Chairman’s Statement

This has been a most rewarding year, one to make all of us – within the Club and throughout our diverse and remarkable community – exceptionally proud.

Efforts to convince the Government that the betting duty system needed to be modernised met with success. Hong Kong owned and trained horses moved onto the centre of the world stage, and record-setting prices were paid for tomorrow’s equine heroes at the annual Hong Kong International Sale. Our newest racecourse facilities are the most advanced in the world of racing. Our regulated football betting operations, in their first full year, helped us sustain our level of annual donations to charity at approximately HK$1 billion. The Club received its first “Partner in Charity” award from The Community Chest of Hong Kong in recognition of the many working partnerships it has formed across the community. Our staff all proudly contributed to and helped raise, within days, a total of HK$53 million from Club Members, customers and the general public in aid of the South Asian tsunami relief effort.

We have started off the new reporting year in no less spectacular a fashion. In July, Hong Kong was selected as the location of the equestrian programme of the Beijing 2008 Olympic Games, with the Club to serve as the venue provider for the Jumping, Dressage and Eventing competitions. One should stress that funding for these projects will be provided directly by the Club and not the Charities Trust, and will not affect whatsoever our charity activities and donations. On behalf of the Board, I must acknowledge here the support of the Beijing Organising Committee for the Games of the XXIX Olympiad (BOCOG); Chinese Olympic Committee; Sports Federation and Olympic Committee of Hong Kong, China; Hong Kong Sports Institute; Hong Kong Golf Club; Hong Kong Equestrian Federation and Riding for the Disabled Association of Hong Kong, perhaps the most important, our athletes and sporting community. It is an honour to co-operate with these organisations on a project of such historic import and deserved national pride.

I would also like to underscore this project’s legacy value to the community. It is estimated that the infrastructure created for the events will not only retain some 75% of its investment value, a more than satisfactory return, but will bring major benefits to some of the most important members of our society. For instance, Penfold Park at Sha Tin will eventually become an interactive equine park with a special venue for future local and international equestrian events and disabled riders.

Regulated football betting operations have been a significant boon to the community and the Club, in this first full year adding HK$26.73 billion to Club turnover and HK$2.03 billion in betting duty to the Hong Kong Government and, not least, contributing an allocation of HK$450 million to the Charities Trust.

Regulated football betting has also improved the bottom line in our accounts, by introducing economies of scale and sharing some of the common running costs with horse racing operations. Looked at independently, however, racing turnover and profitability have in fact continued their long decline. Racing turnover has fallen some 32% since 1996/1997, from HK$92.35 billion to HK$62.66 billion this past year.

We were therefore very pleased when the Government and the Club agreed in May 2005 on a proposal to modernise the horse race betting duty system, which if enacted will enable the Club to combat illegal and offshore bookmaking. Consultations with the Legislative Council began shortly thereafter.

The agreed proposal essentially provides that: horse race betting duty be imposed on net stake receipts, or gross margins, rather than on turnover, with duty on authorised overseas bets changed accordingly; we be given greater flexibility in setting take-out rates for different bet types in order to make our betting products price competitive; and the racing season be extended by five night race
meetings in order to reduce the flow of betting turnover to illegal and offshore bookmakers during the summer break. We believe that these measures, taken together, will enable us to progressively capture some of the illegal betting market whose estimated current value is between HK$50 billion and HK$60 billion.

A Bill to amend the law is necessary and is to be introduced later this year. While passage is not a foregone conclusion, we are encouraged and are hopeful that our Honourable Legislators will consider the proposed reforms favourably in light of all that it represents for the future good of the community. Indeed, if no action were to be taken, Government’s racing duty revenue – which our proposal guarantees will be at least HK$8 billion, for the first four years following legislation – could be expected to decline by a further 27% by 2007/2008, from HK$8.35 billion in 2004/2005 to HK$6.13 billion. That would be just half of the HK$12.26 billion racing betting duty collected by Government in 1996/1997. It remains abundantly clear that, as we said in last year’s annual report, standing still is not an option.

At the same time, we must and do continue to invest, with conviction and vision, in the future of racing. Our new Parade Ring, with the world’s first retractable roof, and Owners Pavilion at Sha Tin Racecourse have set the new global standard.

The quality of racing ultimately depends on the quality of our locally owned and trained thoroughbreds, and here we have continued to lead the field. A record price – HK$6 million for a bay gelding – was reached at the 2004 Hong Kong International Sale, with the average price of the 19 horses sold reaching approximately HK$2.26 million versus the previous year’s HK$1.66 million.

It has been a truly remarkable year for Hong Kong horses and racing. In April 2005, Silent Witness, the world’s top ranked turf sprinter, landed his 17th straight win from 17 starts, in the Queen’s Silver Jubilee Cup, breaking the North American record for consecutive wins held jointly by Cigar and Citation. Then, in June, Cape Of Good Hope achieved the latest milestone for Hong Kong racing with his victory over 14 rivals in the Group One Golden Jubilee Stakes at Royal Ascot, smashing the 1,200 metre track record and becoming the first horse trained in Hong Kong to win an international Group One on English soil.

The Asian Mile Challenge conceived jointly by the Club and the Japan Racing Association with the first leg, the Champions Mile, held in Hong Kong and the second leg, the Yasuda Kinen held in Tokyo, opens Hong Kong racing to further international competition and raises the level of racing throughout the Asian Racing Federation and beyond.

I should like to say a word here about David Hayes. We are sorry to see a trainer of his calibre leave Hong Kong, albeit to return home with his family to Australia. A two-time winner of the Champion Trainer of the Year title, David has been one of Hong Kong racing’s most effective ambassadors. In ten stellar years at Sha Tin he has not only turned out 458 winners; he has trained up a generation of young apprentices and trainers.

Our racing-for-charity model was given added lustre in May 2005 with the debut of a new annual race meeting, the Hong Kong Community Day, which celebrates the Club’s partnership with the Government, NGOs and other community organisations and features The Hong Kong Jockey Club Community Trophy. The 150-year old trophy itself is an elegant silver claret ewer first presented at Happy Valley in 1852 at the Wongneichung Stakes which then ended up in South America where it lay hidden for more than a century until it was discovered and then acquired by a Hong Kong
CHAIRMAN’S STATEMENT 主席報告

collector, Mr Tobias Brown. He has generously donated the trophy to the Club in recognition of our contribution to the community.

Other popular sports benefit directly from horse racing and football betting. In view of the growing demand for golf facilities, The Hong Kong Jockey Club Charities Trust will fund development of a third, 18-hole public golf course at Kau Sai Chau. The Trust will contribute HK$134 million towards the estimated HK$250 million cost of constructing the course with the balance to be funded by accumulated cash flow from Kau Sai Chau operations. The Club funded development of the two existing courses at Kau Sai Chau, which opened in 1995. When this third course is available to the public in 2008, it will channel income into a new sports fund to be established for the training of golf players and related vocational training including coaching and greens and clubhouse management. Expertise in golf course management will be in increasing demand as the sport’s popularity spreads across the Mainland.

The Trust has donated HK$103 million to the Hong Kong Football Association (HKFA) to establish the HKFA Football Academy on the Tseung Kwan O landfill site. The Academy, with high-quality pitches and other facilities, will serve as the major football training ground and will provide training for youth and national squads at elite level. The Academy will also be used for competitions organised by HKFA division clubs and by the public.

Despite the challenges we continue to face, I am pleased that the Club remains determined to help our community cope with its most pressing needs and determine to maintain its present level of commitment to charity. While we place a priority on supporting the most vulnerable and disadvantaged groups, we are also investing substantially in projects that can nurture our young people, instil civic pride and equip them for the challenges that lie ahead, with a view to helping create a more caring, responsible society. This year, we have allocated HK$1.31 billion to the Charities Trust and the Trust has donated HK$1.02 billion to over 100 charities and community projects.

During the year we were pleased to welcome Mr Victor Hui Chun Fui, who is a leader in the sporting community, to the Board of Stewards. It was with regret that we received the resignation of Mr Rafael Hui Si Yan, who was elected to the Board in 2002 and has been a Member since 1978 and a Voting Member since 1990. While we shall miss the immensely valuable and sage advice he provided during a very challenging period for the Club, we know the community will be much the richer for his extensive experience as he assumes his most important new public role as Chief Secretary for Administration of the Hong Kong SAR Government, and we wish him every success.

In closing, I warmly thank our staff for their dedication to the Club’s collective goals as well as to their individual responsibilities in better and worse times. I am delighted that as Hong Kong gradually recovers its economic momentum the Club is in a position to reward them for their hard work and past sacrifices. Indeed, our staff have played no small role in that recovery. My thanks and gratitude also go to my fellow Stewards, Voting Members, Members, and management for their steady guidance and support of our Club’s mission.

Ronald Arculli Chairman
18th July 2005
回顧去年，無論是馬會的一分子，又或是作為本港社會的一員，我們均因為可以從低迷中走出，並能渡過成果豐穫的一載，而感到振奮和驕傲。

概

括來說，過去一年有不少令我們引以為傲的成績。我們籌措努力建議政府，把已過半的博彩稅制改為更現代化，終於見到成效。在世界馬場中，香港購入及在港訓練的良駒，已備受注目，於去年香港國際馬匹拍賣會中更有九匹，以破紀錄拍賣價成交。我們在季內開始啟用的嶄新的馬場設施，可謂是世界之最。規範化足球博彩業務在全面營運一年後，有助我們每年的慈善撥款可以維持在近十億港元的水平。馬會首次獲得香港公益金頒發「公益慈善夥伴大奬」，以表揚我們在慈善事務方面，與社會上不同群體建立緊密的合作關係。最令人欣慰的，是馬會的員工，在南亞海嘯的籌款善舉中，不但自己慷慨解囊，而且更在短短的日子裏，從會員、顧客及公眾人士方面籌集了五百三千萬港元，賑濟南亞災區。

當令全港市民均感榮耀的是今年七月，香港被選為二○○八年北京奧運馬術項目的舉辦場地。馬會將為三項賽事包括障礙賽、盛裝舞步及馬術三項賽提供場地設施，資助此項目的項款由馬會支付，並非由馬會慈善信託基金撥出，因此並不會影響我們在慈善方面的撥款。我在此謹代表馬會董事局，感謝各方面給予的支持，包括北京第二十九屆奧林匹克運動會組織委員會、中國奧林匹克委員會、中國香港體育會暨奧林匹克委員會、香港體育學院、香港高爾夫球會、香港馬術總會及傷健策籌協會，尤向本港的運動員和運動界同寅致以衷心謝意。馬會能夠與上述各個夥伴在此項目上攜手合作，共創盛舉，為國爭光，實在與有榮焉。

我特別指出，這個項目將為本港社會遺留下來的重要價值。有估計，這個項目的基建部分，在舉辦馬術賽事後，如有價值百分之七十五的投資得以繼續保留使用，這個高於理想回報的項目，更可為香港市民帶來裨益。

舉例說，沙田彭福公園將可發展為一個互動的馬術公園，更能成為日後本港舉辦本地及國際馬術活動，以至傷健人士策騎的特別場地。

規範化足球博彩對馬會以至整體社會都非常重要，而且貢獻良多。在首個全年營運的財政年度，足球博彩為馬會帶來二百六十七億三千萬港元的投注額，向政府繳納二十億三千萬港元的博彩稅，並將四億五千萬港元撥予香港賽馬會慈善信託基金。

規範化足球博彩提升了成本效益，令經營成本下降，同時亦分擔了部分營運賽馬事務的成本，因而令我們的整體利潤增加。不過，單就賽馬而言，投注額及利潤均持續下跌，賽馬投注額由一九九六／一九九七年的一百二十五億三億五千萬港元，下跌至今年的一百二十二億六千萬港元。利潤由一百五十億港元上升至二百二十五億港元，賺取利潤百分之一二十二。

因此，我們對政府能與本會在二○○五年五月就如何將賽馬博彩稅制度現代化達成協議，感到十分欣慰。此建議將有助馬會打擊非法及離岸莊家，有關諮詢立法會的工作亦隨即展開。

此建議主要包括：賽馬徵納稅款部分，將以毛利微稅代替博彩稅；獲授權之海外投注的徵稅方式隨之而有所改變；在不同賽馬產品中可以有彈性抽取不同的百分比，能令我們更具競爭力；增加五次夜賽可以減少在暑假時投注額轉向非法及離岸莊家。我們相信這些措施若可以一併實施，馬會將能從中從有五百至六百億港元的非法賭博市場中逐步取回部分投注額。

政府於今年稍後時間提出有關的條例草案，修訂現行法例。我們期望各位立法會議員為本港未來的福祉，能夠給予支持。事實上，馬會現時提出的方案，在法例通過後的首四個月，每年均包底納稅八十億港元。相反，假如我們再不採取任何行動，政府從賽馬所得的博彩稅，預計將會由二○○四年／二○○五年度的八十三億五千萬港元，下跌至二○○七年／二○○八年度的大約六十一億三千萬港元，跌幅為百分之二十七，亦即一九九六年／一九九七年一百二十二億六千萬港元賽馬博彩稅的一半。有見於此，我們必須尋求突破，永遠不能停步。

與此同時，我們繼續堅守信念，投資發展更高水準的賽馬娛樂事業。沙田馬場的全新馬匹亮相，是全球唯一設有活動天幕的馬匹亮相，配套設備完善，包括馬主專用的「賞駿台」，為國際馬壇訂立新的服務指標，提供更優越的賽馬娛樂服務。

歸根究底，要提升賽馬水平，高質素的賽駒是重要元素。在這方面我們亦一直視同舉例。在二○○四年香港國際馬匹拍賣會中，一匹棗色稱馬的成交價高達六百萬港元，創下歷來最高紀錄。十二匹拍賣馬全數售出，平均成交價為二百二十六萬港元，遠高於前屆的二百六十六萬港元。

回顧過去一年，本地馬壇及賽駒的成績卓異，戰績輝煌。二○○五年四月，世界排名最高的草地短途馬「精英
大師」，在九皇銀禧紀念盃以雷霆萬鈞之勢，奪得連勝第十七次勝利，打破美國馬王「雪茄」及Citation創下的十六連枷紀錄。繼而在六月，香港短途佳駒「好望角」在英國約克馬場，擊敗十四匹參與競逐的賽駒，勇奪一級賽金禧錦標，同時打破千二百米場地時間紀錄，成為首匹在英國勝出國際一級賽的香港馬，為香港馬壇創歷史。

馬會及日本中央競馬會攜手，合辦亞洲一哩挑戰賽，將本地賽事開放予亞洲賽馬聯盟及其他海外馬匹參與角逐，把賽事提升至最高水平。該挑戰賽設兩站賽事，分別為香港冠軍一哩賽及在東京競馬場上演的安田紀念賽。

我想在這裏談談練馬師大衛希斯。這位才華洋溢的練馬師在去季結束後告別香港馬壇，重返澳洲，我們實在感到非常可惜。在港從練十年的大衛希斯，曾兩度榮獲香港冠軍練馬師，是香港馬壇最具代表性的人物之一，期間共勝出四百五十場頭馬，同時亦培訓出新一代的見習騎師及練馬師。

二〇〇五年五月舉行的首個一年一度「香港賽馬會社群日」，彰顯馬會「賽馬惠社區」的經營模式。當日的重點賽事為「香港賽馬會社群盃」，勝出者獲頒一座極具歷史意義的純銀酒壺獎盃。這座獎盃曾在一百五十年前的「黃泥涌錦標」春季賽事中頒發給冠軍馬匹，百多年來輾轉流徙至南美。其後，來自香港的銀器收藏家雷伯先生，在拍賣會上買下這座獎盃，並將獎盃捐贈予馬會，以表揚馬會對社會的貢獻。

一些深受公眾歡迎的體育項目，也直接受惠於賽馬及足球博彩。有見社會對高爾夫球這項運動的設施需求殷殷，香港賽馬會慈善信託基金即決定，撥款資助興建濱西洲第三個十八洞公眾高爾夫球場。高爾夫球場的總建築費用約為二億五千元港元，信託基金將撥款一億三千四百萬港元，資助其部分的建築費用，餘額則由賽馬會資助興建。於九九五年開幕後，將利用本身資金成立一個體育基金，培訓高爾夫球運動員及相關的職業訓練，包括教練、草地保養及會所管理等。

馬會慈善信託基金撥款一億三百萬港元予香港足球總會，於將軍澳區興建一所足球訓練中心。該中心設備完善，包括高質量的足球場地及其他配套設施，將成為香港的主要足球訓練基地，為青年人及香港代表隊球員提供精英培訓，同時亦為香港足球總會及其轄下各分支會及公眾，提供比賽場地，進行不同規模的足球比賽。

僅管面對重重挑戰，我們仍然堅守承諾，竭盡全力，幫助社會解決燃眉之急，致力維持對社會的承擔。我們將繼續優先幫助社會上的弱勢社群，同時亦注重投資培養青少年的項目，強化公民意識，協助他們裝備自己，迎接挑戰，共同建造一個充滿關懷及具責任感的社會。在二〇〇四年五月度，我們撥款十三億一千萬港元予慈善信託基金。慈善信託基金於二〇〇四年五月度共撥款十億二千萬港元，資助超過一百項社區及慈善計劃。

在這一年內，我們一方面歡迎體育界翹楚許仕杰先生出任董事，另一方面又對許仁明先生的請辭表示遺憾。許仕仁先生在九七年成為本會會長，一九九九九年出任選舉會長，而於二〇〇二年出任董事。許先生在任期間為本會呈現很多真知卓見，我們相信他豐富的閱歷、出任政務司司長一職必定為香港帶來更大福祉。在此，謹誌許仕仁先生事事順景、馬到功成。

最後，我謹代表董事局感謝全體員工，無論在順景逆境，均上下一心、團結一致、緊守崗位，面對挑戰。今年香港經濟復甦，本會能夠獎勵努力不懈的員工，我亦甚感欣慰，因為本會員工是推動本港經濟的一股重要動力。我亦要衷心感激各位董事、選舉會員、會員和管理層，多謝他們堅定不移地支持馬會的業務發展。

主席 夏佳理
二〇〇五年七月十八日