regular financial information.
- Administrative procedures including segregation of duties and responsibilities and a system of delegation and accountability.
- An annual budgeting system with the detailed review process by Executives and signed off by the Board.
- Regular reviews by the Board of regular financial reports and key performance activity with performance measured against forecasts.
- Clearly defined Capital Investment control procedures.
- Compliance with purchasing policies and procedures.

Horse Racing Ireland has an outsourced Internal Audit function which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice on the Governance of State Bodies and which reports directly to the Audit Committee and in turn to the Board of HRI. The Internal Audit plans are carried out based on a risk analysis profile of activity and expenditure and the plans are pre approved by the Audit Committee on behalf of the Board. In 2008, four Audit Committee meetings were held and 15 separate reports presented.

For 2008, the head of Internal Audit provided the Board through the Audit Committee with a report on the Internal Audit activity for the year. This report includes the Head of Internal Audit's Statement of Assurance at a substantial (medium) level for the year 2008.

I confirm that in respect of the year ended 31st December 2008, the Audit Committee on behalf of the Board conducted a review of the effectiveness of the System of Internal Financial Controls and placed their report in front of the Board. The Board was informed of the review outcome.

**Denis Brosnan,  
Chairman  
29th June 2009**

## STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies adopted by the group are as follows:

### **BASIS OF ACCOUNTING**

The financial statements have been prepared on an accruals basis, under the historical cost convention, and in accordance with generally accepted accounting practice. Financial reporting standards recommended by the recognised accounting bodies have been adopted as they become applicable. The unit of currency in which the financial statements are denominated is the Euro. The financial statements comprise the financial statements of Horse Racing Ireland and its subsidiaries.

### **BASIS OF CONSOLIDATION**

The consolidated financial statements comprise the financial statements of Horse Racing Ireland and all of its subsidiaries made up to coterminous period ends.

### **TURNOVER**

Turnover, which excludes inter group transactions with group subsidiaries, represents tote turnover, revenue from bookmakers' betting and revenue from race meetings and ancillary activities.

### **FIXED ASSETS AND DEPRECIATION**

Fixed Assets are stated at cost less accumulated depreciation except for land which is stated at cost. Depreciation is provided so as to write-off the cost of the assets over their expected useful lives on the straight-line basis at the following annual rates:

Land	Nil
Buildings	2% to 4%
Plant, equipment and vehicles	7.5% to 33.33%

### **ACQUISITIONS**

On the acquisition of a company or business, fair values reflecting conditions at the date of acquisition are attributed to the identifiable separable assets and liabilities acquired. Fair values of these assets and liabilities are determined by reference to market values, where available, or by reference to the current price at which similar assets could be acquired or similar obligations entered into, or by discounting expected future cash flows to present value, using either market rates or the risk-free rates and risk-adjusted expected future cash flows.

Where the fair value of the consideration paid exceeds the fair value of the identifiable separable assets and liabilities acquired, the difference is treated as purchased goodwill. Where the fair value of the separable net assets acquired exceeds the fair value of the consideration given, the difference is treated as negative goodwill. Negative goodwill is accounted for as indicated below.

### **GOODWILL**

Negative goodwill arising on acquisitions is amortised to the profit and loss account over the period in which the non-monetary assets are realised either through depreciation or sale. Negative goodwill comprises the excess of the fair value of the assets acquired over the consideration.

### **FINANCIAL ASSETS**

Financial assets are stated at cost less provision for any permanent diminution in value.

### **CONTRIBUTION TO PRIZE MONEY**

Contributions to prize money are made by Owners, Sponsors and Horse Racing Ireland.

Contributions to prize money by Horse Racing Ireland are expensed in the period in which they are incurred.

## STATEMENT OF ACCOUNTING POLICIES CONTINUED

The entrance fees, forfeits and sponsorship money for guaranteed value races are applied in funding prizemoney for such races. Where there is a surplus in any guaranteed value race this is used to fund any deficits in other such races at a subsequent time as directed by the Chief Executive of Horse Racing Ireland.

### PENSIONS

Horse Racing Ireland has both defined contribution and defined benefit schemes.

#### Defined Contribution Schemes

Payments to the defined contribution schemes are charged to the Income and Expenditure in the period to which they relate.

#### Defined Benefit Schemes

For the defined benefit schemes operated by HRI pension scheme assets are measured at fair value. Pension scheme liabilities are measured on an actuarial basis using the projected unit method. An excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability.

Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the year in which they occur.

The pension charge in the Income and Expenditure Account comprises the current service cost and past service cost plus the difference between the expected return on scheme assets and the interest cost on the scheme liabilities.

### LEASED ASSETS

Payments made under operating leases are charged to the income and expenditure account.

The capital cost of assets acquired under Finance Leases is included under tangible assets and written off over the shorter of the lease term or the estimated useful life of the asset. Interest on the remaining lease obligation is charged to the Profit and Loss Account over the period of the lease. This charge is calculated so as to produce a constant periodic rate of charge on the remaining balance of the obligation for each accounting period.

### GRANTS AND RACECOURSE IMPROVEMENT SCHEMES

#### (i) Grants paid

Capital development grants paid to racecourses under the capital development programme are accounted for on an accruals basis.

These grants are treated as a deferred credit in the balance sheets of the subsidiary companies and are credited to revenue on the same basis as the related fixed assets are depreciated. However for consolidation, these balances are adjusted in order to reflect the group position.

#### (ii) Grants received

State revenue grants are credited to revenue on a cash receipts basis.

State capital grants received and receivable are treated as future development reserves in the balance sheet and released to the income and expenditure account based on the estimated useful lives of the assets to which the grants relate.



## STATEMENT OF ACCOUNTING POLICIES CONTINUED

### **(iii) Racecourse Improvement Schemes**

Racecourse improvement grants, primarily to meet health and safety requirements, are charged to the income and expenditure account in the period to which they relate.

Racecourse incentive schemes are based upon racecourses achieving specific criteria and are charged to the income and expenditure account in the period to which they relate.

### **DEFERRED TAX**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in periods different from those in which they are recognised in the financial statements.

A net deferred asset is regarded as recoverable and recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

## GROUP INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000 Restated
<b>TURNOVER</b>			
Tote Ireland turnover	1	49,236	55,417
Betting and Exchange income		4,201	4,320
Racecourse income		11,821	12,007
<b>TOTAL TURNOVER</b>		<b>65,258</b>	<b>71,744</b>
Winnings paid on bets	4	(40,191)	(44,838)
Operating costs	4	(24,252)	(24,945)
<b>DIRECT COSTS</b>		<b>(64,443)</b>	<b>(69,783)</b>
<b>INCOME FROM RACING</b>		<b>815</b>	<b>1,961</b>
<b>OTHER INCOME</b>			
Allocation from the Horse & Greyhound Racing Fund	5	61,029	58,539
Prize money contributions from Owners and Sponsors	9	26,392	27,338
Foal Levy	6	2,511	2,194
Registrations Income		3,631	3,699
Industry Services Income		703	687
Other Income	7	437	577
Industry contributions to Irish Thoroughbred Marketing		261	374
Interest income (net)	13	1,646	1,734
Media Income		981	648
Profit on disposal of fixed assets	8	-	7,196
<b>NET INCOME</b>		<b>98,406</b>	<b>104,947</b>
<b>EXPENDITURE</b>			
Contributions to prize money	9	35,232	33,372
Prize money contributions from Owners and Sponsors	9	26,392	27,338
Integrity and Racecourse services	10	10,592	9,676
Racecourse Schemes	14	3,442	3,874
Capital Development Fund grants	14	8,661	17,658
Tote Capital Grant Amortisation	16	55	147
Capital Development Fund interest and expenses	13	933	739
Grants/Fees paid to Industry Bodies	11	2,401	2,441
Foal Levy distribution	6	1,774	1,713
Media Costs		502	341
Horse Racing Ireland administration costs	13	6,469	5,095
Irish Thoroughbred Marketing expenditure		1,673	1,687
General marketing and promotions		2,396	2,886
Pension Settlement Loss	29	-	3,251
		<b>100,522</b>	<b>110,218</b>
Other Finance Expense	29	(84)	(221)
Taxation	12	(186)	91
<b>DEFICIT FOR THE PERIOD</b>	13	<b>(2,386)</b>	<b>(5,401)</b>

The statement of Accounting Policies and Notes 1 to 34 form part of these financial statements

**Denis Brosnan,**  
Chairman  
29th June 2009

**John McStay,**  
Director  
29th June 2009

## GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
<b>Deficit for the financial year</b>		<b>(2,386)</b>	<b>(5,401)</b>
<b>Actuarial loss recognised in the pension scheme</b>	<b>29</b>	<b>(8,637)</b>	<b>(824)</b>
<b>Total recognised loss for the year</b>		<b>(11,023)</b>	<b>(6,225)</b>

The statement of Accounting Policies and Notes 1 to 34 form part of these financial statements.

**Denis Brosnan,**  
Chairman  
29th June 2009

**John McStay,**  
Director  
29th June 2009



## GROUP BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	31/12/08 €'000	31/12/07 €'000
<b>FIXED ASSETS</b>			
Tangible assets	15	103,927	104,994
Intangible assets	16	55	97
Financial assets	17	4,206	4,939
Negative Goodwill	18	(10,999)	(11,436)
		<b>97,189</b>	<b>98,594</b>
<b>CURRENT ASSETS</b>			
Debtors	19	11,051	10,963
Cash at bank	20	37,334	37,151
		<b>48,385</b>	<b>48,114</b>
<b>CREDITORS</b>			
Amounts falling due within one year	21	40,059	43,269
		<b>40,059</b>	<b>43,269</b>
<b>NET CURRENT ASSETS</b>			
		<b>8,326</b>	<b>4,845</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>105,515</b>	<b>103,439</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	22	16,201	11,025
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Pension Liability	25	1,315	1,211
	29	14,629	6,576
<b>NET ASSETS</b>			
		<b>73,370</b>	<b>84,627</b>
Deferred Capital Grant	26	<b>134</b>	<b>451</b>
<b>FINANCED BY</b>			
Establishment reserve	27	17,193	17,193
Income and expenditure account	28	15,493	18,415
Other reserves	28	38,594	46,693
Total establishment and other reserves		<b>71,280</b>	<b>82,301</b>
Minority interest	30	1,956	1,875
		<b>73,370</b>	<b>84,627</b>

The statement of Accounting Policies and Notes 1 to 34 form part of these financial statements

**Denis Brosnan,**  
Chairman  
29th June 2009

**John McStay,**  
Director  
29th June 2009

## HORSE RACING IRELAND BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	31/12/08 €'000	31/12/07 €'000
<b>FIXED ASSETS</b>			
Tangible assets	15	38,538	37,954
Financial assets	17	16,910	18,059
		<b>55,448</b>	<b>56,013</b>
<b>CURRENT ASSETS</b>			
Debtors	19	17,771	16,017
Cash at bank	20	32,584	29,824
		<b>50,355</b>	<b>45,841</b>
<b>CREDITORS</b>			
Amounts falling due within one year	21	32,635	34,806
		<b>32,635</b>	<b>34,806</b>
<b>NET CURRENT ASSETS</b>			
		<b>17,720</b>	<b>11,035</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>73,168</b>	<b>67,048</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	22	14,185	8,921
Pension Liability	29	14,629	6,576
		<b>44,354</b>	<b>51,551</b>
<b>NET ASSETS</b>			
		<b>44,354</b>	<b>51,551</b>
<b>FINANCED BY</b>			
Establishment reserve	27	9,592	9,592
Income and expenditure account	28	14,694	13,792
Other reserves	28	20,068	28,167
		<b>44,354</b>	<b>51,551</b>

The statement of Accounting Policies and Notes 1 to 34 form part of these financial statements.

**Denis Brosnan,**  
Chairman  
29th June 2009

**John McStay,**  
Director  
29th June 2009

## GROUP CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	31/12/08 €'000	31/12/07 €'000
Net Cash Outflow from Operations	31(i)	(2,963)	(4,964)
<b>Return on Investments and Servicing of Finance</b>			
Interest Received		1,709	1,769
Interest Paid		(758)	(471)
<b>Net Cash Inflow from Returns on Investments and Servicing of Finance</b>			
		951	1,298
Taxation paid		(89)	–
<b>Capital Expenditure and Financial Investment</b>			
Receipts from sale of tangible fixed assets		14	7,272
Payments to acquire tangible fixed assets		(2,845)	(14,610)
Additions to intangible assets		(13)	(54)
Loans repaid from racecourses and Industry bodies		736	36
Preference shares and minority interests		80	304
<b>Net Cash Outflow from Capital Expenditure And Financial Investment</b>			
		(2,028)	(7,052)
<b>Net Cash Outflow before financing</b>			
	31(ii)	(4,129)	(10,718)
<b>Financing</b>			
Bank loan in the period		8,534	4,401
Bank loan repayment		(4,222)	(1,587)
<b>Net Cash Inflow from Financing</b>			
		4,312	2,814
<b>Increase / (Decrease) in Cash</b>			
	31 (iii)	183	(7,904)

The statement of Accounting Policies and Notes 1 to 34 form part of these financial statements



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 1. CHANGES IN REPORTING STAKES PLACED

During the year, TOTE Ireland Limited, a subsidiary of Horse Racing Ireland changed its basis for calculating Stakes Placed. Stakes Placed includes wagers placed into Tote Ireland Pools. It also includes the net margin accruing to Tote Ireland on bets placed through Tote Ireland into foreign Tote Pools. Previously the Stakes Placed figure included both wagers placed into Tote Ireland Pools on Irish racing and wagers placed through Tote Ireland for forward transmission into foreign Tote Pools. This change in accounting policy has resulted in a decrease in TOTE turnover for the year ended 31 December 2007 of €5.9m and a corresponding decrease in winnings paid on bets for the year ended 31 December 2007 of €5.9m. There was no net effect on the prior year financial outturn.

### 2. EMPLOYEE NUMBERS

The average number of persons employed by the group at 31 December 2008 is as set out below:

	Year Ended 31/12/08 Number	Year Ended 31/12/07 Number
Permanent staff	172	167
Racegoing staff - part time	334	344
	<b>506</b>	<b>511</b>

The prior year comparatives have been restated to correctly reflect the part time staff employed by the group who were paid in the period.

### 3. EMPLOYEE REMUNERATION

The aggregate payroll cost of the employees, excluding pension costs detailed above was as follows:

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Wages and salaries	11,024	11,231
Employer's social welfare costs	1,025	981
	<b>12,049</b>	<b>12,212</b>

### 4. DIRECT COSTS

	Winnings paid on bets		Operating Costs		Total	Total
	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Betting collection costs	-	-	465	491	465	491
Tote Ireland	40,191	44,838	9,109	8,923	49,300	53,761
HRI Racecourses Group	-	-	14,678	15,531	14,678	15,531
	<b>40,191</b>	<b>44,838</b>	<b>24,252</b>	<b>24,945</b>	<b>64,443</b>	<b>69,783</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 5. ALLOCATION FROM HORSE AND GREYHOUND RACING FUND

Horse Racing Ireland was established on 18 December 2001, under the Horse & Greyhound Racing Act 2001. A fund was established for the purpose of giving support to the horse and greyhound racing industry under Section 12 of this Act. This has subsequently been extended under the Horse & Greyhound Regulation 2004.

### 6. FOAL LEVY

Under the Irish Horseracing Authority Act 1994, as amended by the Horse and Greyhound Racing (Betting Charges and Levies) Act 1999, Horse Racing Ireland may, with the consent of the Minister for Arts, Sports and Tourism, charge a levy on all thoroughbred foals registered in a stud book.

This levy is collected by Weatherby's on behalf of Horse Racing Ireland, at variable rates.

In addition to the €1.774m disclosed in the Income and Expenditure account is the amount of €475,000 in respect of distributions to ITM. This expenditure is included in the Income and Expenditure as ITM expenditure. The distribution of the Foal Levy is as follows;

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Breeders' Prizes	255	227
Irish Equine Centre	1,000	900
Irish Thoroughbred Breeders Association	460	400
Irish Horse Welfare Trust	-	100
Others	59	86
	<b>1,774</b>	<b>1,713</b>

As at 31 December 2008, Horse Racing Ireland had a balance of €1.247m relating to the foal levy which is provided for future expenditure on programmes recommended by the Foal Levy Committee and approved by the Board of Horse Racing Ireland. This balance is included within reserves.

### 7. OTHER INCOME

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Goodwill amortisation (Note 18)	437	437
Income from Way leave	-	140
	<b>437</b>	<b>577</b>

### 8. PROFIT ON DISPOSAL OF FIXED ASSETS

The profit on disposal of fixed assets relates to the disposal of land in Leopardstown racecourse under CPO to the Railway Procurement Agency in December 2007.

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
<b>Group</b>		
Horse Racing Ireland	-	7,196

### 9. CONTRIBUTIONS TO PRIZEMONEY

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
<b>Group</b>		
(a) From Sponsors	9,169	9,688
(b) From Owners	17,223	17,650
(c) From Horse Racing Ireland	35,232	33,372
	<b>61,624</b>	<b>60,710</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 10. INTEGRITY SERVICES

Under the Irish Horseracing Industry Act 1994, Part III, as amended by the Horse and Greyhound Racing Act 2001, Schedule 6, the Racing Regulatory Body (which comprises the Turf Club and the Irish National Hunt Steeplechase Committee) has responsibility for making and enforcing the Rules of Racing and for providing on-course integrity services. Horse Racing Ireland provides the funding to the Racing Regulatory Body in order to meet the costs of providing such services as laid out in Part III, paragraph 42 of the 1994 Act.

Horse Racing Ireland directly funds Racecourse Services costs for patrol camera and starting stalls, both of which are functions that transferred to HRI from the Turf Club under the Horse and Greyhound Racing Act 2001.

The amount paid to the Racing Regulatory Body in 2008 is shown as net of the employer pension contribution of €329,000 (2007: €304,000).

### 11. GRANTS/FEEs TO INDUSTRY BODIES

Grants/fees paid to industry bodies analysed as follows:

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Irish Equine Centre	738	703
RACE	600	590
Order of Malta	419	369
Blue Cross	202	183
Vets/Farriers	311	301
Other Industry Bodies	131	295
	<b>2,401</b>	<b>2,441</b>

### 12. TAXATION

Group	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Corporation Tax	82	40
Deferred tax movement (Note 25)	104	(131)
Corporation tax charge/(credit) for the year	<b>186</b>	<b>(91)</b>
Reconciliation of loss at standard rate:		
Loss on ordinary activities before taxation	<b>(2,631)</b>	<b>(1,161)</b>
Loss on ordinary activities before taxation at the standard rate	(329)	(145)
Effect of:		
Non deductible expenses	129	20
Non allowable income	(95)	(77)
Capital allowances in excess of depreciation	150	82
Income taxable at higher rate	227	231
Losses carried forward from previous years	-	(71)
Corporation tax charge for the year	<b>82</b>	<b>40</b>

The activities of Horse Racing Ireland, Irish Thoroughbred Marketing Limited and Tote Ireland Limited are exempt from corporation tax. The taxation charge arose in Leopardstown Club Limited.

A deferred tax asset of €391,570 has not been recognised in the financial statements as there is insufficient evidence that the asset will be recovered in the foreseeable future.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 13. DEFICIT FOR THE PERIOD

#### Deficit for the period has been arrived at after charging:

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Depreciation	3,898	3,436
Amortisation of intangible assets	55	147
Auditors' remuneration	104	92
Interest payable on loans from banks	58	35
Finance Lease Interest	5	-
Capital development fund interest and expenses	933	739
Horse Racing Ireland Board Members' fees	168	168
<b>and after crediting:</b>		
Interest receivable on deposits	1,506	1,550
Interest receivable on loans	203	219
Profit on disposal of fixed assets	-	7,198

The remuneration package of the Chief Executive of Horse Racing Ireland for the period ended 31st December 2008 is as follows:

	€'000	€'000
Basic Salary	187	163
Pension Contributions and other Taxable Benefits	61	51
Long-Term Performance Related Remuneration	65	41
	<b>313</b>	<b>255</b>
Employers' PRSI on the above	27	20

Horse Racing Ireland Administration costs comprise the following:

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Running costs of departments- Pay and Non- Pay	4,913	4,732
Pension/FRS 17	620	(473)
Building Running Costs	936	836
	<b>6,469</b>	<b>5,095</b>

### 14. RACECOURSE SCHEMES AND CAPITAL GRANTS

#### A) RACECOURSE SCHEMES

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Health and Safety Grants/Racecourse Improvement Scheme	814	704
Winter Racing	91	125
Sponsorship Incentive Scheme	263	393
Levy and Pitch Fee Payments to Racecourses	1,846	2,135
Tote Percentage Betting Payments	428	517
	<b>3,442</b>	<b>3,874</b>

The payments made under the above Racecourse Schemes relate to third party owned Racecourses only.

#### B) CAPITAL GRANTS

	Year Ended 31/12/08 €'000	Year Ended 31/12/07 €'000
Capital Development Grants	8,661	17,658

The Board of Horse Racing Ireland established a new capital development scheme in 2003. Under this scheme Horse Racing Ireland provides up to a maximum of 55% funding with the balance being funded by the racecourses. These grants are charged directly to the Income and Expenditure account.

In addition to amounts of €8.661m paid to third party racecourses amounts of €165,000 were paid to Racecourses within HRI Group.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 15. TANGIBLE ASSETS

#### GROUP

##### Cost

At 1 January 2008	102,776	28,368	131,144
Additions	894	1,951	2,845
Disposals	(41)	(297)	(338)

At 31 December 2008	<b>103,629</b>	<b>30,022</b>	<b>133,651</b>
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##### Aggregate depreciation

At 1 January 2008	10,421	15,729	26,150
Charge for period	1,312	2,586	3,898
Disposals	(37)	(287)	(324)

At 31 December 2008	<b>11,696</b>	<b>18,028</b>	<b>29,724</b>
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##### Net book value

At 31 December 2008	<b>91,933</b>	<b>11,994</b>	<b>103,927</b>
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At 31 December 2007	92,355	12,639	104,994
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#### HORSE RACING IRELAND

##### Cost

At 1 January 2008	36,394	3,748	40,142
Additions	-	1,291	1,291
Disposals	-	(297)	(297)

At 31 December 2008	<b>36,394</b>	<b>4,742</b>	<b>41,136</b>
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##### Aggregate depreciation

At 1 January 2008	574	1,614	2,188
Charge for period	236	461	697
Disposals	-	(287)	(287)

At 31 December 2008	<b>810</b>	<b>1,788</b>	<b>2,598</b>
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##### Net book value

At 31 December 2008	<b>35,584</b>	<b>2,954</b>	<b>38,538</b>
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At 31 December 2007	35,820	2,134	37,954
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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 16. INTANGIBLE ASSETS

#### GROUP

#### Capital development grants paid

	31/12/08 €'000	31/12/07 €'000
Paid to 1 January	45,777	45,723
Payments during the period	13	54
Paid to 31 December	<b>45,790</b>	<b>45,777</b>

#### Amortisation of grants paid

Balance at 1 January	45,680	45,533
Charge for the period	55	147
Balance at 31 December	<b>45,735</b>	<b>45,680</b>

#### Net book value

	<b>55</b>	<b>97</b>
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Horse Racing Ireland established a capital development fund to enable a substantial upgrading of racecourse facilities to take place. It provided up to a maximum of 50% funding with the balance being funded by the racecourses. This scheme has now been completed and Horse Racing Ireland's contribution has been funded by way of a 15 year loan. The balance remaining i.e. €55,000 (€97,000:2007) relates to grants paid by Tote Ireland to racecourses not owned by Horse Racing Ireland in order to fund capital developments of Tote buildings at those tracks, amortised over a five year period.

### 17. FINANCIAL ASSETS

#### GROUP

	31/12/08 €'000	31/12/07 €'000
Loans to racecourses/industry body	4,205	4,938
Investment in racecourse	1	1
	<b>4,206</b>	<b>4,939</b>

#### HORSE RACING IRELAND

Loans to subsidiaries	12,653	13,069
Investment in subsidiaries	51	51
Loans to racecourses/industry body	4,205	4,938
Investment in racecourse	1	1
	<b>16,910</b>	<b>18,059</b>

Details of the principal subsidiaries of Horse Racing Ireland and their activities are set out in note 34.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 18. GOODWILL

	31/12/08 €'000	31/12/07 €'000
<b>GROUP</b>		
Goodwill arising on Acquisition	(11,436)	(11,873)
Goodwill attributable to non-monetary depreciable assets	(8,463)	(8,463)
Amortised to Profit and Loss account in period	(437)	(437)
Goodwill at 31 December	<b>(10,999)</b>	<b>(11,436)</b>

### 19. DEBTORS

#### Amounts falling due within one year:

#### GROUP

	31/12/08 €'000	31/12/07 €'000
Trade debtors	7,304	7,035
Prepayments and accrued income	3,683	3,928
VAT	64	-
	<b>11,051</b>	<b>10,963</b>

#### HORSE RACING IRELAND

Trade debtors	2,127	2,818
Prepayments and accrued income	2,849	2,215
Amounts due from group companies	12,795	10,984
	<b>17,771</b>	<b>16,017</b>

### 20. CASH AT BANK

	31/12/08 €'000	31/12/07 €'000
<b>GROUP</b>		
Horse Racing Ireland	32,584	29,824
HRI Racecourses	1,170	1,979
Tote Ireland	3,574	5,094
Irish Thoroughbred Marketing	6	254
	<b>37,334</b>	<b>37,151</b>
<b>HORSE RACING IRELAND</b>	<b>32,584</b>	<b>29,824</b>

The cash balance in Horse Racing Ireland relates primarily to net funds for stakes won but not drawn down at 31 December 2008.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 21. CREDITORS

#### Amounts falling due within one year:

#### GROUP

	31/12/08 €'000	31/12/07 €'000
Accruals	8,126	8,019
Deferred payment on asset acquisition	-	30
Bank loan (Note 23)	3,270	4,222
Trade creditors	3,736	4,498
Prize money due to racing clients	23,147	24,911
Deferred Income	1,045	950
Guaranteed value races prize fund	272	180
Taxation creditors	443	459
Finance Leases (Note 24)	20	-
	<b>40,059</b>	<b>43,269</b>

#### HORSE RACING IRELAND

Accruals	4,087	4,507
Amounts owed to group companies	315	36
Bank loan (Note 23)	3,270	3,143
Trade creditors	1,247	1,726
Prize money due to racing clients	23,147	24,911
Guaranteed value races prize fund	272	180
Taxation creditors	297	303
	<b>32,635</b>	<b>34,806</b>

The movement in the Guaranteed Value Races Fund for the relevant period was as follows:

	31/12/08 €'000	31/12/07 €'000
Balance at 1 January	180	180
Surpluses on Guaranteed Value Races	92	-
<b>Balance at 31 December</b>	<b>272</b>	<b>180</b>

#### ANALYSIS OF TAXATION CREDITORS

#### GROUP

	31/12/08 €'000	31/12/07 €'000
PAYE	169	206
PRSI	93	133
Other taxes	181	120
	<b>443</b>	<b>459</b>

#### HORSE RACING IRELAND

PAYE	170	157
PRSI	86	90
Other taxes	41	56
	<b>297</b>	<b>303</b>

### 22. CREDITORS

#### Amounts falling due after more than one year:

#### GROUP

	31/12/08 €'000	31/12/07 €'000
Bank loan (Note 23)	14,185	8,921
Deferred Income	1,936	2,104
Finance Leases (Note 24)	80	-
	<b>16,201</b>	<b>11,025</b>

#### HORSE RACING IRELAND

Bank loan (Note 23)	<b>14,185</b>	<b>8,921</b>
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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 23. BANK LOANS

	31/12/08 €'000	31/12/07 €'000
<b>GROUP</b>		
Repayable within 1 year	3,270	4,222
Repayable within 2 to 5 years	5,651	8,921
Repayable after 5 years	8,534	-
	<b>17,455</b>	<b>13,143</b>
<b>HORSE RACING IRELAND</b>		
Repayable within 1 year	3,270	3,143
Repayable within 2 to 5 years	5,651	8,921
Repayable after 5 years	8,534	-
	<b>17,455</b>	<b>12,064</b>

### 24. FINANCE LEASES

Leasing obligations, net of interest, are due for repayments as follows:

	31/12/08 €'000	31/12/07 €'000
<b>GROUP</b>		
Repayable within 1 year	20	-
Repayable within 2 to 5 years	80	-
	<b>100</b>	<b>-</b>

### 25. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred Taxation €'000	Other Provision €'000	Total €'000
<b>GROUP</b>			
At 1 January	211	1,000	1,211
Charge to the profit and loss account	104	-	104
At 31 December	<b>315</b>	<b>1,000</b>	<b>1,315</b>

The deferred tax liability arises where fixed assets are depreciated over a longer period than that over which capital allowances are recognised.

### 26. DEFERRED CAPITAL GRANT

	31/12/08 €'000	31/12/07 €'000
<b>GROUP</b>		
Paid to 1 January	451	768
Amortised during the period	(317)	(317)
Balance at 31 December	<b>134</b>	<b>451</b>

The state allocated by way of grant €3.2 million in 1999 towards the acquisition of a new Tote System. This amount is being transferred to the Income and Expenditure account over a 10 year period in line with the matching depreciation.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 27. ESTABLISHMENT RESERVE

The establishment reserve arose on the transfer of net assets from the Racing Board to the Irish Horseracing Authority on 1 December 1994, and the transfer of net assets of the Irish Horseracing Authority to Horse Racing Ireland on 18 December 2001.

### 28. MOVEMENT ON RESERVES

	Income and Expenditure Account	Establishment Reserve	Other Reserves*	Total Establishment and Other Reserves
GROUP	€'000	€'000	€'000	€'000
Opening balance at 1 January 2008	18,415	17,193	46,693	82,301
Transfer to Future Development Fund	(538)	-	538	-
Retained Deficit for the year	(2,386)	-	-	(2,386)
Minority Interest	2	-	-	2
Actuarial Loss	-	-	(8,637)	(8,637)
Closing balance at 31 December 2008	<b>15,493</b>	<b>17,193</b>	<b>38,594</b>	<b>71,280</b>

	Income and Expenditure Account	Establishment Reserve	Other Reserves*	Total Establishment and Other Reserves
HORSE RACING IRELAND	€'000	€'000	€'000	€'000
Opening balance at 1 January 2008	13,792	9,592	28,167	51,551
Transfer to Future Development Fund	(538)	-	538	-
Retained Profit for the year	1,440	-	-	1,440
Actuarial Loss	-	-	(8,637)	(8,637)
Closing balance at 31 December 2008	<b>14,694</b>	<b>9,592</b>	<b>20,068</b>	<b>44,354</b>

\*Other Reserves comprises Reserve for Future Development, Revaluation Reserve and Pension Obligations.

The transfer to the Reserve for Future Development in the Group relates to income allocated for future significant development under the capital development programme 2003-2008 and the redevelopment of Leopardstown Racecourse.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 29. PENSION COMMITMENTS

Horse Racing Ireland established with effect from 1 May 2007 the Horse Racing Ireland and Racing Regulatory Body Superannuation Scheme 2007. Horse Racing Ireland has established a trust fund for holding contributions made towards benefits to be paid under the Scheme and for the payment of superannuation benefits under the Scheme.

#### Defined Benefit Scheme (Horse Racing Ireland and Racing Regulatory Body Superannuation Scheme 2007)

- a) On 1 December 1994, the Irish Horseracing Authority took over the operation of the Racing Board's Defined Benefit Pension Scheme for permanent staff. Since 18 December 2001, this scheme continued to operate under HRI until 30 April 2007. On 1 May 2002, at the point of transfer of employees from the Turf Club to Horse Racing Ireland, a deed of Adherence between Horse Racing Ireland, Stewards of the Turf Club and Coyle Hamilton Trustees Limited was put in place allowing Horse Racing Ireland to be an Adhering Body to participate in the Turf Club of Ireland Pension Scheme (the Principal Employer) from that point until 30 April 2007.
- b) By virtue of the "Deed of Adherence", Horse Racing Ireland has covenanted with the Turf Club and the Trustees to be bound by the provision of the scheme set out by the declaration and the rules.
- c) Both of these schemes were closed schemes. The former Racing Board Scheme had 10 active participants and 49 inactive participants at 31 December 2008. There were 30 employees of Horse Racing Ireland in the former Turf Club scheme. The Turf Club Scheme also covers 54 employees involved in Integrity Services.
- d) As at 1 May 2007, the two schemes merged into one scheme, encompassing all the above employees and the rest of the Turf Club employees totalling 163 [2007: 167] members. All pension obligations from both the former Racing Board Scheme and the former Turf Club Scheme are now covered in the new merged scheme. This gave rise to a settlement loss for HRI in 2007. This scheme also covers the employees involved in Integrity Services who are directly funded by HRI under the Irish Horseracing Authority Act 1994, Section 42 and employed by the Turf Club. Liabilities relating to other employees of the Turf Club and the Curragh Racecourse are excluded in calculating the net pension liability disclosed underneath.
- e) Total contributions in this scheme made for the period ended 31 December 2008 were €1,286,000. Future expected contributions in this scheme are €1,518,000 for the period ended 31 December 2009.

The principal actuarial assumptions for the full scheme used to calculate the retirement liabilities under FRS 17 as at 31 December 2008 (weighted averages) were as follows:

Valuation Method	Projected Unit	
	2008	2007
Discount Rate	5.75%	5.50%
Future pensionable salary increases	3.00%	4.25%
Future pension increases	2.50%	2.50%
Future inflation	2.00%	2.50%
<b>Class</b>		
Equities	7.75%	7.25%
Fixed Interest/Cash	3.50%	4.25%
Property	6.25%	6.25%
<b>Overall</b>	<b>6.72%</b>	<b>6.57%</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 29. PENSION COMMITMENTS (CONTINUED)

**The amounts recognised in the profit and loss accounts before amounts deducted for curragh/others are as follows:**

	31/12/08 €'000	31/12/07 €'000
Current service Cost	(858)	(662)
Interest on obligations	(2,055)	(1,515)
Expected return on scheme assets	1,963	1,294
Contributions by scheme participants	305	210
Total	(645)	(673)
Actual return on scheme assets	(9,448)	(1,811)

**The amounts recognised in the balance sheet are as follows:**

	31/12/08 €'000	31/12/07 €'000
Present value of wholly or partly funded obligations	(36,717)	(37,014)
Fair value of scheme assets	20,737	29,828
Total Deficit in Plan at end of year	(15,980)	(7,186)
Curragh Racecourse/Others deficit included in total deficit for the year	(1,351)	(610)
Net HRI liability recognised in balance sheet	(14,629)	(6,576)

**Changes in the present value of the defined benefit obligation are as follows:**

	31/12/08 €'000	31/12/07 €'000
Opening defined benefit obligation	(37,014)	(21,196)
Service cost	(858)	(662)
Interest cost	(2,055)	(1,515)
Transfer of Turf Club liabilities	-	(17,427)
Actuarial loss arising from experience being different than expected	(353)	(890)
Actuarial gain arising from change in liability valuation assumptions	2,329	3,171
Benefits paid	1,234	1,505
Closing defined benefit obligation	(36,717)	(37,014)

**Changes in the fair value of scheme assets are as follows:**

	31/12/08 €'000	31/12/07 €'000
Opening fair value of scheme assets	29,828	17,931
Expected return	1,963	1,294
Actuarial losses	(11,411)	(3,105)
Transfer of Turf Club liabilities	-	14,176
Contributions by scheme participants	305	210
Contributions by employer	1,286	827
Benefits paid	(1,234)	(1,505)
Closing fair value of scheme assets	20,737	29,828

**Analysis of the amount which is recognised in the statement of total recognised gains and losses (STRGL) is as follows:**

	31/12/08 €'000	31/12/07 €'000
Curragh/Others actuarial losses for the period	(798)	
HRI actuarial losses for the period	(8,637)	(824)
Cumulative actuarial losses recognised in the statement of total recognised gains and losses (for accounting periods ending on or after 22 June 2002)	(11,811)	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 29. PENSION COMMITMENTS (CONTINUED)

Amount for the current and previous four periods are as follows:

Year Ended 31 December	2008 €'000	2007 €'000	2006 €'000	2005 €'000	2004 €'000
Defined Benefit Obligation	(36,717)	(37,014)	(38,856)	(35,985)	(31,716)
Fair value of scheme assets	20,737	29,828	31,486	27,499	22,728
Deficit in the Scheme	(15,980)	(7,186)	(7,370)	(8,486)	(8,988)
Net deficit in pension scheme in relation to HRI and Turf Club funded employees of the Horse Racing Ireland and Racing Regulatory Body Superannuation Scheme	(14,629)	(6,576)			
Experience adjustment arising on					
- the scheme liabilities	(353)	(890)	(358)	134	(226)
- the scheme assets	(11,411)	(3,105)	593	1,479	190

The pension schemes in 2004-2006 does not include both bodies as the merger date was 1 May 2007 but the deficit for these years represents the full scheme deficits.

#### Defined Contribution Scheme/PRSA

- Horse Racing Ireland operates a Defined Contribution Scheme for all employees not in the Defined Benefit Scheme, i.e. 109 employees.
- The pension costs for the period ended 31 December 2008 was €386,000.

### 30. MINORITY INTEREST

	31/12/08 €'000	31/12/07 €'000
Opening balance	1,875	1,571
Movement in the year	81	304
Closing balance	<b>1,956</b>	<b>1,875</b>

Navan Golf Club Plc has a nominal share capital of 1,000 Preference Shares at 6 cent each. There were 675 shares issued and fully paid as at 31 December 2008 and the share premium on these issued shares was €1,970,000. The balance represents negative minority interest of €23,000 in Tipperary Race Company Plc and minority interest in Fairyhouse Club Limited of €9,000.

### 31. (i) RECONCILIATION OF DEFICIT FOR THE YEAR TO NET CASH OUTFLOW FROM OPERATIONS

	31/12/08 €'000	31/12/07 €'000 Restated
Deficit for the year	(2,116)	(5,271)
Interest Receivable	(1,709)	(1,769)
Interest Payable	758	471
Depreciation charges	3,898	3,436
Profit on sale of tangible assets	-	(7,198)
Transfers out of Fixed Assets	-	1,140
Write off of Subsidiary	-	84
Amortisation of Capital Development Fund grants	55	147
Amortisation of Negative Goodwill	(437)	(437)
Increase in Debtors	(88)	(2,338)
(Decrease)/Increase in Creditors	(2,443)	3,611
Increase in Provisions	104	1,211
Difference between pension charge and contributions	(668)	2,266
Amortisation of deferred capital grants	(317)	(317)
<b>NET CASH OUTFLOW FROM OPERATIONS</b>	<b>(2,963)</b>	<b>(4,964)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 31. (ii) RECONCILIATION OF MOVEMENT IN NET FUNDS

	31/12/08 €'000	31/12/07 €'000
Increase/ (Decrease) in Cash in the Period	183	(7,904)
Bank Loans in the Period	(8,534)	(4,401)
Repayment of Bank loans	4,222	1,587
Change in Net Funds	(4,129)	(10,718)
Opening Net Funds	24,008	34,726
Closing Net Funds	<b>19,879</b>	<b>24,008</b>

### 31. (iii) ANALYSIS OF CHANGES IN NET FUNDS

	31/12/07 €'000	Cash Flows €'000	31/12/08 €'000
Cash at Bank	37,151	183	37,334
Debt due within 1 year	(4,222)	952	(3,270)
Debt due after 1 year	(8,921)	(5,264)	(14,185)
	<b>24,008</b>	<b>(4,129)</b>	<b>19,879</b>

### 32. CAPITAL AND OTHER COMMITMENTS

Future capital and other expenditure committed by the group but not provided for in these financial statements are as follows:

	31/12/08 €'000	31/12/07 €'000
Commitments	4,086	8,998

### 33. CONTINGENT LIABILITIES

A number of legal cases are pending with a subsidiary of Horse Racing Ireland in relation to tenant property issues. These are being fully defended by the Company. The financial effect, if any, arising from the cases cannot reasonably be ascertained.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 CONTINUED

### 34. PRINCIPAL SUBSIDIARIES

<b>Direct Subsidiaries</b>	<b>% Held</b>	<b>Principal Activities</b>
Tote Ireland Limited	100	Operation of Totalisator at racemeetings, operation of a telebetting service and an internet service
Irish Thoroughbred Marketing Limited	100	Promotion of the Irish Thoroughbred Horse
HRI Racecourses Limited	100	Racecourse Holding Company
<b>Indirect Subsidiaries</b>		
The Leopardstown Club Limited	100	Holding of race meetings and ancillary activities
Navan Races Limited	99.58	Holding of race meetings and ancillary activities
Cork Racecourse Limited	100	Letting of land
The Tipperary Race Company PLC	97.55	Holding of race meetings and ancillary activities
Navan Golf Club PLC	100	Operation of a golf course
Fairyhouse Club Limited	99.94	Holding of race meetings and ancillary activities
Ballyhack Enterprises Limited	99.94	Holding of ancillary racing activities
Raheen Developments Limited	99.94	Racecourse Development Company

All the subsidiary companies are incorporated in the Republic of Ireland with their registered offices at Ballymany, The Curragh, Co. Kildare.

## PHOTOGRAPHY DETAILS

All racing photographs used in the HRI annual report 2008 are taken by Healy Racing Photography (HR), and Fennels (FE).

### PAGE 2&3

Summer racing scene in Ballinrobe Racecourse.

### PAGE 4

Former Minister for Arts, Sports & Tourism Seamus Brennan (RIP) formally opening the new HRI HQ in February 2008 alongside HRI Chairman Denis Brosnan and HRI Chief Executive Brian Kavanagh. (FE)

### PAGE 5

**Top Left** - 2007/08 NH Champion Presentations made on the final day of the season at the Punchestown Festival, pictured behind the celebratory flutterfetti is David Mongey (Punchestown Chairman), Willie Mullins, Gillian Walsh (representing husband Ruby), JP McManus, An Taoiseach Bertie Ahern, Shane Jackson, Patrick Mullins and Brian Kavanagh (HRI CEO)

**Middle** - Casual Conquest and Pat Smullen storm clear of their rivals to land the Derrinstown Stud Derby Trial at Leopardstown in impressive fashion. (HR)

**Top Right** - The National Hunt Champions receive their various awards for the 2007/2008 NH. Season at the Punchestown Festival. (FE)

**Bottom** - Sea The Stars (M.J. Kinane - yellow jacket) emerges best in a tight finish to the Juddmonte Beresford Stakes at the Curragh in September. (HR)

### PAGE 8

The big field stream over one of the fences in the Powers Whiskey Irish Grand National which was won by Hear The Echo in the hands of Paddy Flood for trainer 'Mouse' Morris. (HR)

### PAGE 9

**Top left** - Sublimity (Philip Carberry) hold a narrow advantage over Won In The Dark (S.J. Hassett) at the final flight in the December Festival Hurdle at Leopardstown. Sublimity eventually scored by half a length. (HR)

**Middle** - The Listener pulling away at the Leopardstown Christmas Festival as he took the Lexus Chase in style with Daryl Jacob on board. (HR)

**Top right** - Conor O'Dwyer retires from race riding on 28th March, he's pictured here flanked by fellow jockeys after his last race triumph where he rode Mister Top Notch to win at the Fairyhouse Easter Festival to finish his career on a high, Conor is now training out of Rossmore Stables. (HR)

**Bottom** - The packed enclosures at Ballybrit watch another big field approach the hurdle past the stands at the Galway Summer Festival. (HR)

### PAGE 11

**Top Left** - The field make their way to the next fence in the early stages of the Dunboyne Castle H'cap S'chase at the Punchestown Festival in April. (HR)

**Middle** - Seamie Heffernan pictured with Septimus after their historic success in the Irish Field St Leger which gave trainer Aidan O'Brien a clean sweep of all the Classics in 2008. (HR)

**Top Right** - Famous Name (P.J. Smullen) is too good for Moiqen (D.P. McDonogh) and Hebridean (Seamie Heffernan) in the Leopardstown 2000 Guineas Trial in April. (HR)

**Bottom** - Rule Supreme (green cap), One Cool Cookie (maroon cap), Central House (blue cap) and eventual winner Hi Cloy (white cap) awaiting the start of the MacLochlainn Road Markings Ltd Kinloch Brae S'chase at Thurles in January. (HR)

### PAGE 12

A fine shot of the Ben Bulbin mountains in the background as the field past the stands at a picturesque Sligo. (HR)

### PAGE 13

**Top left** - Jim Bolger's Cuis Ghaire justifies favouritism in the Albany Stakes at Royal Ascot under Kevin Manning. (HR)

**Second Left** - Forpadydeplasterer (D.N. Russell) get the better of Cork All Star (B.J. Geraghty) to land the Deloitte Novice Hurdle at Leopardstown in February. (HR)

**Second Right** - Mastercraftsman (J.P. Murtagh) is well clear of his rivals as he powers away to win the Independent Waterford Wedgwood Phoenix Stakes at the Curragh in late July. (CN)

**Right** - Neptune Collonges and Ruby Walsh on their way to winning the Punchestown Guinness Gold Cup at the Punchestown Festival for the second consecutive year. (HR)

### PAGE 15

Coinman (J.R. Barry) lead the field in the early stages of the McDonogh Properties Steeplechase eventually won by Reisk Superman (R. Walsh) at the Galway Summer Festival.

### PAGE 16

New Approach is driven out by Kevin Manning to take the Tattersalls Millions Irish Champion Stakes at Leopardstown from Traffic Guard (J.F. Egan), Mores Wells (D.P. McDonogh) and Multidimensional (T.E. Durcan). (HR)

### PAGE 18

Another lot goes through the ring at Tattersalls Sales Ring at Fairyhouse.

### PAGE 19

**Left** - Delighted members of the Goat Racing Syndicate are pictured receiving their trophy after their charge, Forpadydeplasterer, had landed the Deloitte Novice Hurdle at Leopardstown in February. (HR)

**Middle** - Captain Cee Bee (near side) with 'Chocolate' Thornton up jump the final flight alongside Binocular (A.P. McCoy) before going on to win the Anglo Irish Bank Supreme Novice Hurdle at the Cheltenham Festival to credit trainer Edward Harty with his biggest success. (HR)

**Right** - It's an all Irish finish to the Ballymore Properties Novice Hurdle as Fiveforthree (centre) with Ruby Walsh on board just gets the better of Venalmar (yellow colours - P.W. Flood) with Trafford Lad (blue cap - T.J. Doyle) a close up third. (HR)

### PAGE 20

**Left** - 2008 HRI Award winners John Ferguson representing New Approach, Patrick Mullins, Dave Fox, Aidan O'Brien, JT McNamara & Ruby Walsh. (FE)

**Middle** - The field commence another circuit of the track at the Galway Summer Festival. (HR)

**Right** - Henrythenavigator (blue colours - J.P. Murtagh) edge out New Approach (K.J. Manning) in a thrilling finish to the English 2000 Guineas at Newmarket (HR)

### PAGE 21

**Left** - Duke of Marmalade (J.P. Murtagh) is too strong for Finsceal Beo (K.J. Manning) in the Tattersalls Gold Cup at the Curragh in late May. (HR)

**Middle** - A fine action study of Ponmeoath (with Paddy Flood on top) as the pair take their second consecutive Guinness Kerry National at the Listowel Festival in September. (HR)

**Right** - Big Zeb (Matthew O'Connor) has a good look at the first fence before winning the Paddy Power Dial-a-Bet Steeplechase at the Leopardstown Christmas Festival. (HR)



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