

LICENCE TO MANAGE SYNDICATES AND RACING CLUBS: FREQUENTLY ASKED QUESTIONS

INTRODUCTION

1. What is the purpose of this Licence?

With the number of people involved in setting up and operating Syndicates and Racing Clubs growing, the risks associated with shared ownership have inevitably increased.

While several initiatives have been previously launched to strengthen the current regulation of Syndicates and Racing Clubs a licence to manage Syndicates and Racing Clubs is being introduced to better allow the BHA to:

- Proactively regulate a key area of growth to manage the potential risk of a loss of confidence in shared ownership;
- Asses the competence and capability of any person wishing to act as a Syndicator or Club manager; and.
- Better communicate the necessary requirements and expectations of a Syndicator/Club Manager.

The licence does not seek to stipulate how any Syndicate or Racing Club should be run, save that the Syndicator/Club Manager must meet the requirements of the licence. The licence does not seek to interfere with the commercial business of any Syndicate or Racing Club and is only looking to ensure that the minimum standards expected by the BHA are clear, understood and met by anyone with financial responsibility for a Syndicate or Racing Club.

2. Where can I find more information about the licence to manage Syndicates and Racing Clubs?

More information on the licence can be found on the BHA website [here](#). In addition, the guidance notes which accompany the application can be found here and contain more detailed information on the application process and what the BHA requires.

3. Who should I contact if I have any questions about the licence?

If any participant has a question about the licence, they should contact the BHA via ownership@britishhorseracing.com.

GENERAL POINTS

4. How do I know if I'm required to apply for a licence?

Any person or corporate body wishing to act as a Syndicator or Club Manager will need to ensure they are licensed. For the avoidance of doubt, the definitions of both are provided below:

- **SYNDICATOR:** Any person or corporate body, who has ultimate responsibility for the finances, promotion and/or management of a Syndicate.
- **RACING CLUB MANAGER:** Any person or corporate body, who has ultimate responsibility for the finances, promotion and/or management of a Racing Club.

5. I'm a licensed Trainer in Britain, do I need a licence to manage a Syndicate or Racing Club?

Irrespective of whether you are a currently licenced trainer, if you meet the definition of a Syndicator or Club Manager above, you will need a licence to manage a Syndicate or Racing Club.

It should be noted however, that the application form has been amended for licensed trainers to ensure that the same information provided as part of their licence to train application is not duplicated.

6. What is a Syndicate? What is a Racing Club?

For the purpose of the licence, the definitions of both a Syndicate and a Racing Club are provided below:

- **SYNDICATE:** A form of shared ownership where the Members own, or lease, an interest in racehorses and the Syndicator receives remuneration for their role *and/or* the method of attracting participation in the entity includes invitations to the public.
- **RACING CLUB:** An entertainment associated with racehorses, where the Members acquire no ownership rights to, or lease an interest in, any racehorses but may acquire certain benefits such as the sharing of prize money.

PLEASE NOTE: The above definitions should be used when considering if a licence is required. The *current* definition of a Syndicate is slightly broader, but is set to be replaced with the above upon the launch of the [new Racing Digital system](#) and ahead of the licence to manage a Syndicate or Racing Club becoming mandatory.

7. What should I do if my ownership is currently registered as a Syndicate or Racing Club, but doesn't meet the definition above?

If your ownership is registered as a Syndicate and you think it would be better registered as a Partnership (a form of shared ownership primarily aimed at family and friends who come together to own or lease racehorses, and where no public offer is made and no one receives remuneration for managing the entity), your ownership can be converted. **You do not need to take any action until Racing Digital is launched** (at which point you will need to contact the BHA) and no one involved will need to be licensed.

If you think your Syndicate or Racing Club should be registered as the other, please contact the BHA immediately via ownership@britishhorseracing.com and your ownership can be converted.

8. Do I need to be a registered Owner to be able to apply for this licence?

Yes. All applicants will first need to ensure they are registered as an Owner with the BHA before they can apply for a licence to manage a Syndicate or Racing Club.

TIMELINE

9. When do I need to get a licence by?

All existing Syndicators and Club Managers will need to ensure they have a valid licence in place no later than 1 January 2026.

From 1 January 2025, however, no new Syndicate or Racing Club application will be approved by the BHA unless a licensed Syndicator or Club Manager is responsible for the Ownership.

10. Once I've applied, how long before I hear back from the BHA?

New applicants should allow at least two weeks for the application to be considered and currently licensed applicants applying for renewal a period of at least one week.

Processing times may initially be longer immediately following the launch of the licence owing to an expected high volume of applications. All applicants will be kept informed of progress and we apologise for any possible delays.

PLEASE NOTE: Licences will only become active from 1 January 2025 at the earliest. Applications received and considered by the BHA ahead of this time will be provisionally approved and the applicant notified. Subject to all criteria continuing to be met in the interim, provisionally approved licences will automatically become active on 1 January 2025 with no further action required from the applicant.

APPLICATION OVERVIEW

11. Where can I find the application form for a licence to manage a Syndicate or Racing Club?

The application form can be found [here](#).

12. How long does the application take to complete?

The application itself will only take around 15 minutes to complete, however, before starting the form all applicants should ensure they have all the required information and documents to hand.

PLEASE NOTE: Unfortunately, applications cannot be saved midway through. Applications should, therefore, ensure they have all documentation ready before beginning their applications.

13. What documents do I need to complete the application?

All Applicants will need to ensure they have access to:

- The completion certificate from the Licence to manage Syndicates and Racing Clubs learning module; and,
- A copy of a template Syndicate/Racing Club contract for each proposed business.

In addition, applicants who haven't previously been managing Syndicates and/or Racing Clubs for three or more years will need to ensure they have access to:

- A copy of your business plan for the Syndicate/Racing Club business (including a projected cash flow for the next 12 months as a minimum);
- A financial reference from your accountant or bank or a redacted image from your business account confirming a minimum of £15,000 in available capital.

Applicants who have managed Syndicates/Racing Clubs for three or more years will need to ensure they have access to accounts and/or balance sheets for the last year of your Syndicate/Racing Club business(s).

14. How much does a licence cost?

There is no cost to obtain a licence.

15. If approved, will I need to renew my licence?

Yes, licence holders will need to renew their licence, however, licences will be offered for more than one year at a time.

APPLICATION: COMPETENCE AND CAPABILITY**16. Why is the BHA asking for a copy of a business plan/the most recent Syndicate accounts?**

To approve a licence application, the BHA must be satisfied the applicant is competent and capable of running and managing a Syndicate/Racing Club business.

To achieve this, the BHA must be confident that the Syndicate/Racing Club business can be financially sustainable and consideration has been given to how this sustainability will be achieved. For already established Syndicators/Club Managers this can be achieved through a copy of their business' most recent accounts, and for new Syndicators/Club Managers a simple business plan with a projected cash flow is required.

APPLICATION: PROMOTION AND ADVERTISING**17. Why is the BHA asking applicants to complete a two-part learning module?**

To approve a licence application, the BHA must be satisfied the applicant understands relevant requirements relating to the promotion and advertisement of Syndicates/Racing Clubs and the Rules of Racing, specifically as they relate to Syndicates and Racing Clubs;

To achieve this a new two-part learning module has been compiled. This ensures that all approved licence holders will at least have a base knowledge of the key BHA documents which under shared ownership and also the rules and regulations around advertising, promotion and consumer protection.

APPLICATION: CONTRACTS AND TEMPLATES**18. Why is the BHA asking for a copy of the Syndicate/Racing Club contract and a template of the accounts sent to members?**

In line with the Syndicate Code, all Syndicates which make a public offering or where the Syndicator is remunerated for their role must ensure that a contact is supplied to the members, who also must receive a full financial statement.

By asking for these as part of the licence application it ensures that the applicant is adhering the Rules of Racing.

APPLICATION: FINANCIAL RESOURCE**19. Why is the BHA asking for evidence of available working capital?**

The applicant must have the financial security to ensure that the Syndicate/Racing Club can remain stable in the case of any unexpected changes or deviation from the proposed business plan.

As such, the BHA requires the applicant to show they have available working capital. This can take the form of a financial reference from an accountant or bank, or the upload of a redacted image of the Applicant's business account showing the available funds.