

**NATIONAL
TRAINERS
FEDERATION**



**Annual Report
2012**

NTF TO SUPPORT THE AIR AMBULANCE IN 2013



On average, an emergency air ambulance takes off every 10 minutes in the UK, flying 365 days a year in daylight hours. Put another way, during every hour of every day, 7 Air Ambulances are attending accidents and medical trauma.

As many of you will be aware, trainers and their staff have benefited over the years from the Air Ambulance service, which is funded entirely by donations. Therefore in 2013 the NTF will be raising money, principally from lost badge charges, to support the Air Ambulances with greatest coverage of our membership.

In 2012, the NTF raised £900 for its chosen charity, the Animal Health Trust, through payments to replace lost metal badges and sponsorship for Rupert Arnold's Great East Swim.

*Front cover: Frankel gallops into history.....
Photo by Trevor Jones*

*Back cover: Kauto Star at ease.....
Photo by Trevor Jones*

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NTF COUNCIL AND COMMITTEE MEMBERS

Elected Regional Representatives comprising the Council in 2012.

Presidential Triumvirate

William Haggas (Chairman), Philip Hobbs, Jim Boyle

Region

2012

Scotland

Linda Perratt

North

Tom Tate, Ferdy Murphy, Ann Duffield

West Midlands and Wales

Henry Daly, Matthew Sheppard, Charlie Longsdon

East

Rae Guest, William Haggas, Stuart Williams

South West

Philip Hobbs, Seamus Mullins, Emma Lavelle

Central South

Ralph Beckett, Charlie Mann, Eve Johnson Houghton

South East

Jim Boyle, John Best

Past Presidents

John Gosden, Chris Wall

Co-opted

Charles Egerton

Executive Committee

William Haggas (Chairman), John Gosden, Philip Hobbs, Tom Tate, Jim Boyle, Chris Wall, Henry Daly

Flat Committee

Chris Wall (Chairman), John Gosden, John Best, Eve Johnson Houghton, Ralph Beckett, William Haggas, Jim Boyle, Linda Perratt, Ann Duffield, Tom Tate, Rae Guest, Stuart Williams

NH Committee

Henry Daly (Chairman), Charlie Mann, Charles Egerton, Seamus Mullins, Philip Hobbs, Ferdy Murphy, Emma Lavelle, Matt Sheppard, Charlie Longsdon, Jamie Snowden (co-opted)

National Trainers Federation

9 High Street, Lambourn, Hungerford, Berkshire RG17 8XN

EXECUTIVE AND ADVISERS

President

William Haggas

Chief Executive

Rupert Arnold

Legal Executive

Dawn Bacchus

Membership and Publications Executive

Jill Crook

Executive Assistant

Judy Crossfield

Financial Adviser

Peter Treadgold

Legal Adviser

Rachel Flynn

Veterinary Adviser

Clive Hamblin

Rates and Planning Adviser

Bill Simpson

ACCOUNTANTS

Smith and Williamson

Old Library Chambers, Chipper Lane, Salisbury Wiltshire, SP1 1BG

SOLICITORS

Taylor Vinters

Merlin Place, Milton Road, Cambridge CB4 4DP

NTF AIMS AND OBJECTIVES

The NTF's objectives are:

"To represent and protect trainers' interests and to be a reliable and respected source of information, advice and support."

We aim to achieve this by:

- Liaising and negotiating with other industry bodies
- Providing up to date information relevant to members' activities
- Offering access to a wide range of services and professional advice

MEMBERS' BENEFITS

As a member of the NTF, you receive the following benefits:

SERVICES

- Unlimited help and advice from the NTF office. We provide a personal, direct service with an executive team who understand your working life.
- Immediate advice on legal problems including employment law from the NTF's in-house Chartered Legal Executive with additional back up from one of the country's largest employer organisations.
- Access to the NTF's Professional Advisers including the Legal Referral Service with Taylor Vinters, financial with Smith and Williamson, insurance with Lycetts, veterinary by Clive Hamblin, foreign recruitment with IEP Management and rural business advice from the CLA. Advice on Scottish law is available from Thorntons Law in Dundee.
- The unique services of Bill Simpson to provide advice on business rates and conduct appeals with the local authority.
- Legal Representation for appropriate cases at BHA Disciplinary Panel enquiries and Appeal Board. When provided by the NTF's Legal Executive, this service is free. Our financial support for alternative legal support is subject to limits agreed by the Council.
- Twice yearly Regional Meetings open to all members.
- Non-transferable metal badges to admit each member and their spouse/partner to every racecourse in the country. Up to four badges for Assistant Trainers if eligible
- Car Park Label for entry into the trainers' car park at each racecourse in Britain.
- Group discount schemes for private health care with Chase Templeton, Racing UK, debt collection and Direct Debit services from Express Group and Clearwater Hampers.
- Free administration of the NTF Stakeholder Pension Scheme, Racing Industry Accident Benefit Scheme and Death in Service Benefit

INFORMATION

- The NTF Racing Diary – the indispensable working manual for the industry
- Racing Diary live computer feed for worldwide fixtures and sales dates
- Bi-monthly printed Newsletter and NTF Weekly e-mail news update. Breaking news available on Twitter, @NTFnews.
- Access to the dedicated Members Area of the NTF website for up to date forms, advice sheets and publications
- The NTF Employment Guide: the bespoke manual for all employment matters.
- Medication Record Book
- Code of Practice for Infectious Diseases
- A range of publications and advice sheets
- Free subscription to European Trainer Magazine

REPRESENTATION

The NTF represents trainers' interests on the following racing industry committees and working groups:

- The Horsemen's Group
- BHA Chairman's Committee
- BHA Racing Committee
- BHA Flat Racing Committee
- BHA Jump Racing Committee
- BHA Fixture Allocation Committee
- Horsemen's Group Taxation Group
- BHA Industry Committee
- BHA Learning and Development Group
- BHA Racecourse Committee
- BHA Veterinary Committee
- BHA Welfare and Training Group
- RCA Technical Group
- National Joint Council for Stable Staff
- Animal Health Trust Equine Industry Committee
- Tattersalls and Doncaster Bloodstock Sales Liaison Groups
- European Trainers Federation

NOTICE OF MEETING

Notice is hereby given that the
FORTIETH ANNUAL GENERAL MEETING of the
NATIONAL TRAINERS FEDERATION
will be held at the
THE TURF CLUB,
5 Carlton Terrace, London SW1Y 5AQ
at **12.00 noon on Thursday 28th February 2013**

AGENDA

1. To approve the minutes of the 39th Annual General Meeting
2. To approve the Accounts for the year ending 31st December 2012
3. To receive the President's Report
4. To confirm election of the President and Triumvirate
5. To approve a resolution for changes to the NTF rules
6. Any other business

Dated this 26th day of January 2013

By order of the Council



J R ARNOLD Chief Executive

PRESIDENT'S REPORT

William Haggas



2012 has been a fantastic year for racing and we witnessed two epic battles for the Trainer's Championship. On the National Hunt scene, Paul Nicholls fought back to beat Nicky Henderson in a tight finish, thanks mainly to the exploits of Neptune Collonges in the John Smith's Grand National and on the Flat, John Gosden finally saw off Aidan O'Brien and had a year which he will never forget. But without doubt the highlight of the year was the story of Frankel and his magnificent trainer, Sir Henry Cecil. If ever there was a racing film to be made after "Champions", this was it and Henry tamed and beautifully trained a very brilliant, extrovert character in Frankel. By the end, he was putty in the trainer's hands and they both gave us some magnificent days.

2012 for the NTF was a tough year. We had some big issues in the Horsemen's Group, which is where much of our time and effort was spent but it seems now that the Horsemen's Group is moving forward as one. We were firmly behind their Chief Executive, Alan Morcombe, and some might say, unwisely against the opinions of the Owners and the Breeders. However your Council and your Executive Committee felt strongly that Alan had done a magnificent job with the Tariffs and deserved to be supported. We stood firmly behind a man who understood how racecourses were run. With a huge ally on the Horsemen's Group in Bob Scott, the Non-Executive Director, who made his living out of Bookmaking, we had two people that were very much respected to get the best deal for Horsemen. Sadly this was not to be and Alan Morcombe stood down at the end of the year with Bob Scott resigning because of it. A disappointing end for us. However, even with no Chief Executive, we must unite and go forward together but you can be sure that we will continue to ensure the very best results possible for you in terms of prize money.

The racecourses appear to have some sort of respect for the Horsemen's Group in its new guise. It is crucial though that Paul Bittar works closely with the Horsemen to ensure good, solid, prize money contracts to which each racecourse adheres. As I write, York Racecourse has announced record prize money of £5.8 million for 2013, with their Chairman announcing that "York is run for the good of this wonderful sport" – that attitude is to be championed and I firmly believe that many racecourses do have the same attitude. However, there are some and in particular, the Arena Racing Company, who have little regard for prize money and are keen to pay us the bare minimum to ensure maximum profits. It is important that we make sure they show as much commitment as the majority of others. There are a few Independents who are very keen to pay as little as possible towards prize money too – it will be interesting to see how quick they are to sign their agreements.

The Federation itself is still a hugely important and influential part of this business and we should continue to be deeply grateful to Rupert and his team for all their efforts on our behalf. Rupert in particular has had a very difficult year with the Horsemen's Group but has been exceptionally strong and determined in that sphere and has earned plenty more admirers because of it. Rupert continues to work hard on your behalf, is constantly contactable and helpful in his advice. He has a very good, team with him who are all part of the furniture now and Dawn Bacchus, Jill Crook and Judy Crossfield have developed into a strong unit. Thanks girls for your efforts.

I would like to extend particular thanks to the Executive Committee and the Council in particular and am personally delighted that a few new members have stepped forward to offer their help for free. Thanks to them and thanks to all who give up their time and effort on your behalf. It is very easy for me with a hundred plus horses to talk well of the industry at present but I know many trainers are finding it very tough. I hope 2013 will bring the change of fortune that so many deserve and hope too that Philip Hobbs in his role as President for the next twelve months will derive as much satisfaction and pleasure as I have this time.

Keep the winners coming!

A handwritten signature in black ink that reads "Haggas". The signature is written in a cursive, flowing style with a long horizontal line extending from the end of the name.

CHIEF EXECUTIVE'S REPORT

Rupert Arnold



For the majority of our members the economics of the training business continue to be a struggle. Sustainable businesses for trainers can only be delivered with an improved return to the sport from the betting industry. With an improved levy yield, the Levy Board has set its stall out to increase its contribution to prize money and the NTF is extremely appreciative of the HBLB's Chairman and Chief Executive's hosting of trainers' dinners around the country in 2012. They were highly informative.

In last year's Annual Report, I invested high hopes in the Horsemen's Group as 'the driving force for horsemen's and therefore trainers' interests in our sport.' At the end of 2012 it is not clear whether those expectations will be realised. The BHA's resumption of a central role in racing's commercial activity consigned the planned industry restructure and the HG's place in it to the history books. The NTF has always supported a strong representation for the sport's "players". Time will tell whether the future of a collaborative tripartite structure (BHA/HG/RCA) can achieve as much for horsemen as the last two years of forceful negotiation. Nevertheless, the NTF reiterated its faith in the HG's essential role by advancing a significant proportion of its reserves to resolve the Group's funding crisis. This allows the HG to look forward from a united position once again and that can only be a strength.

I am keenly aware that while prize money is the headline issue, the NTF is only one of the cast in that show. We are more front of stage and have a much wider remit in directly providing resources and benefits for our members. A review of our operations during the year showed how much members rely on us for legal assistance or related problems. Chief amongst these is the area of employment and we often see ourselves as the Human Resources department for many small businesses.

Race planning is the corner stone of a trainer's operation and the apparent lack of it has been a constant source of frustration. Though the BHA's summary dismissal of the Racing Committee did not bode well, I am pleased that the NTF's insistence on the right to be represented concluded with a satisfactory restructure of the BHA's Flat and Jump Racing Sub-Committees. In the autumn, we held some constructive meetings with representatives of the BHA Racing Department to look in detail at problems with the Flat and Jumping programmes. We established the basis for regular liaison to optimise the programme for trainers. Let's hope the BHA's more open approach is extended to a review of the new novice chase system.

Having moved house in August, I am now dividing my time between Yorkshire and Lambourn. It is good to see members at northern racecourses and I am lucky to rely on an extremely dedicated and reliable team in the NTF office. Not a day goes by without trainers calling us for information, advice and support on a huge range subjects. There is always more to do.

A handwritten signature in black ink, appearing to read 'Rupert Arnold'.



THE EXECUTIVE

Members benefit from an outstanding team of executives, whose range of experience and length of service is second to none. They are the true backbone of the Federation.

Dawn Bacchus – Legal Executive – 11 years with the NTF

- Legal advice, specializing in employment law and contracts
- Legal representation at BHA Disciplinary Committee enquiries
- Advice on BHA Rules of Racing and penalties
- Training Agreements and owner disputes
- Member of the BHA Learning and Development Group
- Presents at the BRS Secretaries Course and Trainers Course
- Stakeholder pension administration

Jill Crook – Membership and Publications Executive – 13 years with the NTF

- Membership records and new member's pack
- Members' benefits including metal badges
- Production of NTF publications
- NTF website content and management
- Employment and general advice
- Racing Industry Accident Benefit Scheme (RIABS) administration
- Occupational pension scheme and Death in Service Benefit administration
- NTF financial records and accounts

Judy Crossfield – Executive Assistant – 12 years with the NTF

- Assistance in all areas and responding to member enquiries
- NTF meeting organization and minute taking
- Office manager
- Special projects – low flying, transport regulations, etc

MEMBERSHIP

At 31 December	2011	2012	Change
Licensed trainers	561	559	-2
Relinquished in year	44	33	-11
Granted in year	37	31	-6
NTF Members	518	516	-2
Non-members	43	47	+4
Percentage of all trainers	92.3	92.3	0

Last year we noted that in 2011 fewer trainers had relinquished their licence and more trainers had been granted a licence than in the previous twelve months. We thought that might be a sign for optimism. In fact, though fewer trainers relinquished their licence in 2012, fewer were granted a licence so there seems to be no prospect of numbers recovering for the time being.

ELECTIONS AND THE REGIONS

With a large tranche of newly elected Council members from 2011, there were no places up for election in 2012. We are grateful to the new intake for their excellent attendance record and input at regional, Council and Committee meetings. There are several members approaching the end of their allotted three year terms in 2013, presenting opportunities for more new faces in the following year.

The atrocious weather this year had an unexpected effect on the autumn regional meetings. Flooding in the Taunton area and a typical Worcester wash-out decimated attendances at both meetings. We haven't found a way to boost the numbers coming to these meetings but they represent a vital link between the executive and the members so are extremely worthwhile.

CHAMPIONSHIPS

2011/12 NH Championship – **Paul Nicholls**

Highest number of winners – Nicky Henderson, 167

Dominated by the big two, the NH trainers' championship has become a close contest in recent years. While Paul pulled the ace of trumps from his hand in the shape of Neptune Collonges to win the Grand National and annex the championship, Nicky broke Cheltenham Festival records left right and centre – most wins at the meeting by a trainer, most wins in a year and most wins in a day.

2012 Flat championship – **John Gosden**

Highest number of winners – Richard Hannon, 219

John Gosden's maiden Championship was a cliffhanger and it was great that he managed to keep the trophy on British turf. In reaching his tally, Richard equaled his record of the previous season, his consistency over a lengthy period being a remarkable testament.

It has been another outstanding year for British-based trainers abroad with a younger generation of trainers carrying the baton, notably Marco Botti, Clive Cox, Ed Dunlop, David Simcock and Roger Varian.

Flat	Prize Money Won	National Hunt	Prize Money Won
John Gosden	£3,741,132	Paul Nicholls	£3,297,804
Aiden O'Brien	£3,554,170	Nicky Henderson	£2,741,455
Richard Hannon	£2,820,818	Donald McCain	£1,248,262
Sir Henry Cecil	£2,673,814	Jonjo O'Neill	£1,144,902
M Al Zarouni	£2,279,518	Alan King	£1,135,082

KEEPING YOU INFORMED

Jill Crook was responsible for a redesign of the Newsletter to modernize its look and make it more inviting to read.

Jill has also upgraded the NTF website, enhancing it further as an information resource for our members and rebranding it to coordinate with the newsletter.

The NTF launched a Twitter account, @NTFnews, completing the full range of platforms through which we keep trainers informed – from the most time critical through to the traditional printed bi-monthly.

In conjunction with Walker Johnson PR, the NTF set up a press release service for members. For a small fee, WJPR will write a press release for the trainer and sell it in to local media.

POLITICS

The NTF represents trainers in numerous layers of racing politics and externally to government departments, agencies and other bodies. As a member of the Chairman's Committee (representing the Licensed Personnel – NTF, PJA and NASS) and a director of the Horsemen's Group, Rupert Arnold was closely involved in many of the key discussions in racing's political arena in 2012.

- The BHA reversed its decision to step away from “the business of racing”, thereby shredding the planned **industry restructure**, under which the racecourses and horsemen would assume frontline responsibility for commercial activity.
- Progress towards a commercial **replacement of the levy** looked promising with the Minister John Penrose taking a strong personal interest. Some momentum was lost when he was replaced by Hugh Robertson, who offered the Levy Board a six-month window to develop a medium term deal with the bookmakers.
- The commercial agreement between racing (BHA, RCA and Horsemen's Group) with **Betfair** converted the betting exchange's contribution to racing from discretionary to contractual, showing the Government that a commercial future for the levy was possible.
- Rupert Arnold was a member of the industry's **Public Affairs Stakeholder Group**. This brings together racecourse and Horsemen's Group interests to ensure a coordinated approach to Government on racing-related issues.
- The NTF's campaign on behalf of all horse owners for a review of **Ministry of Defense low-flying policy** finally bore some fruit. We were invited with other representatives from the equine sector to a meeting at RAF Odiham. By the end of the year it became clear that low flying affecting horses was being reviewed.
- Racing at last received a proportion of the proceeds due to it from the sale of the **Tote**. Racing has set up the **Racing Foundation** to distribute funds through the sport's charitable sector and the **BHA Grant Scheme** to enable other non-charitable projects to receive match-funded grants.
- In cooperation with the NTF, the Levy Board hosted dinners for trainers in Lambourn, Newmarket and Yorkshire.

THE HORSEMEN'S GROUP

As the body representing the joint commercial interests of owners, trainers, jockeys, stable staff and thoroughbred breeders, the Horsemen's Group (HG) is a key element of the structure of racing and its role is crucial to the financial outlook for licensed trainers. The HG has a seat on the Levy Board and comes to agreements with the BHA and RCA on fundamental issues such as fixtures and prize money. The NTF was a founder member of the HG and is represented on the Board by Rupert Arnold.

- The **HG Board** had to contend with the reversal of the industry restructure, the organisation's funding crisis and the fall out over the Chairmen (incumbent and designate) and Chief Executive. As the director representing the NTF, Rupert Arnold was involved in all these areas, reporting to and taking instruction from the President and Executive Committee.
- During the year a number of **options to fund the HG** fell by the wayside. In November the HG members agreed to each advance loans to the organization to fund it to the end of 2013. The NTF's share amounts to £60,000, the highest contribution after the Racehorse Owners Association. The conclusion of prize money agreements with racecourses in 2013 can lead to a leaner structure in the future.
- The HG launched a revised **Horsemen's Tariff** from 1st April to coincide with the start of the Flat season. The HG introduced **Partner racecourses** with the aim of broadening the scope of the tariff by highlighting racecourses which contribute an acceptable percentage of their own income to prize money.
- While the marked increase in racecourses' prize money contributions can be attributed at least partly to pressure exerted by the HG's tariff strategy, the reintroduction of **official minimum values** can be seen as formal justification for the strategy. The HG, racecourses and BHA agreed that **BHA Race Values** should be introduced from 1st January 2013 at a rate reflecting the HG's target for an increase in tariff. In total, Race Values will guarantee a minimum prize fund of £81.2m in 2013, though total prize money is forecast to reach £110m next year.
- In 2011, the HG negotiated the sale of 96 leasehold fixtures to racecourses. Chief Executive Alan Morcombe proposed an additional £5000 payment by racecourses to be distributed in 2012 in the form of an **HG Bonus Scheme**. The Board agreed this should only be paid to owners, trainers, jockeys, breeders and stable staff who were members of their respective trade associations, the members of the HG. This stoked a controversy, leading the BHA to resume responsibility for the bonus scheme in 2013. Ironically its structure almost exactly mirrors the HG's 2012 scheme.



PRIZE MONEY

The NTF's efforts to influence prize money are channeled through the Horsemen's Group, which, by combining the interests of all horsemen associations, forms a much more powerful lobbying group.

	RACECOURSE £m	BHA £m	HBLB £m	OWNER £m	DIVIDED £m	TOTAL £m
2006	27.3	0.7	62.1	12.1	0.9	103.1
2007	29.6	1.5	53.4	13.1	0.8	98.4
2008	30.4	1.8	56.1	16.9	0.8	106.0
2009	27.6	1.4	63.1	17.3	1.0	110.4
2010	30.3	0.9	51.0	15.6	1.2	99.0
2011	45.2	0	32.4	15.4	0.9	93.9
2012	46.1	0	34.3	16.0	1.4	97.8

- Thanks to the **Levy Board's continued prioritization of prize money** (+20% on 2011) and racecourses maintaining an improved contribution, the total prize fund advanced to £97.8m from £93.8m.
- The **Quality Support Fund (QSF)** was enhanced further in 2012 to improve support for mainly Class 2 and 3 races to ensure a balanced race programme. The allocation in 2012 was weighted heavily towards the Flat programme. Lobbying by the NH interests, especially through members of the NTF's NH Committee, brought about a major adjustment in favour of the jump programme.
- It is estimated the **52nd Levy Scheme** (for 2013/2014) will yield £72.9m in comparison to the estimate of £72.4m for the current scheme. It is worth noting that Betfair's contribution is set to increase from £6.5m to £7m over the same period so their additional £1/2m accounts for the entire forecast increase in levy yield.
- The contract between the Horsemen's Group, racecourses, ATR and RMG underpinned another annual £1.2m in incremental prize money due to the implementation of **48-hour declarations** for Flat racing.



FIXTURES AND RACE PLANNING

The NTF is actively involved on a number of levels of fixtures and race planning. We are directly represented on the BHA committees with responsibility for these issues. The BHA regularly liaises with us about fixture transfers and replacement fixtures. Working through the Horsemen's Group, the NTF influences fixture policy, the terms for the sale of leasehold fixtures, minimum values and Quality Support Fund.

- In September the BHA disbanded the **Racing Committee** almost without warning. The NTF insisted that the **Flat and Jump Racing Committees**, whose expanded roles will replace the Racing Committee, were truly representative of trainers.
- Rupert Arnold represented the NTF in the consultation and launch of **Interactive Race Planning** in March. Trainers now have a facility to request races for horses that do not have opportunities in the published race programme.
- The Council responded to the report of the **Handicapping Review** in February. The BHA accepted the NTF's view that the favourable treatment of winners of apprentice and conditional riders' races should continue. We were not so successful in opposing the early publishing of two year old ratings.
- Dissatisfied with the conclusion of the consultation on **novice chases**, the NTF wrote to the BHA Board pointing out the dangerous consequences of the requirement to run in at least one weight for age novice or beginners chase. We continued to express trainers' concerns through to the year end.
- In November, the NTF held separate meetings for members of our Flat and NH Committees to provide trainer input to the BHA's construction of the **Optimum Race Programme**. We agreed the basis for regular liaison to improve the programme.

THE STATISTICS

Year	Flat Turf	Flat AWT	Jump	Mixed	Total Run	Abandoned	Total programmed
2009	596	323	505	2	1,426	79	1,505
2010	602	303	481	6	1,392	139	1,502
2011	596	300	570	3	1,469	21	1,481
2012	539	313	513	3	1,368	129	1,497

ABANDONMENTS

Reason	2012	2011
Waterlogged	80	5
Snow/Frost/Frozen	41	14
Gales	0	1
Unsafe course	8	0
Other	0	1
Total	129	21

RACECOURSES

- As a member of the **BHA Racecourse Committee** and **RCA Technical Group**, Rupert Arnold meets regularly with the RCA, Clerks of the Course, the BHA and its Inspectorate to discuss many aspects of the practical requirements for racecourses. In 2012 these included:
 - Welfare of horses on the racecourse, infectious diseases protocol and biosecurity, euthanasia and post mortems, badge allocations, parade ring safety, hurdle design, welfare of claimed horses, groundstaff courses and awards.
- We assisted the BHA to gather trainer feedback for a further **review of the Grand National** after there were two more equine fatalities in this year's race.
- **Conditions on racecourses** have swung from one extreme to the other. In March the BHA and RCA asked for the NTF's support to counter the imposition by Thames Water of drought restrictions on racecourses in the South East. By the summer, drought had been replaced by deluge.

REGULATION

The NTF routinely offers members advice on the content and application of the Rules of Racing. We meet the BHA twice each year to consider changes to the rules and there is also an annual review of penalties. Dawn Bacchus provides free legal representation for members at BHA Disciplinary Panel hearings.

- At the request of trainers at regional meetings, the NTF secured a new sanction to improve horse welfare. In **Claiming races** the successful claimant must now make arrangements for the care of the horse or its removal from the racecourse within three hours of the last race or face a ban from using the claiming system.
- The BHA's handling of the disciplinary case against Jim Boyle raised some serious questions. We met Paul Bittar and Independent Regulatory Director Ben Gunn to express our concerns. There are a number of issues outstanding at the year end, in particular the impact on a licensed person's business caused by the **duration of the investigation and delays to the process**.
- In company with the ROA, the NTF continued to oppose changes the BHA wishes to make to its **counter analysis** procedures. We believe these changes reduce the independence of counter analysis and risk undermining owners' and trainers' confidence in the system.



HORSE WELFARE AND VETERINARY

- The NTF retains a Veterinary Adviser, Clive Hamblin, so we have informed and expert representation on veterinary matters. Clive represents us on the BHA Veterinary Committee. He has been a great help this year in related areas.
- With Clive's knowledgeable input, we updated and reissued the **NTF Code of Practice for Infectious Diseases**. This now contains the latest advice on biosecurity within training stables.
- Victor Dartnall's exemplary handling of the occurrence of **Paralytic EHV-1** in his yard illustrated the vital importance of following the NTF's Code of Practice. Clive assisted with the press releases explaining how the disease was being contained, reassuring other equine sectors and the public.
- The BHA Board proceeded with a **ban on racing "tubed" horses** despite vets on the Veterinary Committee saying the ban was unnecessary. Twice the NTF got the Board to review its decision and we were able to win dispensation for horses already tubed by 1st October to continue racing.
- The NTF continued its support of the **RoR Ex-Racehorse Event Championship** at Barbury Castle.

STABLE STAFF

As employers of over 7000 full and part time staff, trainers need a comprehensive service on all areas of employment. The NTF provides this on a number of levels. We employ Chartered Legal Executive Dawn Bacchus to offer direct assistance backed up by Jill and Judy. We have access to additional support through a major employers' organization. When NASS gets involved, Dawn will attend disciplinary meetings to support the trainer. We negotiate the terms of the collective agreement with NASS on terms of employment. NTF administers RIABS, the Death in Service benefit and the pension scheme for stable staff.

- The trustees of **RIABS**, in discussion with the NTF and NASS, decided to increase the contribution rate to ensure the scheme could meet increasing demands for benefits.
- Under the auspices of the **National Joint Council** for stable staff, the NTF negotiated a 2% increase in racing industry minimum pay rates and some allowances.
- In association with the BHA, we supported IEPUK's application to DCMS to extend its **Tier 5 Government Approved Exchange Programme** to provide training opportunities in British yards for stable staff from outside the EU.
- Rupert Arnold is a member of the BHA's **Welfare and Training Group**, which co-ordinates industry initiatives to improve standards of welfare and education for stable staff, jockeys and trainers.
- Dawn Bacchus is a member of the industry's **Learning and Development Group**, which focuses on the delivery of training and qualifications.
- Rupert Arnold represents the Horsemen's Group as a director of the **British Horseracing Education and Standards Trust** (BHEST.)

TAXATION ISSUES

- Bill Simpson, the NTF's adviser on business rates, continues to travel the country assisting members with rating appeals. We also publish other guidance he produces for trainers on other aspects of business rates.
- The NTF contributed to the updating of the Bloodstock Taxation Guide, which is reviewed by the Thoroughbred Breeders Association Tax Group on behalf of the Horsemen's Group.

LEGAL EXECUTIVE'S REPORT

Dawn Bacchus



2012 was another year in which the regular remit of advice and guidance on legal matters was spiced with the usual variety of intriguing cases.

Disciplinary

- Advising trainers on BHA disciplinary matters.
- Representing trainers at hearings and assisting members with the paperwork where the trainer wished to represent themselves in person or for it to be heard in absence.

Employment

- Delivering general employment law advice on a daily basis.
- Reviewing employment case law and legal developments to keep trainers advised of good practice.
- Developing HR policies and procedures for trainers to use
- Liaising with NASS over employment matters and attending National Joint Council (NJC) employment meetings.
- Helping trainers manage disciplinary and redundancy matters

Case study

An employee had raised a grievance with a trainer over an aspect of her employment. Whilst the trainer valued the employee and wanted to seek to resolve the matter, the trainer was uncertain as to how to deal with it.

I assisted the trainer in arranging a meeting with the employee and her union representative and suggesting to the trainer potential outcomes. A way forward was agreed which included the trainer and employee meeting on a regular basis to ensure that the lines of communication were open in both ways.

A fairly simple matter in itself but important to ensure that it was handled correctly and the approach taken by the trainer resulted in a stronger and better working relationship between them, with the employee feeling valued and re-motivated in her job.

Training

- Attending meetings of the BHA Learning and Development Group to help progress staff training.
- Teaching on the Trainers and Secretaries courses

Business matters

- Assisting trainers with owners who are in default of training fees and updating the ROA/NTF Training Agreement.
- Miscellaneous advice and assistance on a variety of matters cropping up in training businesses
- Administration of the NTF registered stakeholder pension scheme

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	2012		2011
	£		£
TURNOVER			
Subscriptions	322,527		325,099
Sundry income	6,103		6,980
Insurance commissions	8,870		10,558
Management fees	6,862		6,840
	<u>344,362</u>		<u>349,477</u>
PERSONNEL AND OFFICIALS EXPENSES			
Salaries and wages	226,630	223,398	
Committee meeting expenses and room hire	14,223	12,092	
Motor, travel and subsistence	9,400	9,241	
Motor vehicle depreciation	3,755	5,006	
	<u>(254,008)</u>		<u>(249,737)</u>
ESTABLISHMENT EXPENSES			
Printing, postage and other office expenses	21,347	27,816	
Repairs and maintenance	7,786	7,463	
Telephone and fax	4,521	4,322	
Badges	4,190	3,720	
Gifts and donations	1,677	2,654	
Bad debts	1,820	-	
Insurance	3,397	3,063	
Business rates	2,131	1,762	
Light and heat	1,995	1,541	
Depreciation	3,905	4,561	
Loss on sale of tangible assets	630	-	
Horsemen's Group loan provision	54,535	-	
	<u>(107,934)</u>		<u>(56,902)</u>
FINANCIAL AND PROFESSIONAL			
Stable Employees Pension Plan expenses	10,791	11,404	
Weatherbys management fees	5,652	5,652	
Industrial advisory service	3,198	2,515	
Other professional fees	10,495	13,981	
Legal fees	7,385	10,840	
Audit fees	5,200	5,200	
	<u>(42,721)</u>		<u>(49,592)</u>
INTEREST RECEIVABLE			
Bank interest	<u>10,610</u>		<u>5,665</u>
Deficit on ordinary activities before taxation	(49,691)		(1,089)
Tax (charge)/ credit	(1,312)		(1,147)
DEFICIT FOR THE YEAR	<u>(51,003)</u>		<u>(2,236)</u>

BALANCE SHEET

AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	4		58,663		65,635
Investments	5		238,147		-
			296,810		<u>65,635</u>
CURRENT ASSETS					
Debtors	6	16,006		18,675	
Cash at bank and in hand		124,013		393,069	
		140,019		<u>411,744</u>	
CREDITORS:					
amounts falling due within one year	7	(98,374)		<u>(87,921)</u>	
NET CURRENT ASSETS			41,645		<u>323,823</u>
NET ASSETS			338,455		<u>389,458</u>
CAPITAL AND RESERVES					
Accumulated fund	8		338,455		<u>389,458</u>
			338,455		<u>389,458</u>

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Council and were signed on its behalf by:

Mr William Haggas
President

Date:



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

I.2 Turnover

Turnover relates to racehorse trainers' subscriptions and other services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised over the period to which subscriptions relate or when the service has been provided.

I.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings	-2% straight line
Motor vehicles	-25% reducing balance
Office equipment	-25% reducing balance

I.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

I.5 Pensions

The Federation operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Federation to the fund in respect of the year.

2. OPERATING DEFICIT

The operating deficit is stated after charging:

	2012	2011
	£	£
Depreciation of tangible fixed assets:		
owned by the company	7,660	9,567
Audit fees	5,200	5,200
	<hr/>	<hr/>

During the year, no Council member received any emoluments (2011 - £NIL).

3. DEBTORS

	2012	2011
	£	£
Other debtors	4,089	5,624
Prepayments and accrued income	9,588	1,795
Subscriptions	534	11,696
Corporation tax repayable	1,355	-
	<u>16,006</u>	<u>18,675</u>

4. CREDITORS: Amounts falling due within one year

	2012	2011
	£	£
Professional fees	5,200	5,200
Subscription refunds to members exceeding the upper limit	58,373	50,621
Officials' fees and expenses	3,800	3,823
Amounts committed to the Horsemen's Group	6,818	-
Corporation tax	-	65
Social security and other taxes	18,049	17,751
Other creditors	6,134	10,461
	<u>98,374</u>	<u>87,921</u>

5. RESERVES

	£
At 1 January 2012	389,458
Deficit for the year	(51,003)
	<u>338,455</u>
At 31 December 2012	<u>338,455</u>

6. PENSION COMMITMENTS

The Federation operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Federation in an independently administered fund. The pension cost charge represents contributions payable by the Federation to the fund and amounted to £23,880 (2011 £23,739).

7. CONTROLLING PARTY

A Council comprising 18 members controls the National Trainers Federation. There is consequently no single individual or entity that can, or does, exercise ultimate control over the Federation.

8. PENSION PLAN

The National Trainers Federation ("NTF") is the principal employer for the Stable Employees' Pension Plan ("the Plan"), an occupational pension scheme regulated by The Pension Regulator.

The Plan comprised of both defined benefit and defined contribution members and, under The Pension Regulator rules, the scheme was under funded. As principal employer the NTF is legally responsible for the deficit.

The Council, in conjunction with the Plan's trustees, has taken expert advice to determine the most appropriate strategy to mitigate and/or resolve the position.

On 27 February 2006, the trustees of the Plan, by way of Deed of Amendment, converted the defined benefit section into benefits on a defined contribution basis. In signing the Deed of Amendment, the trustees relied upon a Section 67 Notice, signed by the Plan's actuary on 24 February 2006 confirming that their actions would not adversely affect any member of the Plan.

It is understood that the above action taken by the NTF and the Plan trustees following and based upon expert professional advice, has had the impact of fully funding the members' benefit entitlement.

9. HORSEMEN'S GROUP

The National Trainers Federation ("NTF") is a member of Horsemen Limited which is more commonly known as the Horsemen's Group ("HG"). The NTF is represented on the HG board by Rupert Arnold. The other constituent members are the Racehorse Owners Association, Professional Jockeys Association, National Association of Stable Staff and Thoroughbred Breeders Association.

The objective of the HG is to represent the common interests of its constituent members as listed above.

It has been widely reported that the HG has required an injection of loan capital from its members in order to continue in business. The total amount agreed to be lent to the HG by the various lending bodies is £220,000, of which the NTF's agreed maximum share is £60,000.

As at 31 December 2012, the NTF had advanced £47,717 and a further £6,818 was advanced in January 2013.

Whilst it is hoped that the HG will be able to repay the loan from its members from future operating income, it is not possible to predict with any certainty that sufficient funds will be available for this purpose. Therefore recovery of the loan advanced by the NTF must be in some doubt. In these circumstances the Council has agreed that the NTF's loan to the HG should be provided for in full. Accordingly, £54,535 has been charged to the profit and loss account.





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