



Horserace Betting Levy Board Annual report and accounts 2024-2025

Horserace Betting Levy Board Annual report and accounts 2024-2025

For the period 1 April 2024 to 31 March 2025

Presented to Parliament pursuant to Section 31
of the Betting, Gaming and Lotteries Act 1963.

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Performance Report – Overview

This overview sets out a review of 2024/25, including performance measures for the year, as well as the statutory objectives, the purpose, vision and goals of the Horserace Betting Levy Board and the key strategic risks that the Board has identified.

Chief Executive's statement

Levy yield for the 12 months to 31 March 2025 reached almost £109m, the fourth successive year of increase and the highest since the Levy collection reforms of 2017 albeit short of the 2007/08 record of £116.5m.

For much of the Levy year, based on in-house analysis of monthly activity, income of around £100m had been expected. The last two months, February and March 2025, saw bookmakers' gross profits well above recent norms, with March's outturn reflecting particularly bookmaker-friendly results at the Cheltenham Festival.

This is not the first time in recent years that Cheltenham has had a significant impact on yield, a reflection of the essential unpredictability of the sport and a reminder of the timing that happens to see one of the key events of the racing year as one of the last major acts in the Board's year.

With Levy income having risen for a fourth consecutive period, it may seem counter-intuitive that the Board continues to express caution about the sustainability of this trend. This wariness derives from an ongoing fall in betting turnover (amount bet) on British horseracing, which in the course of the 2024/25 year fell again. Average turnover per race was down by about 8% on 2023/24, representing a 15% fall on 2022/23 and 19% on 2021/22.

There remains a confluence of factors that can be considered as contributors to gross win rising while turnover is falling, albeit that the Board itself does not have its own access to the underlying details of bookmakers' commercial operations. Risk-based and other financial checks by operators are said to be having a particular effect on the volume of activity by higher-staking customers; there is the reported rising cost to bookmakers of turnover-based commercial rights deals that have led to a change in trading and customer acquisition strategies; and the Board has itself observed changes in the types and frequency of promotions of betting on British racing.

With the Board making expenditure commitments well ahead of the certainty of its income, Levy yield above expectations has the effect of increasing the Board's reserves. The converse is of course true where income does not reach forecast levels. This situation necessitates the Board retaining appropriate reserves.

In April 2024, after discussion of the principles underpinning the various options, the Board agreed to amend its target reserves range from £21m-£31m to £25m-£35m. This in part reflected the increase in recent years' expenditure, necessitating a greater cushion.

At year end 2024/25, reserves were £58.7m and cash was £77.7m. The reserves were higher than the preferred range of £25m-£35m. However, given the wider situation regarding turnover trends, it is not as straightforward as making available a set additional sum for funding in the following year. The Board has generally taken the view that a smoothing in expenditure rather than upward and downward fluctuation each year in response to short-term changes in income is the most appropriate and sustainable approach.

For the 2025/26 Levy year, the Board's starting point was to assume Levy yield of £103m, based on agreed bookmaker payments on account for the year 2025/26 and taking account of the 2024/25 trends. The assumptions will be reviewed regularly through the year.

The 2024/25 year saw an increase in the Board's overall prize money contribution, coinciding with the 2024 calendar year being the start of the sport's Premier Racing concept, as part of a series of changes to the fixture list and race programme. Details of these initiatives, and the Board's role in assessing and then measuring them, are set out later in this report.

It was a requirement of the Board that, for such significant levels of investment in the fixture programme, it was necessary to have clear measures of how these changes had performed. These indicators, a mixture of betting activity, racegoing and other metrics, demonstrated a mixed picture overall, but not too much that could have been considered unexpected given the extensive modelling and analysis that preceded the changes being introduced.

It is likely that the concept of looking to provide greater focus around the best races will evolve further in the next couple of years.

The Board would expect that recommendations in that area will be informed significantly by the outcome of work funded by the Board during 2024/25 to innovative projects around the development of Premier Racing, in the form of “Project Pace”, and substantial consumer research in the form of “Project Beacon”.

The availability of funding for both of these initiatives reflects the Board’s willingness to support funding to more innovative projects rather than just the traditional areas. As with many grant-giving bodies, the safety-first option is only to fund initiatives with a track record. However, if racing is to continue to be a leading sport and leisure activity, it needs to ensure that it is presented and structured in a way that is attractive to the modern consumer.

Inevitably, some of these more novel areas of investment will not subsequently be regarded as having been successful or to have yielded the hoped-for outcomes. The key for the Board is to ensure that, as far as possible, the questions and analysis have been considered at the outset, that progress is checked regularly through the lifetime of the work and that a subsequent assessment is made.

As was noted in last year's report, the Great British Bonus is a good example of a prize money scheme with clear objectives. The Board was pleased to be able to make a further commitment to the scheme with rising annual contributions until 2028. The Board concluded that the scheme continued to be a success, and the proposal and KPIs for continued funding were clear and a rigorous assessment had been made of outcomes from previous funding.

It can be expected that in other areas of prize money expenditure, the Board will look to Racing to have in place aims setting out what the additional investment is intended to achieve.

The second-largest area of expenditure for the Board, after prize money, is towards around 80% of the total cost of the sport's regulation and integrity. The Board has been a long-term funder of this area which contributes to the costs incurred by racecourses. It is appropriate from time to time that there should be a substantive review of the activity underpinned by Levy funding.

As part of a steering group on which racing and Board appointees were represented, the Board commissioned a detailed external review which, after a tender process, was carried out by Deloitte. The final report reflected that the Board could have confidence in the funded activity, while providing pointers for the future and options for alternative funding arrangements. These measures remain under discussion for application in 2026 and beyond.

Reports on other areas of funded activity are set out later in this report. The Board takes the view that Levy should be deployed extensively across the sport, paying regard to all of the organisation's statutory objectives.

The year saw the Board arrange a session for current and potential applicants with a professional expert in grants processes to advise on producing bid applications. This was attended by around 20 individuals, which was very welcome. The aim of this was to raise the quality of content received by the Board in the applications submitted.

In the course of the year a survey commissioned by the Board reflected that amongst HBLB's core stakeholders there is a high level of familiarity with HBLB and trust in the organisation. The undertaking of this survey was one of a number of activities to support the governance of the organisation, which included both an internal effectiveness review and, as is required by Government

of public bodies annually, a review of the effectiveness of the Board itself.

The unexpected and deeply affecting loss of Paul Darling in August 2024 was recorded in last year's Annual Report. I would like to thank Anne Lambert for the significant time and commitment that she gave in the nine months in which she acted as Interim Chair. As well as continuing her pre-existing responsibilities in chairing two HBLB committees, her leadership on Board issues ensured that the organisation continued to be properly overseen, and I greatly appreciated her counsel and guidance.

Alan Delmonte
Chief Executive

Interim Chair's Statement

Racing is facing significant challenges so I am delighted to report that in 2024/25 the Board's expenditure supporting Racing was £94.3m, a 4% increase on the previous year (£90.7m).

The majority of that funding (£67m) supports prize money, including the successful Great British Bonus scheme, plus £19.4m for Raceday Services. The Levy also supported a wide range of activities in Racing's 'ecosystem'. This year the Board supported grassroots through grants for Pony Racing and Point to Point racing and grants for engaging young people via Racing Together and Racing to School.

Significant support was also provided to fund training people for careers (stable staff, stud workers and jockeys) in the sport. Welfare is also a key focus with grants made to Racing Welfare, jockey support services, as well as Horse Welfare including via Retraining of Racehorses (RoR). The Levy continues to support veterinary science and education. You can find further detail in this report. In February 2025 the Board authorised a grant of £3.62m – the largest individual grant – to Racing's National Marketing Campaign running during summer 2025, plus support for the second series of 'Champions: Full Gallop', to be shown on ITV in autumn 2025.

2024/25 saw increased Levy income at £108.9m, which together with the Board's decision to maintain healthy reserves and cash balances, provides a sound basis for support in 2026. However, this positive news cannot hide that the amounts bet on British horseracing continue to fall, posing a challenge to the sustainability of this level of Levy income. It is therefore important that Levy funds are spent effectively and efficiently and where they will have most impact to improve British horseracing and help Racing have a positive social impact.

HBLB delivers its objectives in partnership with stakeholders and I am pleased to report that HBLB continues to have good relations with its Racing and Betting stakeholders. The regular survey conducted in 2024 by a third party, showed that over 84% of stakeholders felt HBLB was effective and responsive. HBLB is committed to being transparent and open. I would like to thank all of HBLB's staff, ably led by Alan Delmonte, for this positive result and for all their commitment to delivering HBLB's objectives.

I would also like to thank my Board colleagues for their input and support whilst I was Interim Chair following the tragic death of Paul Darling. I would also like to thank Mike O'Kane who stood down in September 2024 after several years as the bookmakers' appointee on HBLB. In October we welcomed Simon Clare to the Board as Mike's successor. In addition, I would like to thank Julie Harrington who left the Board after stepping down from

her role as BHA Chief Executive in December 2024 and was replaced on the Board by Richard Wayman.

In particular I would like to welcome our new permanent Chair Roger Devlin who took up his role on 1 July 2025.

Anne Lambert CMG

Interim Chair

Overview

This overview sets out statutory objectives, the purpose, vision and goals of the Horserace Betting Levy Board, the key strategic risks that the Board has identified and its performance measures for the year.

About HBLB

The Horserace Betting Levy Board is a statutory body established by the Betting Levy Act 1961 and operates in accordance with the provisions of the Betting, Gaming and Lotteries Act 1963 (as amended).

Unlike the majority of other Government non-departmental public bodies, the Board receives no central Government grant-in-aid and no National Lottery funding. Instead, section 24(1) of the Betting, Gaming and Lotteries Act 1963 requires the Horserace Betting Levy Board to assess and collect monetary contributions from bookmakers and betting exchange providers and to apply them for purposes conducive to any one or more of:

- The improvement of breeds of horses
- The advancement or encouragement of veterinary science or veterinary education
- The improvement of horseracing

HBLB Board & Staff

Board

Paul Darling OBE KC – Chair*
(until 2 August 2024)

Anne Lambert CMG* – (Interim Chair)
(from 16 September 2024 to 15 June 2025)

Lord Risby*

David Armstrong**

Julie Harrington** (until 31 December 2024)

Julian Richmond-Watson**

Richard Wayman** (from 1 January 2025)

Simon Clare*** (from 7 October 2024)

Mike O’Kane*** (until 23 September 2024)

*Appointed by the Secretary of State for Culture, Media and Sport

**Appointed by the Jockey Club

***Appointed by the Betting and Gaming Council

Executive

Alan Delmonte – Chief Executive & Accounting Officer

Craig Pemberton – Chief Finance Officer

Grants

Head of Grants

Grants Manager – Equine Veterinary Science and Education

Grants & Communications Officer

Grants Assistant

Racing & Betting

Racing & Betting Manager

Racing & Betting Data Analyst

Governance & Digital

Head of Governance & Digital

Board Secretary & Compliance Officer

Systems Administrator

Web Developer

Junior Web Developer

Finance

Financial Controller

Finance Manager

Levy Collections Officer

Racecourse Finance Officer

Assistant Accountant

HBLB Purpose

Collect and allocate Levy funds effectively and transparently to sustain and improve British horseracing, breeding and veterinary science or education research for the benefit of the sport.

HBLB Vision

Trusted as a key contributor to British horseracing being the best in the world by driving:

- Evidence-based decisions
- Efficient delivery
- Forward-thinking outcomes

HBLB Goals measured by Racing Outcomes

In accordance with its purpose and vision, the Board agreed as part of its first three-year business plan (2022-2025), a set of 13 Racing Outcomes as measures for the four goals it set.

These Racing Outcomes are the Board's ambitions for achievement by Racing. The Board's grants and loans are designed to support these outcomes over a multi-year period. They, and the successor Racing Outcomes in the new 2025-2028 Business Plan, align to Racing strategies where those exist and are evidence-based. Where Racing publishes an overall strategy, or strategies

for a particular area in the sport, HBLB will endeavour to align its approach to those.

The 13 Racing Outcomes act as measures against four grouped goals: generate interest in Racing; sustain valued employment in Racing; drive high quality care and support for the horse in Racing; and continually enhance the reputation of Racing.

HBLB published an external update on the progress against its Business Plan in early 2024 which is available on the HBLB website.

Generate interest in Racing

As demonstrated by an increase in:

1. Horserace betting turnover from UK regulated bookmakers
2. Crowd numbers at racecourses & TV viewing numbers
3. Number of owners
4. Number of horses in training

Sustain valued employment in Racing

As demonstrated by an increase in:

5. Number of British-bred foals
6. Number of vacancies filled in Racing's key roles
7. Racing's diversity and inclusion

8. People wellbeing

Drive high quality care and support for the horse in Racing

As demonstrated by an increase in:

- 9. Horse welfare perception rating
- 10. Impact of investment in research

Continually enhance the reputation of Racing

As demonstrated by an increase in:

- 11. Racing's integrity perception rating
- 12. Racing's contribution to reduced negative environmental impacts
- 13. Racing's favourability perception rating

Three-Year Business Plan

HBLB published in June 2025 a new three-year business plan covering the period 1 April 2025 – 31 March 2028. Future Annual Reports and Accounts will be used to report on progress against the business plan. Both the old and new business plans can be accessed on the HBLB website.

This 2024/25 Annual Report and Accounts is focused on the content of the business plan relevant to the last

year of the 2022–2025 Business Plan which ended on 31 March 2025.

The 2022–2025 Business Plan was agreed as a result of the Board considering afresh HBLB's Purpose and Vision, in conjunction with its statutory objectives; its strategic goals for the sport – and how to measure progress against those and so forming a set of 13 Racing Outcomes; its strategic risks and their mitigation; a first set of HBLB internal Key Performance Indicators; HBLB's approach to collection, funding and decision-making; and a summation of its key projects to be undertaken during the three-year period. There are 26 Key Projects comprised of 36 deliverables.





Progress Report






In February 2024 the Board published a Business Plan Progress Report on the 2022 – 2025 Plan. This gave an update on Racing Outcomes, KPIs and Key Projects as well as an updated overall financial view. The Progress Report can be found on the HBLB website.






Presented here is an updated summary of the status of the 26 Key Projects contained within the three-year of the business plan as at 31 March 2025. 19 of the Key Projects were completed.





At the end of the three-year Business Plan there was only one deliverable which was Red (Integration of services with Racing Digital, due to the delays in that Racing project). The Key Projects not completed have been






rolled into delivery into the new three-year Business Plan for 2025 – 2028.




Key Project	Status	Comment
01. Veterinary advisory committee Membership refreshed and expanded to include additional subject matter expertise.		Completed.
02. Conclusion of industry recruitment, training & retention review HBLB/Racing Foundation review in conjunction with the BHA recommended the development of a detailed people strategy covering skills, welfare, and workforce issues and an Independent Board & Chair to implement it.		Completed.
03. Transparency of regulatory & integrity funding HBLB makes grants of around £19m a year, second only to prize money as the largest line of expenditure. Work is underway to ensure greater transparency of the costs, with the active collaboration of the BHA. In future, these costs will be the subject of their own grant application.		Completed.
04. New three-year finance model implemented HBLB will seek, where possible, to make in principle funding decisions over a period of more than one year and has introduced a three-year financial model. The variable nature of HBLB's income involves assumptions being made about income.		Completed.

Key Project	Status	Comment
05. Targeted prize money HBLB works with the BHA Fixtures & Funding Group to agree optimum use of Levy funds including on Saturdays and Bank Holidays.		Completed.
06. Revised fixture incentive fund Streamline the FIF and improve the targeting of funds.		Completed.
07. Office move to save cost and further embed flexible working In response to learning during COVID and taking advantage of a lease break clause, HBLB relocation to new (outside London TFL Zone 1) office space and equip all staff for fully flexible working with an expected annual saving of £100,000.		Completed.
08. Organisational Design (OD) review completed Following the Government's decision in 2019 not to abolish HBLB, an OD review was undertaken to ensure HBLB had the resources needed for the future. COVID delayed the conclusion of the work. A limited number of new skills and roles were identified as being required in recognition of the increasing scale of HBLB's operation.		Completed.
09. Implement Government Functional Standards (GFS) review Across government a new set of standards is being applied covering a range of business areas. HBLB will apply these standards as appropriate to keep pace with good governance and controls. The GFS on Grants being the first one to be addressed.		Completed.

Key Project	Status	Comment
10. HBLB contribution to Racing's strategic review HBLB will engage with and contribute to Racing's overarching strategic review.		Completed.
11. Relocate and update core digital infrastructure Further improve security and, to enable the transition to a new office, HBLB relocation of its core infrastructure into a third-party robust and resilient datacentre environment.		Completed.
12. Review of prize money funding model and optimum fixture funding In partnership with Racing, review the Prize Money distribution funding model and the associated fixture and race slots.		Completed.
13. Review of regulatory & integrity funding model In consultation with the BHA a review will be carried out on whether the current funding model remains the best arrangement.		Part-completed. External review completed and options for 2026 funding are being assessed.
14. Address Gambling Act Review outcome HBLB will respond as appropriate once published.		Part-completed. The Gambling Commission has a programme of pilots which it will then assess.

Key Project	Status	Comment
15. Completion of loans to weighing room modernisation project Original estimate was for HBLB to lend £12.5m alongside £7.5m contributions from Racing Foundation. Annual interest will be charged at the prevailing Bank of England base rate as it stands at the time of the granting of a loan application with applicants choosing their repayment period of between 4 and 10 years.		Part-completed. HBLB Board extended loan application deadline to March 2026. This allowed for the specification to be reviewed and new BHA guidance to be issued on timelines.
16. Stakeholder management review for each of Betting and Racing A review of the relationships with Betting and Racing will be undertaken to learn key strengths and areas for improvement.		Completed.
17. Expand and modernise web services Increase the range of funding services that can be web accessed whilst also modernising services.		Completed.
18. Prepare for and address the impacts of 2024 Levy Review HBLB will prepare relevant and timely data, analysis and submissions to input to the review and then will respond as appropriate once published.		Part-completed. HBLB will assist DCMS, Racing and Betting as appropriate as discussions continue

Key Project	Status	Comment
19. Equine disease protection strategy agreed Working with Racing and the HBLB Equine Infectious Disease Committee, a long-term strategy will be developed and agreed.		Part-completed. A review of the long-term strategy continues, in collaboration with other organisations.
20. Triennial external board effectiveness review It is best practice and a policy of Government that public bodies should undergo an external review every three years and the Board's took place in 2023.		Completed.
21. Majority of external processes paperless Review external key process areas where the IT team will work to find opportunities to digitise and/or provide services digitally.		Completed.
22. Second three-year Business Plan Work on agreeing the second three-year Business Plan covering 2025/26 – 2027/28.		Completed.
23. Integration of services with Racing Digital Work closely with Racing Digital to find ways of integrating and aligning services.		Not completed. Racing has delayed the timeline of their project beyond the end of this business plan.

Key Project	Status	Comment
24. Review viability of three-year funding arrangements Using the three-year forward-looking financial model and the reviews of all major funding areas, HBLB will look for opportunities to move to multi-year funding agreements where appropriate.		Completed.
25. Review of strategic risks/horizon scan HBLB will review the landscape within Government, Betting and Racing to identify and assess risks over the medium-term and agree its risk appetite in each area. Mitigation plans as required will be agreed.		Completed.
26. Long-term equine infectious disease service in place HBLB will work with Racing and subject matter experts, through the HBLB Equine Infectious Disease Committee, to put in place successor arrangements to the current contracts.		Not completed. Tender exercise in progress with selection of long-term service provider in 2025.

HBLB Strategic risks and risk management

The Board has identified and evaluated strategic level risks as an essential part of the Board's risk management framework. These risks are regularly reviewed by the Audit & Risk Assurance Committee and by the Board. The Board review them for updating as part of their annual strategy session.

Each of the three strategic risks (Income, Organisation and Stakeholders) identified as part of the Business Plan 2022 – 2025 were assessed for current score and the tolerance level which the Board had for each risk and an individual risk gap was calculated as the difference between the two.

The resulting three risk gaps were to be mitigated by the agreement of 72 specific risk mitigations (some of which aligned to more than one risk). The mitigations have been progressively implemented in order to reduce each risk gap and bring scores down to the Board's tolerance levels.

The implementation of these mitigations is managed and monitored through the Board's Strategic Risk Framework by the Executive on a monthly basis and reported to the Audit & Risk Assurance Committee quarterly and to the Board twice-yearly. The risks, together with a summary of the key mitigations, are set out below.

Further progress was made during the year on implementing the planned mitigations against the three strategic risks.

Overall, 66 (91%) planned mitigations to reach tolerance levels for the three strategic risks were implemented at 31 March 2025. Of the six outstanding, two were formally suspended – as they related to measures being defined as part of the work of the recently published People Strategy by the Horseracing Industry People Board. A data project within this strategy will define measures but beyond the end of this HBLB Business Plan period. The remaining four mitigations, all relating to two separate customer survey projects – one with Racing and one with Betting – were implemented by summer 2025.

			By risk		
	All 72	% of total	Income	Organisation	Stakeholders
Blue/Purple – complete	66	91	4	23	39
Green	4	6			4
Amber	0	0			
Red/ unassigned	0	0			
Suspended	2	3			2

Risk 1 – Income

There is a risk that Levy income is not in line with expectations and affects HBLB's ability to achieve its reserves targets or fund plans with confidence thus putting fixture funding and/or non-fixture projects at risk.

Risk mitigations

By March 2025 all four of the planned mitigations had been completed.

Risk classification	Mitigations	% of total
Blue/Purple – Completed	4	100%
Green – On track	0	–
Amber – Minor delays	0	–
Red – Delayed	0	–

Residual risk remains around general economic conditions in the macro economy and matters such as the impacts of the Financial Risk Checks being implemented by betting operators and the ongoing consideration by Government of a review of the Levy rate.

Risk 2 – Organisation

There is a risk that HBLB operates in a way where outcomes delivered are sub-optimal leading to poor value for money, ineffective control, missed opportunities or unintended consequences.

Risk mitigations

By March 2025 all 23 of the planned mitigations had been completed.

Risk classification	Mitigations	% of total
Blue/Purple – Completed	23	100%
Green – On track	0	–
Amber – Minor delays	0	–
Red – Delayed	0	–

Residual risk remains around the fact that, as a consequence of HBLB seeking to operate in a very efficient way, it has a relatively small staffing level. Of a total of 18 permanent roles at 31 March 2025 there are risks around the incapacitation or departures of specialist individuals and also the risk of vacancies arising due to natural staff movements which then take time to recruit to.

Risk 3 – Stakeholders

There is a risk that relationships are not effective, or that HBLB funds are used in an unintended way, which results in the Board not achieving its agreed business plan outcomes or has adverse reputational impacts.

Risk mitigations

By March 2025, of the 45 mitigations agreed, 39 had been completed. Of the outstanding 6 planned mitigations, four were Green and two were formally suspended – as they related to measures being defined as part of the work of the recently published People Strategy by the Horseracing Industry People Board. A data project in this strategy will define measures but beyond the end of this HBLB Business Plan period. The remaining four mitigations, all relating to two separate customer survey projects – one with Racing and one with Betting – were implemented by the summer of 2025.

Risk classification	Mitigations	% of total
Blue/Purple – Completed	39	87%
Green – On track	4	9%
Amber – Minor delays	0	–
Red – Delayed/Suspended	2	4%

During the year, HBLB ran the second in a new series of externally run surveys with key stakeholders, across the Racing and Betting industries, to gain feedback on the opinions around trust in HBLB and HBLB as a delivery organisation. The 2024 survey invited c.180 stakeholders to give their views on HBLB. The 2024 survey resulted in a headline rating of 84% for very high or quite high trust in HBLB. The previous, first, survey also run by professional pollsters had an overall rating of 86% for very high or quite high trust in HBLB. This data so far represents a high and stable position over more than

one year. The survey will be run again intermittently with results and actions discussed by the Board as appropriate.

Going concern

International Accounting Standard 1 and the FReM 2024/25 require HBLB to make an assessment of HBLB's ability to continue as a going concern. In order to do this, management is required to make a judgment, at a particular point in time, about inherently uncertain future outcomes of events or conditions.

The Board, in considering going concern, took into account the financial projections for the twelve-month period from the date of approving the accounts and referenced the strategic risks that the Board is exposed to, as set out on [page 12](#) and how these are managed.

At the date of the statement of financial position, the Board's reserves totalled £58.7m and cash at the bank of £77.7m.

Budgeted Levy income for the 12 months to 31 March 2026 is £103.2m based on the cumulative Notice of Determination values agreed with bookmakers at the start of the Levy year. The full year forecast Levy will continue to be updated each month and a full year range will be determined based on the latest available data.

Levy income of £103.2m in 2025/26 would result in an operating deficit for the year of £3.4m when taking

account of budget expenditure planned. This would result in reserves of £55.2m and a forecast cash balance exceeding £70m at 31 March 2026. The Board was content to set a deficit budget due to the level of reserves held and in anticipation of the verified Levy outturn for 2024/25 being higher than originally forecast.

The Board's process for Levy income forecasting adopts a range, rather than a spot figure, in order to provide higher levels of confidence for the Board when making financial decisions. This forecast takes into account current data from bookmakers and has been used for the past four years and has improved accuracy overall. The Levy forecast is reviewed and updated each month, taking account of new actual data and agreed with the Board as the year proceeds. However, Levy income is based on bookmakers' gross win and therefore is variable.

In 2025/26, the Board made a decision to pay the remaining balance (£4.6m including interest) of the Racing Foundation loan resulting in reduced interest charges of c. £300,000. The original term of the loan had been from June 2025 to February 2028.

The Board has concluded that it has a reasonable expectation that it will continue to operate and meet its liabilities, as they fall due, for the next twelve months from the date of this report. Accordingly, the Board continues to adopt and considers appropriate the going

concern basis in preparing the 2024/25 Annual Report and Accounts.

Government has announced its intention to conduct a review of all Arm's Length Bodies. A timeline or detailed plan is not available at the time of writing. HBLB will assist with the review as appropriate.

Financial summary

For the year ended 31 March 2025 total income was £113m (2023/24: £108.7m). Levy receipts were £3.7m higher than the previous year. The remainder of total income was due to interest on cash deposits.

The 2024/25 operating surplus of £14.9m (2023/24: £13.7m surplus) resulted in the Board's reserves increasing from £44.4m on 31 March 2024 to £58.7m at 31 March 2025.

The operating surplus was caused by an increased Levy yield (+£10.2m) against the original budget which was based on bookmaker estimates for the year.

Interest received at £3.6m was more than the budgeted amount of £2.5m due to interest rates remaining higher than expected over the course of the year and HBLB managing its cash balances to maximise those effects.

The Board was able to maintain expenditure levels overall and, in some cases, increase them.

Detailed commentary on expenditure is outlined in more detail in the improvement of horseracing section on the next page.

Cashflow

During the year, the Board incurred a positive cash flow of £0.9m (2023/24: positive cash flow of £2.3m).

As at 31 March 2025, HBLB had cash and cash equivalents of £47.9m (2023/24: £47m) and a further £29.8m in notice deposit accounts.

Improvement of horseracing

In deciding the prize money allocation for calendar year 2024, the key considerations for the Board were, firstly, Racing's proposed two-year trial of customer-focused initiatives, designed as part of its Strategy Review; and, secondly, the betting patterns observed since mid-2022.

Regarding the former, Racing's main initiative was the creation of a clear shop window for the sport's highest-profile races, designating each fixture as Premier or Core and boosting funding for Premier fixtures. This was to be at the partial expense of Core fixtures and it was proposed that any observed upside in revenues should initially be directed remedially towards Core.

Other activities included the trial of six Sunday evening floodlit fixtures in early 2024 to assess customer demand in a previously empty session; movement of race volume (including a reduction in Jump races) across the year to

better match the fixture list to the typically available horse population; and more flexible race planning, including the creation of blank races to be programmed dynamically based on the latest horse population and trainer input.

Racing's prize money funding request (£70.5m) represented a £3.2m increase on the agreed 2023 budget. The Board had to consider this against both the continued trend of lower turnover and that, for much of 2022/23, gross win was tracking materially below 2021/22. Further, the retention of both the Ratecard Plus and other sliding scale payment mechanisms had the potential to create overspend versus budget. After careful deliberation, the Board was able to agree in September 2023 the full year budget for 2024, on the proviso of fully funding the first two Programme Books (1 January – 23 June) and undertaking an in-year review of both income and expenditure prior to confirming full funding for Programme Books 3 and 4 (24 June – 31 December) in June 2024. This review provided reassurance to the Board and full funding for the rest of the year was duly confirmed.

Table 1 shows budgeted and actual prize money spend, including the Great British Bonus scheme; while Table 2 sets out other Fixture-related expenditure. These amounts in these tables differ to those within the Financial Statements as shown on a calendar year basis, reflecting that racing's fixture list and associated funding arrangements run from January to December.

Table 1

Prize Money	2024 Calendar Year Budget	2024 Calendar Year Actual
	£'000	£'000
Ratecard Plus (inc. Sunday Floodlit trial)	58,950	55,152
Incremental Prize Money	3,850	4,050
Great British Bonus	3,500	3,458
Divided Races	1,000	1,244
Sunday Appearance Scheme	900	757
Winter Jump Fund	1,300	1,343
Programme Protection Payments	1,000	930
Total	70,500	66,934

Table 2

Annual fixture related expenditure	2024 Calendar Year Budget	2024 Calendar Year Actual
	£'000	£'000
Raceday Services Grants (RSGs)	19,400	19,416
Total	19,400	19,416

Fixture related expenditure

Prize Money

The Board's budgeted allocation to prize money in 2024, including the Great British Bonus scheme, was £70.5m (2023 actual £66.8m). This increased support was directed towards Racing's newly designated Premier

fixtures, along with support for prize money at Core fixtures which had moved out of the protected 2pm – 4pm Saturday afternoon window as part of Racing’s two-year trial.

The additional agreed support was concurrent with the second repayment instalment (£3.1m) of the Board’s £21.5m Sport Survival Package loan from Government falling due; though as it turned out, actual prize money expenditure in 2024 was some way below budget at £66.9m, primarily due to lower than budgeted spend on the Ratecard Plus scheme. This was caused by the number of partial or full abandonments (78) in 2024.

In 2024 the Board agreed to continue with the per-race Ratecard Plus funding mechanism introduced at the start of 2022. The benefits of increased visibility and measurability of where Levy funding was directed, as well as the ability for racecourses to calculate HBLB contributions while devising their race programmes, were recognised alongside the sliding scale nature of the mechanism. Making use of the ability to target funding, a Premier/Core distinction was introduced to the mechanism which allowed allocation of £1.9m in additional funding to Premier fixtures. Regarding its sliding scale nature, rather than create contingency the Board elected to guarantee full ratecard funding for the first two Programme Books, with a review taking place prior to Programme Book 3.

This review was passed but in the event there was an underspend of around £3.8m on Ratecard Plus, driven by abandonments. This underspend was much the largest variance among the expenditure lines and the major contributory factor to total expenditure finishing £3.6m below budget.

The ratecard was the primary method, and largest component, of prize money allocation, with £58.95m budgeted in 2024, including £0.1m in support of prize money for the Sunday Floodlit fixture trial. The other direct schemes in operation in 2024 were the Incremental Prize Money scheme (IPM, £3.85m), Divided Race Fund (£1.0m) and Sunday Appearance Scheme (SAS, £0.9m). These budgets were largely unchanged from 2023 and the schemes retained the character of 2023.

Historically, the Board has attempted to allocate budgeted prize money between the Flat and Jump codes in proportion to the share of betting turnover generated by each code in the most recent calendar year. This split was set for 2024 at 60% Flat and 40% Jump. With part of the Board's prize money expenditure dependent on racecourses' own contributions and affected by scheduled fixtures that are not then staged, it is not possible to adhere to this split through the year. However, the final allocation was 61%/39%, which matched the observed share of betting turnover in 2024.

Raceday Services Grants

For 2024, the Board agreed a net budget of £19.4m, an increase of £1.1m on actual 2023 spend. The tiered payment structure introduced in 2023, which factored in the increased costs of integrity services at specific higher-profile fixtures, was retained. Actual spend amounted to £19.4m across 1,482 fixtures.

Schemes to benefit British breeding

In 2024, the Board continued as the majority funder of the Great British Bonus (GBB) scheme, with a budget of £3.5m (including the Elite Mares Scheme). GBB is an industry-wide prize scheme for breeders and owners of British-bred Flat and Jump fillies. Owners, breeders and winning connections of each horse could win up to £20,000 per eligible race in 2024.

The scheme is intended to incentivise owners to invest in British-bred fillies and supports both codes of the British racing programme. It also aims to improve the demand for British-bred fillies at the sales and ensure that more fillies are tested as racehorses, thus underpinning selection for breeding based on proven racing ability. The final spend in 2024 was £3.46m.

GBB has been extended in 2025 with an additional £1.2m in funding made available by the Board, details of which will be in next year's Annual Report and Accounts. The scheme has been evaluated and the results are broadly positive.

Winter Jump Fund

The Board also continued to offer Fixture Incentive payments to racecourses to ensure that the Fixture Criteria was achieved. The payments are to encourage racecourses to stage Jump fixtures on days which may be relatively less attractive to racegoers but are important to both the generation of off-course betting turnover and the provision of opportunities for the horse population. Budgeted spend in 2024 was £1.3m, while actual spend (£1.34m) was slightly higher than this due to movements in the fixture list.

Non-fixture Related expenditure

The funding amounts quoted in this section may differ to those presented within the Financial Statements ([pages 47 to 63](#)) where:

- funding was agreed on a calendar year basis
- funding was not drawn down in full
- expenditure was impacted by seasonal fixtures (i.e. Point to Point)
- multi-year funding was agreed.

For the 2024 non-fixture related grant application round, the in-house funding gateway continued as the portal for the submitting of applications. Some refinements were made to the system to improve the applicant's experience. As previously, each application was subject to two rounds of assessment with an initial appraisal by

the grants team and the finance team. These scrutinised the budgets and proposed programmes, taking particular note of the extent to which the proposed projects aligned with the agreed Racing Outcomes in terms of both objectives and deliverability. The second assessment followed a few weeks later, which also included the views of the Chief Executive, Chief Finance Officer and a member of the Board. Recommendations were then made to the Board which took the final decision on whether to approve funding. Grant recipients report on a quarterly basis to HBLB on progress against objectives and the agreed KPIs.

In total, the non-fixture related expenditure budget for 2024/25, excluding veterinary science and education and rare breed societies, totalled £6.5m. There were also a number of marketing and promotional projects to the value of £1.8m which, due to their specific timing, were agreed outside the designated funding window. Some of these projects were delivered in the 2024/25 financial year. These projects are described in more detail below

Industry Recruitment, Training and Retention

The Horseracing Industry People Board (HIPB) was launched in Spring 2023 with the remit to lead the development of Racing's long-term plan for its workforce. HBLB played a significant role in the development of the new HIPB including funding, assisting with the appointment of key individuals and initially setting the

priorities before the HIPB took on its own duties and responsibilities. The main responsibility for HIPB is the development and agreement of a comprehensive strategy which was published in February 2025.

In the period in which the development of the strategy was continuing, the Board agreed to award funding in 2024 at £3.7m with an additional £290,943 awarded to support HIPB's own costs plus an additional £206,823 towards the Scottish Racing Academy

The recruitment, training and retention programme funded by the Board covers a range of activities across the racing and breeding industries, including stable staff foundation training and functional skills instruction; the successful pony racing initiative that serves to introduce young people to race riding; support for the National Stud diploma course and the TBA's education and employment initiatives; and careers marketing and recruitment promotion.

Other training streams included jockey coaching and continuation tuition; nutritional education; and courses aimed at developing the expertise of amateur riders, assistant trainers and senior staff. In 2024 the British Racing School and National Horseracing College were awarded supplementary funding on two occasions.

Racing to School continues to expand and roll out its successful Schools Programme resulting in the Board approving a small increase in funding for their series of National Curriculum-compliant educational events staged

at racecourses and other racing related venues for school pupils.

The Board continued to recognise the role of Racing Together in the promotion and facilitation of community engagement within the industry in partnership with various charities and the racecourses. Racing Together staged the 2025 Industry Day at Nottingham racecourse in February, bringing together over 120 industry representatives before a select number of speakers discussing the importance and relevance of community engagement and the power of racecourses in their community and looking at the experiences of other sports. The funding for both initiatives in 2024 totalled £465,880 (2023: £421,330).

Point-to-Point

HBLB's commitment to Point-to-Point continues in recognition of the sport's importance in developing the skills of riders; as a nursery for young horses and as a useful second career opportunity for retired racehorses.

The total award for 2024 was £384,900, a small increase on the £383,250 awarded in 2023. This funding mainly offers support towards fixture costs, as well as including medical provision and stewards' instruction, fixture abandonment costs and the continuing drug and alcohol testing protocol for participants plus some central Point-to-Point Authority projects.

Horse Welfare Board/Equine Welfare

In 2024, HBLB's provision to the Horse Welfare Board (HWB) was £741,374. This contributed to the support of the operation of the HWB including the HWB Board's costs, programme manager and funding of the equine welfare communications team and their activity. The increased grant award in this financial year included the support of phase two for British racing's HorsePWR campaign. HorsePWR has been developed with the aim of encouraging audience engagement with racing and providing reassurance and transparency about the sport's commitment to horse welfare and life after racing. The Board has continued to maintain a positive working relationship with the HWB team, and with other funders in the equine welfare area in support of the delivery of the objectives outlined in 'A Life Well Lived' strategy, published in early 2020.

Retraining of Racehorses (RoR)

The Board has continued to support RoR's activity which provides overarching leadership in promoting the health and welfare of horses bred for racing when they retire from the track. In 2024 HBLB awarded a £381,000 grant in support of the RoR Education Programme and the Vulnerable Horse Scheme (VHS). Support for the VHS is a new award for HBLB, which makes provision of a safety net for any former racehorse that may fall into difficulty in its post-racing career.

Racing Welfare – Workforce Wellbeing Programme

The Board awarded £300,000 towards Racing Welfare's Workforce Wellbeing Programme in 2024. The Programme had been supported in its initial years by the Racing Foundation with the aspiration for industry funding to be agreed for its long-term maintenance. The Board agreed to provide interim funding while the industry and the HIPB developed a suitable and sustainable support plan.

Betting Industry Partnership

The Betting Liaison Group (BLG) is an industry-wide body chaired by HBLB and attended by representatives of betting operators, racecourses, the Thoroughbred Group, the Betting and Gaming Council and the BHA. In 2024, HBLB spent £123,000 to fund the collection and analysis of race-by-race betting data voluntarily provided by Bet365, Betfred, Entain, Flutter and William Hill.

Betting data was provided monthly by contributing bookmakers to the Board's data collection partner, Deloitte. The 2024 data saw a continuation of the clear divergence between turnover, which fell, and gross win (and consequential Levy income), which grew alongside increased bookmaker operating margins. While increased Levy is welcome in terms of enabling greater returns to the sport, the continued reduction in turnover remains a significant concern and increases the reliance on

results and margin to support income; these cannot be guaranteed and this creates an added element of risk which the Board is obliged to consider when taking its funding decisions.

In this context, the data has remained essential in allowing the Executive to analyse, in detail, betting performance. The Executive also contributed analysis to Racing's Strategy Review and other initiatives, also undertaking reviews of all major festivals for their host racecourses. Betting data was also used to assist race times and fixture scheduling, race series performance assessment and income forecasting.

Advancement of veterinary science and education

Advancing the health and welfare of the Thoroughbred racehorse is one of the Board's statutory responsibilities and has been amongst the key budgetary priorities since the Board's inception. The total allocation for 2024 was £2.3m (2023: £2.5m) with additional funding from the Racing Foundation of £200,000. Actual expenditure was £922,000 which is based on the drawdown of funds in the financial year rather than the grant awarded which can be on a multi year basis. A comprehensive exercise was undertaken to analyse the drawdowns against all veterinary grants. This provided a basis for the veterinary expenditure accrual at the end of the financial year.

Continuing collaboration with the Board's partner funders, including the TBA, the Gerald Leigh Charitable Trust and the British European Breeders' Fund, is very much appreciated, and demonstrates the importance placed on veterinary research and education by the Industry as a whole.

Deciding which of the many high quality applications to take forward is challenging. The Board's Veterinary Advisory Committee (VAC) follows a robust appraisal procedure, focusing on scientific quality and on relevance and impact to industry practice. Much of the supported work is germane to all equines, but the primary objective is the wellbeing of the Thoroughbred racehorse. Echoing the principles of Racing's Equine Welfare Strategy, the priorities are:

- Best possible quality of life, which include all aspects of healthcare, husbandry and disease control (e.g. improved methods of disease diagnosis, more effective vaccines, biosecurity and disease prevention strategies, antimicrobial and anthelmintic resistance).
- Best possible safety and well-being during breeding, training and racing (e.g. enhancement of diagnostic methods and restoration techniques after musculo-skeletal disease and injury, safer training and racing practices, minimisation of fatal and non-fatal injury)
- Lifetime responsibility for equine health (e.g. optimal health of breeding Thoroughbreds and youngstock,

reproductive efficiency, evaluation of factors affecting transition to post-racing careers)

The new initiatives launched in the year from April 2024 included a range of important and interesting investigations. The six new major projects cover next step identification and control of key equine viruses and bacteria, examination of the determinants of age-related disease and a fresh review of genetic risks underlying catastrophic fracture. In addition, HBLB is supporting four small projects, due to report within 18 months, and a research scholarship leading to a PhD on the control of parasite invasions.

2025 has seen a change in the membership of the VAC. With grateful thanks for their enduring contribution over many years, the Committee said goodbye to Professors Gary Entrican, Sandy Love and Tom Stout, and welcomed four new members, Jenny Hall, Meta Osborne, Charlie Smith and Jo Suthers, all very well known to the Thoroughbred industry. The current VAC comprises:

- Professor Matthew Allen MA Vet MB PhD (Chair)
- Dr Emma Adam BVetMed, PhD, MRCVS
- Professor Mark Bowen BVSc, PhD, MMS, FRCVS
- Professor John Burford MA, VetMB, PhD, FRCVS
- Miss Caroline George BVMS MRCVS
- Professor Lutz Goehring DVM, MS, PhD

- Dr Patrick Sells BVSc,BSc, MRCVS
- Dr Ellen Singer BA,DVM,DVSc,MRCVS
- Dr Katherine Staines BSc, PhD
- Charlie Smith BVetMed, CertEP, MRCVS
- Dr Jennifer Hall BVSc, MRCVS
- Joanna Suthers BVM&S, MPhil, CertES(Soft Tissue), DipECVS, MRCVS
- Meta Osborne MVB, MSc

Equine Infectious Disease

Amongst the most important of the HBLB's activities in the equine health sphere is the maintenance of effective monitoring and management of infectious disease incidence. Besides the clear risks to horse health, disease, whether of bacterial or viral origin, has obvious economic implications.

The Equine Infectious Disease Surveillance Oversight Committee, chaired by Anne Lambert (one of the Board's Government Appointed Members), brings together representatives of the Thoroughbred industry and the wider equestrian world. The monitoring function is operated by a unit based at the Department of Veterinary Medicine at the University of Cambridge. The unit also acts to provide advice in cases of disease outbreak and liaises with Government and overseas authorities. The current arrangements for this service expire in October

2025. There will be a new award after a tender process. The central supporting microbiology testing facility is maintained by Rosssdales Laboratories in Newmarket.

In 2024 HBLB's financial commitment was £357,000 (2023: £357,000) backed up with further funding input from the Racehorse Owners Association (ROA) and the Thoroughbred Breeders Association (TBA). The overall approach to disease monitoring and management is supported by the HBLB's International Board's Codes of Practice on infectious disease that are recognised worldwide as the gold standard source of information and advice.

Improvement of breeds of horses

In accordance with its statutory objective to support breeds of horse, the Board continued to provide grants to 12 British native breed societies from a total allocation of £190,000 (2023: £182,500). The increased funds enabled HBLB to recognise individual societies in their work to conserve vulnerable breeds and the improvement of purebreeding quality. HBLB is grateful for the assistance and advice of the Rare Breeds Survival Trust in understanding the wider picture in this important area for national heritage. In addition to the breed societies awards, HBLB supported the rare breed classes at the National Pony Society Great British In Hand Show.

The Board is not overly prescriptive in how its funds are used – breed societies are able to choose from amongst

a broad range of options to use their grants to best support their particular breed. Examples include stallion and mare premiums, youngstock awards, DNA testing or blood typing, and artificial insemination or semen storage schemes. HBLB is keen to help societies showcase the attractions of Britain's endangered breeds to potential buyers at national and specific breed events. Breed societies are expected to promote the highest standards of disease prevention and management partly in their own interests, and also to reduce risk to the British Thoroughbred herd.

2024 was the final year of a three-year, two-part research project being conducted by the Rare Breeds Survival Trust that aims to improve the conservation status of native equine breeds. Regular monitoring of the project is showing significant progress in identifying breed specific issues, allowing for the design of differing approaches to breeding and reproductive technologies. The second part of the work has been focusing on what the different breeds are used for, on raising their profile and, eventually, increasing their numbers.

The Board approved third year expenditure of £43,556. A short extension of the project deadline was requested due to delays encountered in one of the research areas. The project will be completed in December 2025.

Administration costs

The Board strives to provide a highly cost-effective service to its stakeholders. The Board's administration costs in 2024/25 were £2.2m (2023/24: £2.3m).

Compliance with public sector payment policy

The Board's policy is to pay all invoices within 30 days of receipt unless a longer payment period has been agreed or the amount billed is in dispute.

The Levy Board and the Environment

The Board is committed to minimising its environmental impact within reasonable financial and other resource limits. A full sustainability report has not been included, as organisations occupying less than a total of 500m² of floor area or with fewer than 50 FTE staff are exempt from providing this information.

However, sustainability is considered important in the organisation and the Board's move in 2022 to a shared Government building has reduced its footprint by half. This saves in the region of £100,000 per year on an ongoing basis. In addition, environmental sustainability considerations are included within Racing Outcomes which help guide the Board's strategy and decisions.

The Board chose to make a carbon offsetting payment during 2025 based on the calculated carbon footprint for office use.

Information Technology

The Board has continued to develop its digital systems, improving both the levels of automation within its operation and also broadening the range of digital services offered to its stakeholders. The long-term digital strategy revolves around a programme of continuous improvement that will see the replacement of legacy software and systems and a move to cloud services where appropriate.

The organisation has continued to be mindful of digital risk and has therefore maintained its Cyber Essentials Plus certification and continued to work with government to maintain good cyber security practice via initiatives such as GovAssure.

Horserace Betting Levy Regulations 2017

The Horserace Betting Levy Regulations 2017 came into force on 25 April 2017, with the eighth period of assessment under the Regulations running from 1 April 2024 to 31 March 2025 inclusive. These Regulations apply to all bookmakers and betting exchange providers who offer bets on horseracing in Great Britain, including operators required to hold a remote operating licence (within the meaning of the Gambling Act 2005). The basis on which the Levy is calculated is at a fixed rate. That rate is 10% of the amount by which an operator's profits on bets that relate to horseracing in Great Britain made

by a person in Great Britain exceed £500,000 in each 12-month period.

Alan Delmonte

Chief Executive and Accounting Officer

Horserace Betting Levy Board

10 December 2025

Accountability Report – Corporate governance report

Overview

The accountability report is divided into three sections: the corporate governance report, the remuneration and staff report, and the Parliamentary accountability and audit report. The corporate governance report provides information on the governance of the Horserace Betting Levy Board. The remuneration and staff report provides information on the remuneration of those charged with governance of the Horserace Betting Levy Board, and other relevant information on staff costs. The disclosure of this information complies with best practice standards of corporate governance and contributes to the Horserace Betting Levy Board's accountability to Parliament by virtue of providing a transparent and full account.

Board Members and Officers

The Board Members and Board Executives are as follows. Full details of Board Members who served during the year or were in post at date of signing are shown on [page 38](#).

Board Members

Paul Darling OBE KC*

Chair

Anne Lambert CMG*

Lord Risby*

David Armstrong**

Julie Harrington**

Julian Richmond-Watson**

Richard Wayman**

Simon Clare***

Mike O’Kane***

Board Executives

Alan Delmonte

Chief Executive & Accounting Officer

Craig Pemberton

Chief Finance Officer

Offices

10 South Colonnade

Canary Wharf

London

E14 4PU

*Appointed by the Secretary of State for Culture, Media and Sport

** Appointed by the Jockey Club

***Appointed by the Betting and Gaming Council.

Paul Darling died on 2 August 2024. Anne Lambert was appointed by the Secretary of State as Interim Chair on 16 September 2024.

Mike O’Kane resigned on 23 September 2024.

Simon Clare was appointed as his successor on 7 October 2024.

Julie Harrington resigned on 31 December 2024.

Richard Wayman was appointed as her successor on 1 January 2025.

A Register of Board Members' Interests is available online (www.hblb.org.uk) and note 11 on **page 61** provides details of transactions during the year in which there was a related interest.

Statement of Responsibilities of the Board and Accounting Officer of the Horserace Betting Levy Board

Under the Betting, Gaming and Lotteries Act 1963 (as amended), the Horserace Betting Levy Board has prepared for each financial year a statement of accounts. The accounts are prepared on an accruals basis to show a true and fair view of the state of affairs of the Horserace Betting Levy Board and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer complies with the requirements of the Government Financial Reporting Manual and in particular to:

- Make judgements and estimates on a reasonable basis;
- Apply suitable accounting policies on a consistent basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;

- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Board will continue in operation; and
- Confirm that the annual report and accounts as a whole are fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.
- The Accounting Officer of the Department for Culture, Media and Sport has designated the Chief Executive as Accounting Officer of the Horserace Betting Levy Board. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Horserace Betting Levy Board's assets, are set out in Managing Public Money issued by HM Treasury.

Information given to auditors

The Accounting Officer and each of the Members of the Board have confirmed that, so far as they are aware, there is no relevant information of which the Board's auditors are unaware and that they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant information and to establish that the Board's auditors are aware of that information.

As Accounting Officer, I take personal responsibility for the annual report and accounts and confirm that they are, as a whole, fair, balanced and understandable, as are any judgements used to determine this view.

Alan Delmonte

Chief Executive and Accounting Officer

Horserace Betting Levy Board

10 December 2025

Governance statement

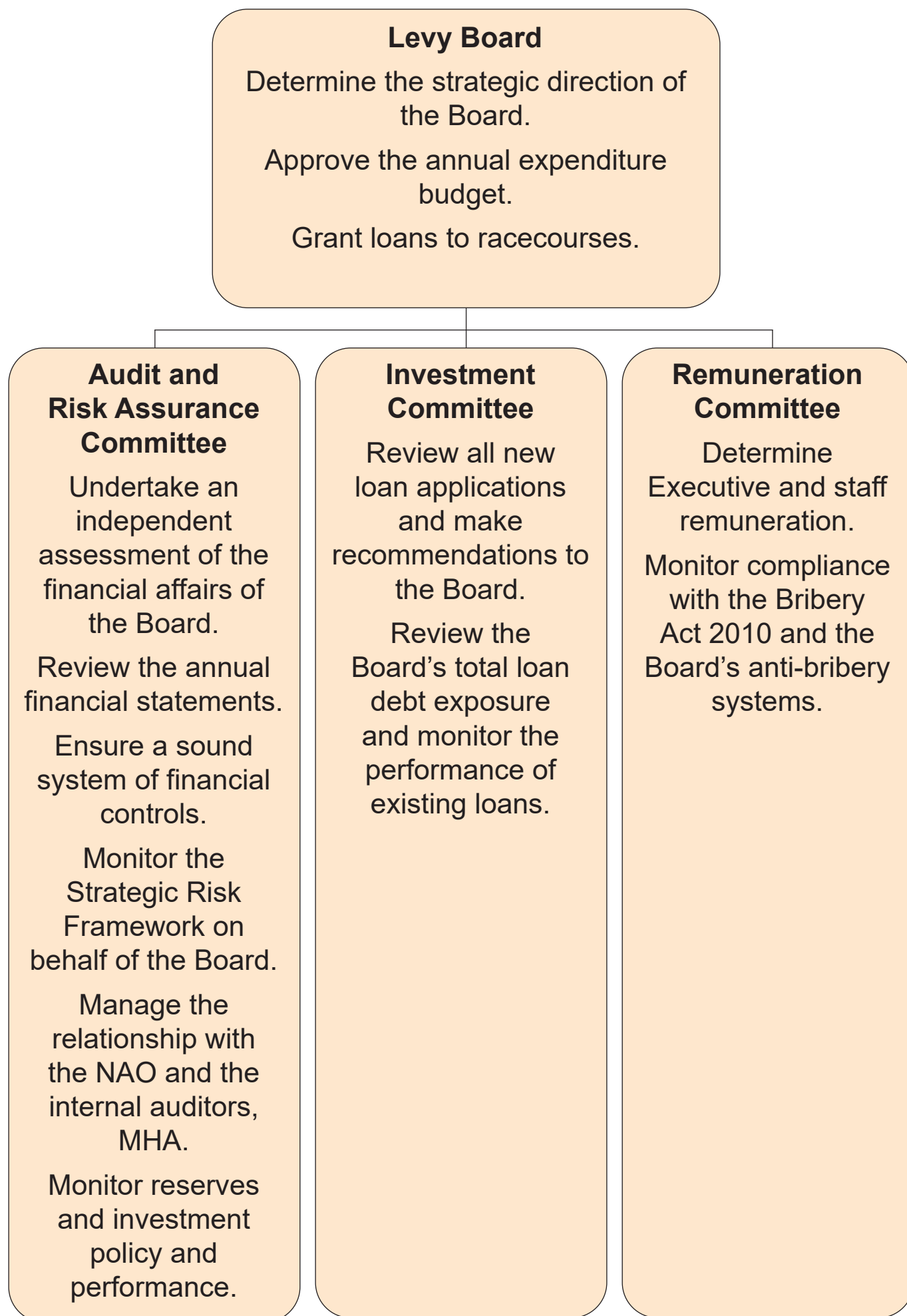
The Accounting Officer's fundamental responsibility is to manage and control the resources of the Horserace Betting Levy Board and to ensure that an appropriate corporate governance framework is in place that supports the achievement of the Board's purpose and objectives, which are in accordance with the Betting, Gaming and Lotteries Act 1963 (as amended). This statement explains the key features of the Board's governance structure and how it has complied with the relevant principles and provisions of HM Treasury's recommended Corporate Governance in Central Government Departments: Code of Good Practice ('the Code'), where they are relevant to the Board, including Managing Public Money, the Sponsorship Code of Good Practice and the Nolan Principles, the seven principles of public life. There were no departures from the Code in 2024/25.

The Board is now achieving a cycle of annual Board Effectiveness Reviews (BERs) with an external one being carried out every third year which is the recommended frequency. With the most recent external review held in 2023, an internal one was conducted in 2024. This comprised a review of both the previous recommendations and dedicated slots at the Board's Strategy Day in October 2024 to review the Organisational Effectiveness Review (carried out by the Good Governance Institute in summer 2024) and to analyse the results of the Board Skills

Matrix, which was also created over the same period. The recommendations from the Strategy Day will be implemented during the course of 2025/26.

Governance framework

The Horserace Betting Levy Board's governance framework consists of the Levy Board, led by the Chair, and three number of sub-committees as shown below. The Chief Executive and Accounting Officer manages the day-to-day activity of the Board and is responsible for the performance of the Board's staff.



The Levy Board

As at 31 March 2025, the Board was comprised of the Chair and one other Government Appointed Member appointed by the Secretary of State for Culture, Media and Sport, three Board Members appointed by the Jockey Club; and one Board Member appointed by the Betting and Gaming Council. Following the death of Paul Darling in August 2024, Anne Lambert was appointed as Interim Chair in September 2024, resulting in a vacancy for the third Government Appointed member.

Appointments by the Secretary of State are on fixed term contracts for a period of up to four years. The terms of appointment of other Board Members are as proposed by their appointing bodies.

The Board Members who are appointed by the Jockey Club and the Betting and Gaming Council are permitted to appoint an alternate in the event that they are unable to attend a Board meeting, whilst a Government Appointed Member may give another Government Appointed Member a proxy to vote on his or her behalf.

The Board's performance, including its effectiveness, is reviewed externally by subject matter experts every third year. In the intervening two years an internal review is held. Recommendations made are presented to the Board and any approved action points agreed for implementation by the Executive. The Board receives regular updates on the progress of implementation. The

Board commissioned an external performance review, undertaken by MHA, in 2023. The recommendations arising from the review were tracked and implemented in 2024/25.

The Members of the Board have made a declaration of their personal interests relevant to their responsibilities as Members of the Board. The register of Members' interests is available on the Board's website, www.hblb.org.uk.

The Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee is an advisory body with no executive powers. It acts as the conscience of the Board and provides insight and strong constructive challenge where required. The full terms of reference are available on the Board's website, www.hblb.org.uk.

A Government Appointed Member other than the Chair of the Board usually takes the position of Committee Chair. Anne Lambert was Chair of the Audit and Risk Assurance Committee for the 2024/25 year. The Board agreed that, in the exceptional circumstances following Paul Darling's death in August 2024 Anne Lambert should continue to chair the Committee, notwithstanding that she was appointed as Interim Chair of the Board in September 2024.

The membership of the Committee reflects the representative composition of the Board. The Audit and Risk Assurance Committee reports to the Board after each Committee meeting.

In 2024/25, the Audit and Risk Assurance Committee met on four occasions. Meetings are attended by the Chief Executive, the Chief Finance Officer and the Financial Controller. Representatives from the National Audit Office (external auditors) and MHA (internal auditors) attended as required. The programme of work in 2024/25 is set out below.

The Committee continued to scrutinise the Board's banking and investment arrangements and received reports at each meeting on treasury management and cash flow. Additionally, in line with its remit to consider risk and the financial controls framework, the Committee reviewed the Board's strategic risk framework and mitigations and the implementation of the recommendations stemming from the findings of the internal auditors. The Committee also received regular updates on controls surrounding cyber security and future IT work programmes. The Committee also received updates from the Executive in relation to strategic risks and the implementation of Government Functional Standards, for which work will continue into 2025/26.

The Committee reviewed the scope and recommendations of the work performed by MHA as

internal auditors and received updates at each meeting on the implementation status of these recommendations.

During the year the Committee noted the scope of the audit work proposed by the National Audit Office.

The Committee also considered updates to the HBLB Financial Regulations Manual and Fraud policy and risk register during the year.

Since the year-end, the Committee has considered the Completion Report presented by the National Audit Office and the 2024/25 Annual Report and Accounts and concluded that taken as a whole these are fair, balanced and understandable and has advised the Board accordingly.

The Investment Committee

The Committee is responsible for monitoring existing loans and their recoverability and in respect of new loan applications the Committee undertakes both an assessment of the underlying creditworthiness of the potential borrower and, for larger projects, commissions a review of the project construction plans by an external consultant.

The Investment Committee met twice (by correspondence) during the 2024/25 year to review three weighing room loan applications that were received by HBLB during the year.

A Government Appointed Member other than the Chair of the Board usually takes the position of Committee Chair. Lord Risby is the current Committee Chair.

The Remuneration Committee

The Remuneration Committee met once in 2024/25 and determined the Executive and staff remuneration in line with the powers conferred on the Board by s.24(7) of the Betting, Gaming and Lotteries Act 1963. Lord Risby was Chair of the Remuneration Committee for 2024/25.

The Committee continued to monitor the Bribery Act 2010 and the Board's anti-bribery systems as they affect Members, Executive and staff of the Board, which included reviewing the Gifts and Hospitality Register.

Board and sub-Committee attendance

In 2024/25 Members' attendance at Board and Committee meetings is shown in the table below.

Board member	Appointed by	Board Meetings	Audit and Risk Assurance Committee	Remuneration Committee	Investment Committee
Paul Darling Chair	Secretary of State for Culture, Media and Sport	3	–	–	–
Lord Risby	Secretary of State for Culture, Media and Sport	7	4	1	2
Anne Lambert	Secretary of State for Culture, Media and Sport	7	4	–**	–
David Armstrong	Jockey Club	7	4	–	2

Board member	Appointed by	Board Meetings	Audit and Risk Assurance Committee	Remuneration Committee	Investment Committee
Julie Harrington	Jockey Club	6	–	–	–
Julian Richmond-Watson	Jockey Club	7	–	1	2
Richard Wayman	Jockey Club	1	–	–	–
Simon Clare	Betting & Gaming Council	3	–	–	–
Mike O’Kane	Betting & Gaming Council	4	1	1	2
Total number of meetings *(Includes Board Strategy Day)		7*	4	1	2

** Anne Lambert, in the capacity of Interim Chair of the Board, was in attendance at the meeting but was not a formally appointed member.

Internal control and risk management

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the Board's policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process to identify the principal risks to the achievement of the Board's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically (see Strategic Risks on [page 12](#)). This process has been in place for the year ended 31 March 2025 and up to the date of approval of the annual reports and accounts and accords with Treasury guidance. No significant failings or weaknesses were identified as a result of the review of the effectiveness of the Board's internal control. Accordingly, the Board has concluded that its internal control framework and systems are effective.

The Board's whistleblowing policy is made widely available to all staff via the HBLB Staff Hub. Any whistleblowing concern as defined by the policy should be formally raised with either a line manager, executive or Human Resources as is most appropriate for the concern being raised. A nominated Board member was also available to whom staff could raise concerns directly. There were no instances of whistleblowing reported in 2024/25. As part of the work on implementing

Government Functional Standards (GFS), a debt management policy was drafted and reviewed by the Audit & Risk Assurance Committee. Further work was undertaken during the course of the year to map against the Counter Fraud and Grants functional standards.

Quality of data

Management reporting systems are in place to provide Board members with detailed information to assist in the decision-making process. Although the quality of data concerning expenditure is considered sufficient for the needs of the Board, it is acknowledged that, under the arrangements of the Levy Regulations, whereby the final Levy yield is not known until some months after the Levy period has ended, there is a degree of estimation in respect of income. The Board strengthened its processes in this area by putting in place an internal Levy Forecasting Panel during the 2020/21 year and this panel continued to meet on a monthly basis during 2024/25 to review data from multiple sources and provide the Board with regular updates on the expected Levy outturn.

Internal audit

The Board is assisted by the work of internal audit which reports on the internal control and the assurance framework. During the 2024/25 year, MHA were the internal auditors of HBLB and undertook reviews on the following areas:

- Validation of Bookmaker returns
- Payroll
- Key Financial Controls

The following table provides a summary of the overall assessment of the internal audit findings for the systems reviewed for each of the agreed audit areas in terms of assurance level and nine recommendations in total of which none were judged as High priority by MHA.

Audit Area	Rating	Number of Recommendations	
Validation of Bookmakers returns	Adequate	High	0
		Med	2
		Low	2
		Advisory	0
Payroll	Adequate	High	0
		Med	2
		Low	0
		Advisory	0
Key Financial Controls	Adequate	High	0
		Med	1
		Low	2
		Advisory	0

A summary of the work performed for each of these audit areas is disclosed below:

Validation of Bookmaker returns

The purpose of the audit was to provide assurance that there are effective arrangements in place to ensure

accuracy and completeness of bookmakers' returns. The two medium priority recommendations identified, both on course to be implemented in 2025/26, were as follows:

- The levy policy and procedures manual to be updated to include key sub-processes
- Enhance the review of bookmakers' returns through a sampling exercise and to update the guidance section on the HBLB website.

The overall conclusion was that an adequate level of assurance was in place over the effectiveness of controls to manage the risks associated with this area.

Payroll

The purpose of the audit was to provide assurance that there are effective arrangements in place to ensure timely and accurate processing of payroll and benefits. The two medium priority recommendations identified, both on course to be implemented in 2025/26, were as follows:

- Clearly define KPIs and establish periodic service review meetings with the outsourced payroll provider
- Enhance the reporting against the payroll budget to include more detailed variance analysis.

The overall conclusion was that an adequate level of assurance was in place over the effectiveness of controls to manage the risks associated with this area.

Key Financial Controls

The purpose of the audit was to provide assurance that effective arrangements are in place for Key Financial Controls and focused on:

- Main accounting system
- Policies and procedures
- Management of approvals and approval thresholds
- Cash and treasury management
- Production of management accounts & financial reporting

There was one medium priority recommendation identified, on course to be implemented in 2025/26, as follows:

- The Finance function would benefit from a suite of Standard Operating Procedures which provide a detailed walkthrough of each of the key financial processes.

The overall conclusion was that an adequate level of assurance was in place over the effectiveness of controls to manage the risks associated with this area.

Head of internal audit opinion

MHA gave the following opinion on the work performed by themselves as internal auditors for the 2024/25 year.

“We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion as to the adequacy and effectiveness of those processes. The opinion provided however is limited to our work undertaken in these areas and does not provide assurance over other areas of internal control operating with HBLB.”

Internal audit strategy (2024/25 to 2026/27)

The three-year internal audit strategic plan runs from 2024/25 until 2026/27. This three-year plan is based partly on assurance maps that utilise the ‘three lines of defence’ methodology. During this period, the Audit & Risk Assurance Committee will also consider whether to re-appoint MHA as internal auditors, as their initial appointment was for a period of four years, or to run a full tender exercise.

Information management

The Board suffered no material cyber incident nor suffered any reportable data loss in the year ending 31 March 2025.

All information requests were responded to within the required timescales.

The Board’s website www.hblb.org.uk contains full details of the information published by the Board and how to make a request under the Act.

Regularity of expenditure (audited)

I confirm that there were no instances of material irregularity, losses or special payments in the year ended 31 March 2025.

There is nothing of which I am aware that leads me to believe that the Board's systems of control are not adequate and I believe that this statement gives a true reflection of corporate governance of the Horserace Betting Levy Board during 2024/25.

Alan Delmonte

Chief Executive and Accounting Officer
Horserace Betting Levy Board

10 December 2025

Remuneration and staff report

(i) Unaudited information

Government Appointed Board Members

The Chair and the other Government Appointed Members of the Board are appointed by the Secretary of State, on terms set on the basis of advice from the Civil Service Senior Salaries Review Body, for a period of up to four years.

Paul Darling OBE KC was appointed as Chair on 1 April 2020 on a four-year term and was reappointed in July 2023 by the Secretary of State for a second term with effect from 1 April 2024 to 31 March 2028. His contract provided for approximately five days' work per month on average, not including attendance at race meetings and associated events. Following his death in August 2024, Anne Lambert CMG was appointed as Chair by the Secretary of State on an interim basis from September 2024.

Lord Risby and Anne Lambert CMG served as the other Government Appointed Members of the Board. Lord Risby was appointed with effect from 1 January 2016 for a period of up to four years. He was re-appointed for a further two years until the end of 2021 and subsequently re-appointed again in August 2021 for a further four years until 31 December 2025.

Anne Lambert CMG was appointed as a Government Appointed Member on 1 April 2020 on a four-year term. She was reappointed in July 2023 by the Secretary of State for a second term with effect from 1 April 2024 to 31 December 2026.

The total time commitment for these Government Appointed Members of the Board is expected to be approximately two to three days per month.

The appointments of the Chair and other Government Appointed Member of the Board may be terminated at any time by either party giving written notice. These positions are not pensionable and none of their salary is performance related.

Jockey Club Appointees

Under section 24(2) of the Betting, Gaming and Lotteries Act 1963 (as amended), three Board Members are appointed by the Jockey Club. These Board Members do not receive any remuneration.

Betting & Gaming Council Appointee

One Board member is appointed by the Betting & Gaming Council. With effect from the appointment of Simon Clare in October 2024, this position is not remunerated.

Chief Executive

The Chief Executive is appointed on an open-ended contract, which may be terminated by the Board giving

not less than twelve months' notice in writing or the employee giving not less than six months' notice in writing.

The Chief Executive is not eligible to receive a bonus payment and none of his salary is performance related. During 2024/25, pension contributions totalling £35,574 (2023/24: £28,654) were paid by the Board on his behalf.

Remuneration policy

Under s.24(7) of the Betting, Gaming and Lotteries Act 1963 (as amended), the Board has the power to appoint officers, servants and agents on such terms as to remuneration, pensions or otherwise as the Board may determine. The Remuneration Committee determines the remuneration of all staff, including the Chief Executive. HBLB is required to work with DCMS and seek Chief Secretary to the Treasury approval for its appointments where the proposed salary meets or exceeds the Cabinet Office senior appointments salary thresholds.

Sickness absence

Average sickness absence per person employed by the Board during the year ended 31 March 2025 was 1.2 days (2023/24: 2.2 days).

Equality

The Board continues to operate, in all areas of its activity, in line with the Equality Act 2010 and its own Equal Opportunity and Diversity Policy and continues

to monitor recruitment and employment. HBLB's policy is to select employees on their individual merits and abilities irrespective of gender, sexual orientation, gender reassignment, marital status, race, nationality, colour, ethnic background, religion, belief, age or disability. There continues to be full equality of access to promotion, training and other features of employment within the Board. Control measures are in place to ensure that all of the Board's obligations under equality, diversity and human rights legislation are complied with.

The Horserace Betting Levy Board does not fall under the scope of the Trade Union (Facility Time Publication Requirements) Regulations 2017 and therefore has not included any disclosures in this regard.

(ii) Information subject to audit

The table below provides details of the salaries and benefits in kind of the Board members who are remunerated as well as the Chief Executive and Chief Finance Officer. The Chief Executive also receives a car allowance that has been included within his salary in the table below. None of these individuals are entitled to receive performance related bonuses.

	2024/25			
	Salary	Employer Pension Contribution	Benefit in kind	Total
	£000	£000	£000	£000
Board Members¹				
Paul Darling – Chair (to 2 August 24)	10-15	–	–	10-15
Anne Lambert – Interim Chair from 16 September 2024	30-35	–	–	30-35
Lord Risby	15-20	–	–	15-20
Mike O’Kane (to 23 September 2024)	5-10	–	–	5-10
Chief Executive and Accounting Officer				
Alan Delmonte	210-215 ²	36	2 ³	250-255
Chief Finance Officer				
Craig Pemberton	170-175	30	–	200-205

	2023/24			
	Salary	Employer Pension Contribution	Benefit in kind	Total
	£000	£000	£000	£000
Board Members¹				
Paul Darling – Chair (to 2 August 24)	35-40	–	–	35-40
Anne Lambert – Interim Chair from 16 September 2024	15-20	–	–	15-20
Lord Risby	15-20	–	–	15-20

	2023/24			
	Salary	Employer Pension Contribution	Benefit in kind	Total
	£000	£000	£000	£000
Mike O’Kane (to 23 September 2024)	20-25	–	–	20-25
Chief Executive and Accounting Officer				
Alan Delmonte	200-205 ²	29 ⁴	23	230-235
Chief Finance Officer				
Craig Pemberton	160-165	24 ⁴	–	185-190

Note:

- 1 The Jockey Club appointed Board Members and (from October 2024) Betting and Gaming Council appointed Board Members do not receive any remuneration.
- 2 Includes car allowance of £10,000 (2023/24: £10,000) received during the year.
- 3 Private medical insurance paid on behalf of Chief Executive (£1,800).
- 4 Financial year 2023/24 restated to include pension contributions.

Subject to audit

	2024/25	2023/24
Remuneration band of highest paid director	215-220	205-210
Median remuneration	61,000	61,850
Ratio	3.57	3.35
25th percentile remuneration	44,862	43,078
Ratio	4.85	4.82
75th percentile remuneration	76,143	72,102
Ratio	2.86	2.88
Remuneration range	28,000- 215,000 to 220,000	32,000- 205,000 to 210,000
Median salary	61,000	61,850
Ratio	3.48	3.35
25th percentile salary	43,354	41,350
Ratio	4.90	5.02
75th percentile salary	74,398	72,000
Ratio	2.86	2.88

The Chief Executive of the Board was the highest full time equivalent (FTE) earner in 2024/25. This was 3.48 times (2023/24: 3.35) the median salary and 3.57 times (2023/24: 3.35) the median remuneration of the workforce, which for both salary and remuneration was £61,000 (2023/24: £61,850).

The ratio is calculated by dividing the midpoint of the highest paid director's remuneration band of £217,500 (2023/24: £207,500) by the median remuneration and salary of the Board's workforce.

The median salary and remuneration of the Board's workforce is calculated by reference to salary and remuneration of the staff members, excluding the Government Appointed Board Members, and the highest paid FTE director, which is the Chief Executive. In calculating the salary and total remuneration of staff members, the salary and remuneration is based on their full-time equivalent salary where appropriate and annualised for employees in post at the reporting period end date but who have not been employed for the entire year.

Total remuneration includes salary and benefits-in-kind. It does not include employer pension contributions, any severance payments and the cash equivalent transfer value of pensions.

The percentage change in the highest paid director's salary and allowances from the previous financial year was 4.7%.

For employees of the entity taken as a whole, the average percentage change from the previous financial year of total remuneration was 1.8% and just taking into account salary was 3.2%.

The change in the median salaries of employees of the organisation, including the highest paid director, are due to annual salary increases and the recruitment of new employees to fill vacancies.

Staff numbers and costs – subject to audit

The average number of full-time equivalent staff (excluding Board Members) employed by the Board in the year was as follows (this table is subject to audit).

	2024/25 FTE	2023/24 FTE
Permanent staff	16.12	15.55
Temporary staff	-	0.25
	16.12	15.80

One member of staff resigned during the year and therefore staff turnover was 6% (2023/24: 0%).

The aggregate payroll costs of persons employed were (this table is subject to audit):	2024/25 £000	2023/24 £000
Payroll staff salaries	1,211	1,152
Social security	126	138
Pension costs	209	163
Other staff costs	92	97
	1,638	1,550

Breakdown of staff numbers

The breakdown of staff numbers as at 31 March 2025 was as follows.

	Male	Female
Number of Board Members of each gender	5	1
Number of senior managers of each gender	2	0
Number of employees of each gender	7	9

Exit packages – Subject to audit

There were no exit packages in the year to 31 March 2025.

Off-payroll engagements

There were no off-payroll engagements during the year (2023/24: Nil) and there were no off payroll engagements of Board members or senior officials with significant financial responsibility between 1 April 2024 and 31 March 2025.

Accountability Report – Parliamentary accountability and audit report

Parliamentary Accountability Disclosures – Subject to audit

Losses Statement

	2024/25	2023/24
Total number of losses	-	-
Total value of losses	-	-

Special Payments

	2024/25	2023/24
Total number of special payments	-	-
Total value of special payments	-	-

Remote contingent liabilities – Subject to audit

HBLB reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of a contingent liability. In the current year HBLB had no material liabilities that met this definition (2023/24: £Nil).

Alan Delmonte

Chief Executive and Accounting Officer
Horserace Betting Levy Board

10 December 2025

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Horserace Betting Levy Board for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Horserace Betting Levy Board's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Reserves for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Horserace Betting Levy Board's affairs as at 31 March 2025 and its surplus for the year then ended; and

- have been properly prepared in accordance with the Betting, Gaming and Lotteries Act 1963.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Horserace Betting Levy Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Horserace Betting Levy Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Horserace Betting Levy Board's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Board and Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise

explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual; and

- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Horserace Betting Levy Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Horserace Betting Levy Board or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the

Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or

- the Governance Statement does not reflect compliance with HM Treasury’s guidance.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Responsibilities of the Board and Accounting Officer of the Horserace Betting Levy Board, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Horserace Betting Levy Board from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation

of financial statements to be free from material misstatement, whether due to fraud or error;

- preparing financial statements which give a true and fair view in accordance with UK adopted International Accounting Standards;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the Horserace Betting Levy Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but

is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Horserace Betting Levy Board's accounting policies.

- inquired of management, the Horserace Betting Levy Board's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Horserace Betting Levy Board's policies and procedures on:
- identifying, evaluating and complying with laws and regulations;
- detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Horserace Betting Levy Board's controls relating to the Horserace Betting Levy Board's compliance with the Betting, Gaming and Lotteries Act 1963, Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2012 and Managing Public Money;
- inquired of management, the Horserace Betting Levy Board's head of internal audit and those charged with governance whether:
- they were aware of any instances of non-compliance with laws and regulations;
- they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Horserace Betting Levy Board for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Horserace Betting Levy Board's framework of authority and other legal and regulatory frameworks in which the Horserace Betting Levy Board operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Horserace Betting Levy Board. The key laws and regulations I considered in this context included the Betting, Gaming and Lotteries Act 1963, Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2012, The Gambling Act 2006, Managing Public Money, pensions legislation and employment law.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation, to assess compliance with provisions of relevant laws and

regulations described above as having direct effect on the financial statements;

- I enquired of management and the Audit Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the

expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

11 December 2025

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Statement of comprehensive income for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Income			
Levy income receivable for:			
Horserace Betting Levy Regulations		108,940	105,289
Previous years' Schemes		461	14
		109,401	105,303
Interest receivable		3,605	3,445
Total income		113,006	108,748
Expenditure			
Improvement of horseracing	4a	(94,285)	(90,699)
Other expenditure	4b	(3,795)	(4,340)
Total expenditure		(98,080)	(95,039)
Operating surplus		14,926	13,709
Interest cost on financial liabilities	10	(581)	(719)
Surplus for the year		14,345	12,990

	Notes	2025 £000	2024 £000
Total comprehensive income for the year		14,345	12,990

The surplus for the year arose from continuing operations.

The notes on [pages 51 to 63](#) form part of these accounts.

Statement of financial position as at 31 March 2025

	Notes	2025 £000	2024 £000
Assets			
Non-current assets			
Property, plant and equipment		10	22
Loans to racecourses		1,362	-
Total non-current assets		1,372	22
Current assets			
Trade and other receivables	6	14,557	10,556
Loans to racecourses due within one year		248	50
Financial assets	8	29,822	26,433
Cash and cash equivalents	9	47,868	47,015
Total current assets		92,495	84,054
Total assets		93,867	84,076
Current liabilities			
Trade and other payables	10	(14,495)	(14,837)
Financial liabilities	10	(4,680)	(4,242)
Total current liabilities		(19,175)	(19,079)
Total assets less total current liabilities		74,692	64,997
Non-current liabilities			
Financial liabilities	10	(15,990)	(20,640)
Total non-current liabilities		(15,990)	(20,640)

	Notes	2025 £000	2024 £000
Total net assets		58,702	44,357
Reserves		58,702	44,357

These accounts were authorised for issue on the dates shown on the Audit Certificate.

Alan Delmonte

Chief Executive and Accounting Officer

10 December 2025

The notes on [pages 51 to 63](#) form part of these accounts.

Statement of cash flows for the year to 31 March 2025

	Notes	2025 £000	2024 £000
Cash flow from operating activities			
Surplus/(deficit) for the year		14,345	12,990
Adjustments for:			
Depreciation		16	17
Interest income		(3,588)	(3,445)
Interest expense on financial liabilities	10a	581	719
(Increase)/decrease in trade and other receivables		(4,094)	(3,582)
(Decrease)/increase in trade and other payables	9	(342)	(1,269)
Net cash flow from operating activities		6,918	5,430
Cash flow from investing activities			
Purchase of property, plant and equipment		(4)	(4)
Loans repaid by racecourses		50	272
Loans advanced to racecourses		(1,552)	-
Interest and investment earnings		3,623	3,445
Net amounts transferred (to)/from financial assets	8	(3,389)	(1,198)
Net cash flow from investing activities		(1,272)	2,515
Cash flow from financing activities			

	Notes	2025 £000	2024 £000
Repayment of borrowings: capital	10	(4,212)	(4,190)
Repayment of borrowings: interest	10	(581)	(1,470)
Net cash (outflow)/inflow from financing activities		(4,793)	(5,660)
Net (decrease)/increase in cash and cash equivalents		853	2,285
Cash and cash equivalents at 1 April 2024		47,015	44,730
Cash and cash equivalents at 31 March 2025		47,868	47,015

The notes on [pages 51 to 63](#) form part of these accounts.

Statement of changes in reserves for the year ended 31 March 2025

	Reserves* £000
At 1 April 2023	31,369
Changes in reserves 2024	
Surplus for 2024	12,990
Total comprehensive income for 2024	12,990
Balance at 1 April 2024	44,359
Changes in reserves 2025	
Surplus for 2025	14,345
Total comprehensive income for 2025	14,345
Balance at 31 March 2025	58,704

* The Government Financial Reporting Manual (FReM) requires the ‘Statement of changes in reserves’ to be called the ‘Statement of changes in taxpayers’ equity’. However, the Board, unlike most other non-departmental public bodies, receives no central Government grant-in-aid and no National Lottery funding and therefore it does not consider that the wording required by the FReM appropriately reflects the Board’s unique status.

The notes on [pages 51 to 63](#) form part of these accounts.

Notes to the accounts for the year to 31 March 2025

1. Basis of preparation

The accounts have been prepared on the going concern basis. The going concern assumption has been considered and assessed as valid for 2024/25. The Board has concluded that it has reasonable expectation that the Horserace Betting Levy Board will continue to operate and meet its liabilities as they fall due for the next twelve months from the date of approving the accounts.

The financial statements are principally prepared on the historical cost basis. Exceptions are noted within the accounting policies or accounting notes.

HBLB has chosen to prepare the financial statements in a form as directed by the Secretary of State for Culture, Media and Sport and meet the disclosure and measurement requirements, in so far as they are considered to be applicable to the Board, of the 2024/25 Government Financial Reporting Manual (FReM) issued by HM Treasury.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the

Board for the purposes of giving a true and fair view has been selected. The preparation of accounts in conformity with the FReM requires the use of estimation and assumptions that affect the reported amounts of assets and liabilities at the date of the accounts and the reported amounts of income and expense during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of the FReM that have a significant effect on the accounts and estimates with a significant risk of material adjustment in the next year are discussed below.

Betting, Gaming and Lotteries Act 1963

The statement of comprehensive income is in accordance with the provisions of the above Act (as amended). The Levy income receivable from bookmakers and betting exchange providers is governed by Section 27 of the above Act (as amended).

Specific applications of revenue relate to the following sections of Part 1 of the Act.

24(1)(a) and 25(2)(d)

Improvement of breeds of horses

24(1)(b) and 25(2)(d)

Advancement or encouragement of veterinary science or veterinary education

24(1)(c) and 25 (2)(d)

Improvement of horseracing

24(2)(a) and 24(6)

Administration

25(2)(c)

Charitable payments

25(2)(d)

Loans granted and investments made

Accounting developments

The Board did not implement the requirements of any Standards or Interpretations which were in issue and which were not required to be implemented at the year-end date.

2. Accounting policies

A summary of the Board's accounting policies that are material in the context of the accounts is set out below.

a) Revenue

Levy income

The Board recognises Levy income in accordance with IFRS 15 Revenue from Contracts with Customers as interpreted by the FReM.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration which the entity expects in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with customers
- Identify the performance obligations in the contract
- Determine the transaction price

- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when the entity satisfies a performance obligation

Under IFRS 15 as interpreted by the FReM, HBLB is therefore deemed to have contracts with bookmakers and betting exchange providers by virtue of the underlying legislation which requires HBLB to collect monetary contributions from bookmakers and betting exchange providers and to apply them for purposes conducive to any one or more of:

- The improvement of breeds of horses
- The advancement or encouragement of veterinary science or education
- The improvement of horseracing

Individual bookmakers and betting exchange providers do not receive a direct benefit as a consequence of payment of the Levy and neither do they influence directly how the Board allocates and spends Levy income. However, HBLB does recognise that the Levy indirectly benefits them by the Board's application of Levy funds in accordance with its three statutory objectives. This indirect link means that under IFRS 15 as interpreted by the FReM, HBLB is deemed to have a performance obligation to the bookmakers and betting exchange providers of collecting the statutory Levy

and applying the funds for the purposes set out in the underlying legislation.

This one performance obligation applies to all bookmakers and betting exchange providers who are required to make statutory Levy contributions and is settled over the course of the Levy year in a straight-line manner as HBLB performs this role.

Levy income is therefore recognised on a straight-line basis evenly throughout the year based on estimates provided by the bookmakers and betting exchange providers. The transaction price is confirmed at the end of the Levy year when bookmakers and betting exchange providers submit their annual Forms of Declaration (FOD) which confirm the amount of Levy due for the year. Any under or over collection during the course of the year results in either a top up payment being made by the bookmaker or betting exchange provider or a refund owing by HBLB to the bookmaker or betting exchange provider.

- Once the Form of Declaration has been submitted the bookmaker and betting exchange provider is given 28 days to settle any Levy liability that is due. There is not considered to be any material or significant financing component.

Levy income represents variable consideration under IFRS 15 as it is dependent on bookmakers' profits in the leviable period.

- *Interest receivable*
- Interest income represents interest receivable during the financial year on the financial assets held, cash deposits and loans to racecourses.

b) Improvement of horseracing and veterinary grants

Prize money

Prize money grants are payable in respect of the improvement of horseracing and cover a period of one calendar year, in alignment with the sport of Racing's calendar financial year. Thus, the prize money budget for 2025 is from January 1 to December 31. Payments are accounted for in the period to which they relate, with grant expenditure distributed on a weekly basis under the various prize money schemes, on the condition the eligible race has taken place or that the fixture itself is eligible in line with the agreed criteria.

Raceday Service Grants

As with prize money grants, Raceday Services Grants (RSG) – also payable in respect of the improvement of horseracing – cover a period of one calendar year, again in alignment with the sport of Racing's calendar financial year. Thus, the RSG budget for 2024 was set for January 1 to December 31, as it was in 2025. In keeping with prize money, payments are accounted for in the period to which they relate, with grant expenditure distributed on a

weekly basis, on the condition the fixture is eligible in line with the agreed criteria.

Grant expenditure

Grants payable in respect of the improvement of horseracing and advancements of veterinary science and education can cover a period of more than one year and in some cases the grants may relate to projects of up to four years in duration. The majority of grant expenditure is accounted for on an accrual basis to reflect the usage of grant funds on work carried out. In some instances, grants are payable upon commencement of the project and recognised at that point, for cashflow purposes relating to the grant funded entity.

c) Cash and cash equivalents

Cash and cash equivalents are cash in hand and deposits held with the bank.

d) Financial assets

In accordance with IFRS 9, each financial asset is classified at initial recognition or at the point of first adoption of IFRS 9. The classification of each financial asset is determined by the business model for the asset and whether the cash flows on the asset are solely payments of principal and interest.

Loans: These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the

provision of loans to racecourses. Under IFRS 9, loans are classified as financial assets at amortised cost when material. The business model for managing these financial assets is to hold the loans to collect contractual cash flows only and these cash flows are considered to be solely payments of principal and interest. Given the low value of the loans and that the intrinsic interest rate is immaterially different from the interest rate charged, the Board consider this approach to be a reasonable proxy for amortised cost. Transaction charges have not been included in the loan values as considered immaterial. Interest is charged to the Statement of Comprehensive Income as it is earned. The Board consider the expected credit loss to be immaterial.

Trade and other receivables: Trade and other receivables are classified as financial assets at amortised cost under IFRS 9. The business model for managing this financial asset is to hold the assets to collect contractual cash flows only and these cash flows are considered to be solely payment of principal and interest.

Fixed term and notice deposits: Fixed term deposits are held to maturity in bank accounts with a maturity date that is greater than three months. Notice deposits are held by HBLB with notice periods ranging from 32 days to 250 days. Under IFRS 9, these deposits are classified as financial assets at amortised cost.

Impairment of financial assets: The Board has considered the need for impairment but has not

recognised any due to the value of this being considered immaterial. The Board makes use of a provision matrix to calculate the lifetime ECL for each financial asset and takes into account factors such as past payment history, creditworthiness, security held and future economic conditions when assessing the value of the lifetime ECL. The provision matrix has not been disclosed as the value of expected credit losses is calculated as immaterial.

e) Financial liabilities

The Board primarily carries financial instruments in the form of concessionary loans from the SSP fund and the Racing Foundation initially recognised at the amount received, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. The measurement for these concessionary loans is at amortised cost.

f) Pension schemes

The Board operates a defined contribution pension scheme. The cost of the defined contribution scheme is charged to the Board's comprehensive net expenditure account in the year to which it relates.

g) Segmental reporting

The Board has determined that it operates in one material segment, which is to collect a statutory Levy from bookmakers and betting exchange providers who

offer bets on horseracing in Great Britain, which it then distributes for the improvement of horseracing and breeds of horses and for the advancement of veterinary science and education. The Board therefore operates within one geographical segment, Great Britain. The Board has one significant source of income being statutory contributions from bookmakers and betting exchange providers, and the segmental reporting reflects the Board's management and internal reporting structure.

(h) Financial Commitments

The Board reviewed its accounting policies in respect to the disclosure of grants payable. It was determined that in accordance with FReM guidance, there is no requirement to disclose financial commitments related to the grants payable for the advancement of veterinary science and education on the basis that these grants can be terminated as set out in HBLB's contractual terms and conditions. The amounts relating to the prior year have now been restated to nil value in accordance with IAS 8.

(i) International Financial Reporting Standards (IFRS) not yet effective

IFRS 17 Insurance Contracts is currently applicable for reporting periods beginning from 1 January 2023. The standard is being applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2025 (with limited options for early adoptions). An

assessment carried out by management has concluded that the standard is not relevant to HBLB.

(j) Financial Guarantees

In accordance with IAS 9, financial guarantees have been disclosed following the assessment of the HBLB agreements with the British Horseracing Authority and the Great British Bonus scheme (see note 13 for further information). HBLB recognises the expected credit loss (ECL) on the balance sheet when determined to be material.

3. Key sources of estimation uncertainty

In the application of the Board's accounting policies, which are described in note 2, the Members and the Accounting Officer are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key source of estimation uncertainty at the end of the reporting period, which has a risk of material adjustment to the carrying amounts of assets and liabilities, is in relation to the estimate of amounts due from/to bookmakers in respect of Levy income. At the start of the Levy year, bookmakers estimate their gross profits on British horseracing for the coming year. This

estimate forms the basis of their Notice of Determination, which is a formal document that sets out a bookmaker's expected Levy payable for the year and they pay this balance in instalments over the course of the coming Levy year. A bookmaker can request a revision to the Notice of Determination during the year by informing the Levy Board in writing and explaining why their initial estimate is no longer accurate. If this is accepted by the Levy Board, a revised Notice of Determination is generated. At the end of the Levy year, bookmakers are requested to complete an online Form of Declaration (FOD). This requests bookmakers to include their actual gross profit on British horseracing during the year. Based on this declaration and the amounts paid in advance, a final Levy balance is calculated. Depending on whether a bookmaker's actual gross profits are less or more than the payments in advance, a refund is due or a balancing payment is required. Forms of Declaration for bookmakers with gross profits on British Horseracing in excess of £250,000 are required to be accompanied by an independent accountant's certificate after completing certain agreed upon procedures. Once the signed FOD and independent accountant's certificate have been received and accepted by the Levy Board, the individual bookmaker's Levy is finalised and a Certificate of Discharge is issued to the bookmaker.

The Levy income is derived from the actual Forms of Declaration received from bookmakers by the date of approval of these annual accounts. In cases where final

declarations are not submitted, management must make an estimate in respect of the Levy income. In forming this estimate, management considers factors such as payments made on account to date, previous years' FOD submissions, submissions from other bookmakers of a similar size and profile and its own knowledge of the betting and racing industry.

4. Expenditure costs

4a. Improvement of horseracing

	2025 £000	2024 £000
Prize Money		
Prize money – main fund	55,243	56,261
Prize money for divided races	1,303	1,029
NH Elite Mares' Scheme	137	156
Appearance Money scheme	688	670
Great British Bonus Scheme	3,332	3,337
Sports Survival Package Prize Money	-	83
Programme Protection Payments	926	-
Incremental Prize Money	4,050	3,984
Winter Jump Fund	1,330	1,359
	67,009	66,879
Raceday Service Grants		
Raceday Service Grants	19,424	18,624
	19,424	18,624
Improvement of horseracing – Grant expenditure		
Industry Recruitment, Training and Retention	4,074	3,045
Point-to-Point steeple chases	401	305

	2025	2024
	£000	£000
Brexit Steering Group	-	4
Great British Racing: National Campaign	190	-
Great British Racing: Welfare Communications	574	351
Betting Industry Partnership*	-	125
Retraining of Racehorses	222	172
Racing to School & Racing Together	466	421
Horse Welfare Board including projects	126	336
Project Pace	115	-
Project Beacon	242	-
Great British Bonus Scheme administration	240	250
Rare Breeds Survival Trust	64	12
Thoroughbred Horseracing Industries MBA	(7)	10
Champions Full Gallop Season 1	686	-
Great British Racing: Simplified Racecards	107	-
Syndicate & Club Licensing Grant	25	-
Racing Welfare	325	163
Miscellaneous	2	2
	7,852	5,196
	94,285	90,699

*Betting Industry Partnership expenditure within Other Administrative Expenditure for 2024/25.

4b. Other Expenditure

	2025 £000	2024 £000
Veterinary expenditure		
Advancement of veterinary science and education	922	1,823
Breed societies	190	182
Other Administrative expenditure		
Administration costs	2,221	2,253
Betting industry partnership	123	-
Regulatory review	250	-
Auditors' remuneration – no charge for non-audit services		
– External audit	60	58
– Internal audit and other services	29	24
	3,795	4,340

4c. Staff costs – Included within Administration costs

	2025 £000	2024 £000
Payroll staff salaries	1,211	1,152
Social security	126	138
Pension costs	209	163
Other staff costs	92	97
	1,638	1,550

More information on Staff costs can be found within the Accountability report on [page 26](#).

5. Trade and other receivables

	2025 £000	2024 £000
Trade and other receivables	17	538
Amounts due from bookmakers in respect of Levy income	14,045	9,955
Prepayments and accrued income	495	63
	14,557	10,556

All the above amounts are due within one year.

6. Financial instruments

The Board is exposed through its operations to one or more of the following financial risks.

Market risk

The principal market risk associated with the Board's activities is the risk that changes in interest rates will affect the Board's income or the value of its assets. However, the risk is considered low as at the year-end as all of the Board's reserves were held in instant access accounts and notice deposit accounts, the majority with a fixed interest rate and all with a call period less than 250 days.

Liquidity risk

Liquidity risk is the risk that the Board fails to meet its financial obligations as and when they fall due. The management of operational liquidity risk aims primarily to ensure that the Board always has sufficient liquidity

to meet its short-term working capital requirements. Medium-term and long-term cash requirements are managed having regard to the Board's forecast operating cash flows.

Credit risk

The Board grants loans to racecourses, usually repayable over four to ten years. All loan applications are considered in detail by the Investment Committee, in order to assess the creditworthiness of the applicant racecourse, and any loans greater than £200,000 are secured by legal charges against the borrower and undergo independent financial analysis prior to approval. Building projects may also be independently assessed by an HBLB appointed qualified advisor.

The credit risk associated with the risk of default by a bookmaker failing to meet the obligations under the Levy Regulations is not considered material, and this is evidenced by the fact that losses with regard to these trade receivables are historically low.

On 30 July 2007 the Board entered into an agreement with the British Horseracing Authority (BHA), the Jockey Club and Trustees of the Jockey Club Pension Fund and Life Assurance Scheme, now known as the BHA Pension Scheme (the 'Scheme'), to guarantee the payment by the BHA of certain contributions to the Scheme.

7. Fixed term deposits

Financial assets comprise of notice term cash deposits. All of these cash deposits are held in interest bearing bank accounts with notice required of no more than twelve months. The effect of the time value of money is not considered material and so these balances have not been amortised and are shown at present value.

	2025 £000	2024 £000
Balance at 1 April 2024	26,433	25,235
Net change in financial assets	3,389	1,198
Balance at 31 March 2025	29,822	26,433

8a. Cash and cash equivalents: Movement in the year

	2025 £000	2024 £000
Balance at 1 April 2024	47,015	44,730
Net change in cash and cash equivalent balances	853	2,285
Balance at 31 March 2025	47,868	47,015

8b. Cash and cash equivalents

	2025 £000	2024 £000
The following balances at 31 March were held at:		
Commercial banks and cash in hand	47,868	47,015
	47,868	47,015

9. Current liabilities: Trade and other payables

	2025 £000	2024 £000
Capital credit grants	5,506	9,154
Accruals	4,535	3,844
Amounts due to bookmakers in respect of Levy income	3,560	1,104
Trade and other creditors	852	686
Social Security	42	49
	14,495	14,837

Capital credit grants comprise grant payments to racecourses that are allocated for future capital projects but have not been drawn down by the racecourse as at 31 March 2025. Under the scheme, racecourses may waive all or part of their racing fixture-related grant payments from the Board. These sums can then be drawn down at future periods by the racecourse at the Board's discretion for repayments of Board loans or as a capital credit grant towards specified capital projects.

10a. Financial Liabilities

	2025 £000	2024 £000
Unsecured:		
Long term borrowings	20,089	24,163
Total loans at historic cost	20,089	24,163
Interest accrued	581	719
Total loans at net present value	20,670	24,882

	2025 £000	2024 £000
Loans included above due within one year	4,680	4,242
Loans due in more than one year	15,990	20,640
	20,670	24,882

10b. Loans: Movement in the year

	2025 £000	2024 £000
Balance at 1 April	24,882	29,823
Loan payments received	0	0
Interest accrued	581	719
Loans repaid	(4,793)	(5,660)
Balance at 31 March	20,670	24,882

In July 2021, HBLB borrowed £21.5m from the UK Government's Sport Survival Package (SSP) to support British racing in its recovery from the pandemic and provide immediate confidence to the sport's investors. The loan is on a ten-year term with interest charged at 2% per annum and repayments required at six-monthly intervals after an initial two-year payment holiday.

In February 2023, HBLB borrowed £7.5m from The Racing Foundation to support Racing's Weighing Room modernisation project. The loan was on a five-year term with interest charged at 4% per annum and repayments required at annual intervals from February 2024. The outstanding balance of the loan was repaid in June 2025.

11. Related parties

The Horserace Betting Levy Board is a Non-Departmental Public Body operating in accordance with the provisions of the Betting, Gaming and Lotteries Act 1963 (as amended). The Department for Culture, Media and Sport (DCMS) is the Board's controlling Government Department and is therefore a related party.

During the year the Board had the following transactions in which there was a related interest:

- The Horserace Betting Levy Board recognised expenditure of £1,970,454 (2023/24: £665,409) to the British Horseracing Authority (BHA) for a variety of different services rendered and grant funding during the year. Of the total expenditure, £1,486,147 was paid during the year and £484,307 remained outstanding and was accrued at the year end. The outstanding balance was included within Trade and Other Payables at 31 March 2025. The BHA is a related party by virtue of Julie Harrington its Chief Executive, and then Richard Wayman, its Racing Director, being a Board member of HBLB.
- The Horserace Betting Levy Board recognised expenditure of £380,389 (2023/24: £330,024) to the Thoroughbred Breeders Association (TBA) for grant payments towards the TBA Education and Employment programme and administration of the Great British Bonus Scheme (GBB). Of the total expenditure, £333,446 was paid during the

year and £46,973 remained outstanding and was accrued at the year end. The outstanding balance was included within Trade and Other Payables at 31 March 2025. The TBA is a related party by virtue of Julian Richmond-Watson being a Board member of HBLB and president of the TBA, and also by Richard Wayman being a member of the GBB Management Group.

- The Horserace Betting Levy Board recognised expenditure of £3,540,000 (2023/24: £3,328,750) to the Great British Bonus Scheme (GBB) for grant payments towards the GBB and NH MOPS prize money schemes. Of the total expenditure, £3,020,000 was paid during the year and £520,000 remained outstanding and was accrued at the year end. The outstanding balance was included within Trade and Other Payables at 31 March 2025. GBB is a related party by virtue of Julian Richmond-Watson being a Board member of HBLB and president of the TBA, and also by Richard Wayman being a member of the GBB Management Group.
- The Horserace Betting Levy Board recognised expenditure of £396,413 to Great British Racing Limited (GBR) for a variety of different grant funded projects during the year. Of the total expenditure, £244,858 was paid during the year and £151,555 remained outstanding and was accrued at the year end. The outstanding balance was included within Trade and Other Payables at 31 March 2025. GBR

is a related party by virtue of David Armstrong being a Board member of HBLB and Alternate Director of GBR.

- The Horserace Betting Levy Board recognised expenditure of £115,000 to Thoroughbred Group Limited for the Project Pace programme during the year. The full amount of £115,000 remained outstanding and was accrued at the year end. The outstanding balance was included within Trade and Other Payables at 31 March 2025. Thoroughbred Group Limited is a related party by virtue of Julian Richmond-Watson being a Board member of HBLB and Independent Chair of Thoroughbred Group Limited.

The Horserace Betting Levy Board had an outstanding loan balance owing of £16.140m under the Government's Sport Survival Package. The issuer of the loan is Sport England, a related party by virtue of being a fellow arm's length body of the Department for Culture, Media and Sport.

As per section 28(10) of the Betting, Gaming and Lotteries Act 1963 (as amended), no details of the financial transactions between the Board and any bookmaker can be disclosed. During the year there were no related party transactions between the Board and any bookmakers.

During the year, none of the key management staff, or other related parties, have undertaken any material

transactions with the Horserace Betting Levy Board. Compensation for members of key management staff have been disclosed in the Remuneration and Staff Report.

12. Financial Guarantees

- The Financial Guarantee note has been disclosed in 2024/25 and represents a prior period adjustment. HBLB management undertook an assessment of the contingent liabilities disclosed in 2023/24 in preparation for the accounting standard, IFRS 17 – Insurance Contracts, which has been issued but is not yet effective. It identified that the agreements with the British Horseracing Authority pension scheme and the Great British Bonus scheme should be classified as Financial Guarantees rather than Contingent Liabilities, in line with the FReM. Although the likelihood and impact of triggering guarantee is calculated as immaterial HBLB has elected to include the following detail for each of the two schemes:

British Horseracing Authority Pension Scheme

On 30 July 2007 the Board entered into an agreement with the British Horseracing Authority (BHA), the Jockey Club and Trustees of the Jockey Club Pension Fund and Life Assurance Scheme, now known as the BHA Pension Scheme (the ‘Scheme’), to guarantee the payment by the BHA of certain contributions to the Scheme. The 2007

agreement was subsequently amended in 2009, 2012, 2016 and 2021.

HBLB was approached by the Trustees of the scheme during 2020/21 to consider an extension to the wind-up guarantee. This was subsequently agreed by the Board with the necessary approvals from DCMS and HM Treasury subsequently received.

In accordance with IFRS 9, HBLB has a financial guarantee to cover the liability BHA may incur to the trustees under Section 75 of the Pensions Act 1995 on a winding-up of the Scheme triggered during the period up to and including 31 December 2032, capped at a maximum of £30.3 million.

This amount would be payable, in five equal annual instalments, only in the event that the Scheme is wound up by the trustees as a result of:

- (i) BHA entering into liquidation or being dissolved without being replaced by a new Principal Employer;
- (ii) the trustees resolving to wind up the Scheme upon receiving notice from BHA terminating its contributions to the Scheme; or
- (iii) upon notice from BHA of its intention to terminate its participation in the Scheme unless a new Principal Employer is substituted.

Great British Bonus Scheme

The Great British Bonus Scheme (GBB) is a prize money scheme designed to support the GB breeding and racing industries through enhanced prizemoney to qualifying GB bred horses. It is a whole industry scheme that is administered by the Thoroughbred Breeders' Association (TBA).

The TBA administers registrations to the scheme and markets and supports the scheme operationally. The TBA sits on the GBB Management Group, along with members of the British Horseracing Authority (BHA) and the Racehorse Owners Association (ROA). Representatives of the Board and Weatherbys also sit on the Group as observers.

The vast majority of funding for GBB prizemoney comes from the Board. The GBB Management Group proposes any changes to the structure and rules of the scheme, but ultimately the Board of HBLB has control over the funding of the scheme.

In accordance with IFRS 9, HBLB has a financial guarantee, in the unlikely event of GBB scheme closure, to repay the balance of unused registrations until the point the scheme has built sufficient reserves to cover the closure liability itself.

The value of paid registrations that had not had an opportunity to utilise the scheme at 31 March 2025 amounted to £1,814,775. GBB's available reserves

reduce this liability by £120,000, leaving the Board to recognise the remaining £1,694,775 as a financial guarantee.

14. Events after the Reporting Period

These accounts were authorised for issue by the Accounting Officer on the date shown on the audit certificate.

There are no events after the reporting period to note.

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