



THE BLACK HORSE NEWSLETTER

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Shining a fierce light on the GREED, CORRUPTION, EXPLOITATION
and INJUSTICE in horse racing and bloodstock around the world.



RACING EXPOSED

The true stories no journalist will
write and no publisher will touch

THE USELESS ACCOUNTANT

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THE USELESS ACCOUNTANT



Denis Egan is an accountant. What marks him out as a special kind of accountant is that he is useless with figures. It's either that or he's a liar. Perhaps it's both.

He started his career ruining the reputation of Irish racing when he became financial controller of the Turf Club, the secretive private members cabal made up of the ruling elite which has been regulating the sport since 1790. He must have impressed because he was promoted to chief executive officer in 2001 and has been in charge ever since, although there isn't any hard evidence available which advertises his skills as the Turf Club has never been required to produce a set of accounts to show how they spend millions of euro of public funds while Irish racing's reputation has plummeted into the gutter.

Until 2018.

From 1 January 2018 the Turf Club became the Irish Horse Racing Regulatory Board (IHRB), a company limited by guarantee so that Turf Club grandees couldn't be sued personally for the totally inept way it was protecting the reputation of racing. People were queueing up to take a pop at the monkeys running the zoo.

While the club members, many of them judges looking for a free lunch and maybe even a holiday in Barbados, were now protected, the IHRB had by law to produce public accounts, the first time for 230 years. Those accounts for the year to 31 December 2018 were prepared by Dub-

lin firm Hayden Brown and signed off on the 19 March 2019 – IHRB directors claimed they had been properly prepared according to applicable law and were a true and fair view of the regulator's financial position.

Egan made no announcement about this ground breaking moment and the accounts were not posted on the IHRB website; the only way anyone would know they existed was if they searched for them on the official government website, Companies Registration Office (CRO).

In my book, **The Black Horse Is Dying**, I castigated Egan for the totally unacceptable lack of detail in those first accounts. They were in-

complete and vague and seemed to be hiding what was going on rather than trumpet how Irish racing was being regulated. This, of course, is exactly how it has been for over two hundred years, so it was just more of the same old strokes.

Two years earlier I had written to the Comptroller & Auditor General (C&AG), the government watchdog mandated by law to examine how public funds are spent to ensure there is no corruption and the taxpayer gets value for money, expressing serious misgivings about how racing was being regulated and money wasted. He thanked me for my trouble but said there was little he could do.

Until 2020.

Seamus McCarthy dramatically stepped in and took over the audit of IHRB's accounts for 2019, removing accountants Hayden Brown. The result was a document which actually told a different story. Egan was forced to make revelations which proves beyond doubt that the IHRB as it is should have no further involvement in the regulation of racing; a new independent authority properly managed without the useless accountant in charge is an absolute priority.

The 2019 accounts were signed off by Mr McCarthy on 30 November 2020. Egan didn't file them with CRO for another four months – 1 April 2021. Nor did he make any press announcement or post them on the IHRB website. As with the first accounts in 2018, no one would have known they existed unless they searched for them online. It's not surprising Egan wanted to keep this a secret.

The extraordinary revelations:

1. Two directors resigned after serving just the first year on the new IHRB board, including the chairman Peter Allen, who was replaced by Harry McCalmont, a close confidante of Coolmore Stud's owner, John Magnier, both of whom became Turf Club members in 1985 and have controlled Irish racing ever since.

Radio silence. No explanation.

2. Egan had sought and received special dispensation from the Department of Agriculture, which is responsible for overseeing the IHRB, to keep details of his annual salary secret. Radio silence. No explanation.
3. Due to an **"error"** the figures in the 2018 accounts for Turnover and Integrity Services costs had to be **"restated and reduced in the amount of €1.6 million."** The 2018 accounts were extensively rewritten to **"conform"** with the format introduced by the C&AG for 2019. Radio silence. No explanation.
4. IHRB spent nearly half a million LESS in 2019 compared to the previous year (€1.232 million against €1.717 million in 2018) on testing urine, blood and hair samples in accredited laboratories like LGC in Newmarket, England, as part of its anti-doping programme. Egan repeatedly claims the IHRB has increased its testing for prohibited drugs, but the figures for 2019 show this is not true. It's the opposite for a year which saw serious doping violations, including for anabolic steroids and other performance enhancers, career out of control. Radio silence. Nothing explained.
5. This information would not have come to light but for the C&AG taking over as IHRB's auditor; Seamus McCarthy's role was to ensure the 2019 accounts were audited according to the law, which wasn't the case in 2018. This for an organisation whose chief executive has been regulating racing for the last twenty years and is a qualified accountant.

Egan was forced to reveal these bombshell developments when Seamus McCarthy turned up on his doorstep. It is common practice these days for auditors to cover their backs with a disclaimer when signing off a set of accounts and Mr McCarthy duly noted: "The directors have

presented certain other information with the financial statements. This comprises the directors' report, the directors' responsibility statement, the Chairman's statement including the statement of internal control, and the administration and integrity services operating statements."

The new auditor concluded:

"My opinion on the financial statements does not cover the other information presented with those statements and I do not express any form of assurance conclusion thereon."

The C&AG was right to cover his back – who knows what has been really going on.

Is Egan inept or a crook? What is he hiding, other than his burgeoning €250,000 a year salary plus benefits, the same or even more than Brian Kavanagh at Horse Racing Ireland, both of which breach government guidelines for semi-state organisations? Egan also requested and received agreement from the Department of Agriculture not to publish how much his senior executives are earning aboard the runaway IHRB gravy train.

Irish taxpayers need to know if this rogue regulator is on a par with the disgraced John Delaney led Football Association of Ireland or even worse than Pat Hickey at the Olympic Council of Ireland, both of whom were absolutely brilliant at spending public funds. And horse racing around the world needs to know if Irish racing is clean of drugs or as corrupt as a banana republic.

MONEY LAUNDERERS? COME ON IN



When \$200 million winged its way across the Atlantic to an account at the Bank of Ireland controlled by Amer Abdulaziz Salman, no one took much notice, these transactions happen every day with no questions asked.

Abdulaziz's treasure trove soon left Ireland, heading to a secret offshore bank account. When it came back it had taken on a completely different look. It was now sparkly clean.

The hitherto unknown Abdulaziz suddenly announced himself as a big player in the racing and bloodstock world with money to throw around. One of his earliest extravagant purchases was at the Goffs premier yearling sale in Kildare in 2017; he paid €3.2 million for a filly by the world's best stallion, Galileo, from a family Coolmore Stud had enjoyed great success with. They won major races with the full sisters - Forever Together and Together Forever - of the filly Abdulaziz bought, who was named Do You Love Me.

Court documents in a high profile case in America say that Abdulaziz stole the \$200 million from the proceeds of a cryptocurrency scam called OneCoin, which netted a gang of crooks \$4 billion and maybe much more from unsuspecting investors around the world. Some of the villains have been caught and are facing up to 90 years in jail.

But not Abdulaziz or the founder of OneCoin, the

glamorous Bulgarian fraudster, Dr Ruja Ignatova, who will be played by Kate Winslet in the film of the scam called *Fake!* Abdulaziz is living in luxury in Dubai and Ignatova has disappeared.

It's alleged Abdulaziz's role was to launder the money for the gang, but they allege he stole it to spend on horse racing and bloodstock. Abdulaziz's answer to the allegations against him is that rich investors who wish to remain anonymous have given him this money to invest in Thoroughbred horses, but he has declined to provide any evidence to support his claims. No one has ever met any of his mysterious investors with no names.

To date he has faced no criminal charges and as long as he doesn't leave the United Arab Emirates, which doesn't have an extradition agreement with the US, he's untouchable.

Abdulaziz initially announced he had set up a groundbreaking investment fund in Luxembourg to control the tens of millions he was to spend on racehorses and breeding stock around the world on behalf of his band of well-heeled speculators, but it never functioned and has since been liquidated. He now operates Phoenix Fund Investments LLC, a company registered in Dubai, which boasts a glossy look on the outside but next to no detail inside apart from a hilarious video with actors spinning a yarn.

In truth, it's all a front for laundering the proceeds from the OneCoin scam, which Abdulaziz continues to deny but still refuses to provide any evidence which might silence his critics. He has been banned from running his horses in most of the major racing jurisdictions around the world, but one continues to welcome him with open arms – **Ireland.**

In early May he had a runner on the undercard at the prestigious Irish 2000 Guineas meeting at the Curragh, where all the biggest owners in the land showcased their finest horses – Coolmore Stud principals Magnier, Tabor and Smith; Sheikh Mohammed's Godolphin; the Aga Khan and Moyglare Stud to name but a few. Racing legends like Jessica Harrington, Jim Bolger, Dermot Weld and Aidan O'Brien were the star trainers.

And don't forget Irish taxpayers, who pumped €30 million into the new grandstand at the Curragh. Horse Racing Ireland's chief executive, Brian Kavanagh, thinks it's just fine and dandy to have Abdulaziz's racing colours on display alongside such icons of the turf in a sport which would not exist in Ireland without massive tranches of public funds. The €100 million it gets from the public purse every year is never enough to go around. So you're a money launder? Come on in, you are amongst friends here.

Abdulaziz stayed in Dubai but was at the Curragh in spirit; his horse, *Maar*, a three year old Irish bred filly, was having her fourth run two races after the 2000 Guineas, the first Classic of the new Irish flat season won by *Mac Swiney*, bred and trained by the incomparable Jim Bolger. She is trained by Adrian McGuinness in Lusk, County Dublin, and was last of 12 runners, but she had previously won a maiden race at Dundalk to boost her prizemoney for Mr Big from Dubai to €7,000.

McGuinness trains at least five horse for Abdulaziz and a week after the 2000 Guineas won another race for the laundry man. *Star Harbour*, at one time an entry for the Epsom Derby, won a handicap at Navan to take his total earnings to nearly €30,000. Tipperary's Fozzy Stack also trains for Abdulaziz and had a runner at the Curragh on 3 June, where the Starspangledbanner filly *Back To Brussels* couldn't add to the €40,000 she has already banked for Phoenix.

These trainers would not have Abdulaziz as an owner unless HRI's Kavanagh gave his approval. It came from the top of Irish racing, they know all about the history behind this story, none more so than Magnier, McCalmont and Egan.

Abdulaziz's horses in Ireland run under the name of the UK registered company Phoenix Thoroughbred Ltd. According to Companies House there are eight separate Phoenix Thoroughbred companies which were incorporated in 2017; in doing it this way Abdulaziz can take advantage of laws which class them as small enterprises for which only minimum details need be included in annual accounts.

Abdulaziz is barred from running his horses in the UK and on 1 June an application was made to dissolve four of the eight Phoenix companies. The latest accounts for the four live companies reveal combined operating losses for the year ending 31 December 2019 of £15 million. Two of the accounts are in GB pounds, one in US dollars and one in Australian dollars, so the figures are approximate.

Net liabilities at the end of 2019 stand at £28 million and creditors due to be paid within one year total over £131 million. Company documents state Phoenix Thoroughbred have no bank borrowings but is financed from Dubai through Phoenix Fund Investments LLC, which Abdulaziz says he owns. It's further claimed the value of the company horses, which these days are referred to as "biological assets" for accountancy purposes, are worth £88 million, although no individual horses or their valuations have been identified. He needs a few very busy stallions at stud to realise that sort of figure.

Do You Love Me appears to be his most valuable current equine asset, unless he's already sold her, but is unlikely to be worth the €3.2 million he paid for her back in 2017. She won a couple of Listed races when trained by Karl Burke in England and will have residual value as a potential broodmare, but now you can see when you look at Phoenix's flashy website why Abdulaziz is moving away from equine investments into scrap metal.

Then comes the choker which should see the end of Abdulaziz's racing ambitions in Ireland, but would be absolutely fine in a banana republic. The firm who audited the Phoenix accounts for 2019, Nexia Smith & Williamson, highly regarded experts in the world of bloodstock accountancy, wrote to Abdulaziz on 14 January 2021 to announce their resignation. They said:

"Through press coverage, we have become aware of money laundering allegations against the sole director (Abdulaziz). These allegations raise reputation issues for us as auditors and mean we must resign from our engagement. You should consider bringing the allegations to the attention of the company's members or creditors if you have not done so already."

The auditors' resignation was filed with Companies House on 2 February 2021 and to date no new auditors appear to have been appointed. The auditors rightly took steps to protect their reputation. Irish racing has no such concerns.

Money launderers? Come on in, you're amongst friends here.

TELL A BIG LIE OFTEN ENOUGH AND PEOPLE WILL BELIEVE IT



Joseph Goebbels set the standard for dishonesty 70 years ago and global racing authorities have followed his lead ever since.

One of the key tenets of the sick doctrine Joseph Goebbels peddled as Hitler's Minister of Propaganda was that truth didn't matter.

At a time when advertising was beginning to have a major influence on the world's thinking, he used new publicity and marketing ideas, bringing eye-catching slogans and psychology to political adverts. And the truth of the many claims he made wasn't important at all.

"If you tell a lie big enough, and keep repeating it, people will eventually come to believe it," he said over seventy years ago.

Under his leadership, all members of the media industry, from filmmakers to journalists, were required to be members of the Nazi movement, thus ensuring nothing critical of the Nazis would ever be seen or heard in public. Nothing has fundamentally changed, particularly in the world of horse racing.

How can a trainer get away with saying something like this? **"He was incredibly tough and genuine,"** when describing yet another horse who had just died from a catastrophic leg injury when he shouldn't have even been running. **"It was very sad to see that happen, it was just very unfortunate."** Why doesn't a racing journalist ask a few serious questions? But then remember what Goebbels said: Tell a big lie often enough and people will eventually believe it.

And there isn't a drug problem in Irish racing, when all the facts show it's actually wildly out of control. That's a massive lie, and people appear to believe it, but not Jim Bolger, who has again spoken out to say he believes there is a crook as big as Lance Armstrong lurking in Irish racing.

I've shone the harshest of lights on the greed, exploitation, corruption and injustice found every day in the sport of racing and asked many questions about doping. None have been answered. Goebbels would say that you do not allow anyone to ask questions, which is exactly how most racing authorities operate.

- Cliodhna Guy, IHRB's head of licensing, legal and compliance, said this when I asked for further information on doping violations in Ireland: **"Please note that the IHRB is not a body subject to the Freedom of Information Act 2014 and your requests are therefore declined."**
- The British Horseracing Authority (BHA) is refusing to divulge the results of hair testing taken at Royal Ascot and the Cheltenham Festival over fears they will be sued. I wanted to force them to come clean and tell the full story about how much doping is going on, but they told me: **"Only organisations who receive public funding are subject to the Freedom of Information Act 2000. The BHA is not publicly funded so is not subject to this act."**
- The true situation at the BHA is that they are funded by British racecourses who are funded through the Levy Board, which gets its cash from a government betting tax. So, essentially, the BHA is publicly funded, but in a very handy roundabout way which they seem to think is very clever so they can duck the toughest questions.

In typical fashion, Australians are much straighter to deal with, at least so far. The problem is that Coolmore Stud is involved in the Freedom of Information request I have made to Racing Victoria (RV), so it's not the open goal it should be. I understand Magnier's empire has refused to agree to my official FOI request to RV to provide me a copy of the post mortem the regulator had carried out on Epsom Derby winner Anthony Van Dyck after he suffered a catastrophic leg injury in the 2020 Melbourne Cup and had to be euthanised.

In announcing stringent new welfare rules for horses intending to travel from Europe to compete at the Melbourne Spring Carnival, RV produced a report which said the post mortem showed Anthony Van Dyck suffered from Proximal Suspensory Desmitis (PSD) - inflammation of the suspensory ligament - in all four limbs. The fatality report further stated that Coolmore Stud's unnamed private veterinarian had made the same diagnosis when the horse first arrived in Australia from Aidan O'Brien's training yard at Ballydoyle in Ireland, but this had not been revealed until RV published its report.

The report stated: **"The diagnostic procedures used by the stable's private veterinarian included nerve blocks, a highly common practice used by veterinarians to temporarily desensitize localized areas when examining the soundness of equine athletes."**

This means that Anthony Van Dyck was lame and was the reason the veterinarian carried out this procedure which found the horse was suffering from PSD in all four limbs. Then RV made the statement which showed there was a cover-up over the death of the horse, one of four from Ballydoyle to have died either in or after the Melbourne Cup in the last few years.

"The diagnosis of PSD was consistent with the findings of Anthony Van Dyck's post mortem and is considered unrelated to the fatal fractures sustained by the horse in the Melbourne Cup. Having reasonably accepted the diagnosis of PSD and in the absence of other clinical signs, further diagnostic examination was not sought by the stable or RV."

The fatality report found that, whilst current veterinary processes were followed, had mandatory precau-

tionary diagnostic imaging been in place, it may have identified the potential for Anthony Van Dyck to incur a more serious racing injury."

These are the facts. The report doesn't put any names to the veterinarians who cared for and were ultimately responsible for the death of this horse, who was lame after he arrived in Australia. No further examination was sought by those attending veterinarians after Anthony Van Dyck had been diagnosed with PSD in all four limbs. They cleared him to run and he suffered fatal fractures from which he was euthanised. RV has now introduced the mandatory requirement for these further examinations to be carried

out in the future to help save the lives of horses like Anthony Van Dyck, who raced with an injury which should have barred him from running.

There are many questions and RV's report has only added to them, which is why I've requested a copy of the post mortem. RV said my request is dependent on Coolmore's response to the post mortem being made public. On past form, including when I wrote in ***The Black Horse Inside Coolmore*** about how the wonderful stallion Montjeu died in horrific and barbaric circumstances on the night of 29 March 2012 as septicaemia ravaged his body, they will not agree to it. I know how Montjeu died because I saw it with my own eyes when I worked for



George Washington

Coolmore Stud. I repeatedly requested copies of Montjeu's post mortem in legal proceedings I subsequently brought against Coolmore, but they refused every time.

RV has to make an important decision. Are they going to supply this post mortem to prove the integrity of Australian racing, or are they going to be bullied into silence by Coolmore Stud? The deadline for answering my request is Irish Derby day.

WE DON'T LIKE WHAT YOU WRITE



The story of how I pursued Magnier through the Irish Superior Courts to defend my right to freedom of speech and prove that my first book, **The Black Horse Inside Coolmore**, is not and never has been defamatory of anyone, is dealt with in detail in the follow-up book, **The Black Horse Is Dying**. This is why that story keeps running.

- In 2016, I had contacted the advertising departments of the *Racing Post* and the *Irish Field*, the two main racing publications in the UK and Ireland, seeking to place adverts to promote the book in the week of Royal Ascot and in the build-up to the Irish Derby. The editors, Bruce Millington and Leo Powell, respectively, refused to run the advert unless they could read the book first – they said if they didn't like what I had written I couldn't advertise with them. I remonstrated that this amounted to censorship, but neither advert appeared.
- Five years later, I contacted the new editor of the *Racing Post*, Tom Kerr, and the same old Leo Powell at the *Irish Field*, to let them know that I wanted to run adverts promoting my new book, **The Black Horse Is Dying**, in their publications ahead of Royal Ascot and the Irish Derby 2021. I reminded them of what happened back in 2016 and offered to send them copies of the new book well in advance if they had not had an opportunity to read it. Neither of them replied. So I contacted their advertising departments to place an order; the *Irish Field's* advertising manager didn't reply to two emails and I also mailed Leo the Gutless a second time, but he again declined to reply.
- I sent a copy of the advert I wanted to place during Royal Ascot week to the *Racing Post* and we agreed a price. “Go on,” ad man Leon Carroll wrote back, “I’ll get you in for Saturday as well for £1,000 + VAT.” Despite emailing Mr Carroll twice a day for the next week to confirm I wanted to proceed and pay for the advert, he didn't respond. Neither did Tom Kerr to a second letter I sent him.
- I also wanted to advertise in the US racing media as part one of the book tells some of the appalling history of the exploitation and death of thousands of horses either during racing or training at the tracks. I sent three unanswered enquiries to the advertising manager and editorial department at *BloodHorse*, which claims proudly on its website to have served the Thoroughbred industry since 1916 as the premier international news and information magazine and website for racing and breeding.

- The *Paulick Report*, which also claims to be the biggest and best online racing site in the country, has just celebrated its thirteenth year in business. I agreed a price for an advert for the week leading up to the Kentucky Derby in May just gone. The very helpful Emily Alberti told me their Morning Headlines email goes out to 20,500 subscribers at 6am and she had advertising space available. **“These are 300x250 and \$300 per week and that includes 7 day placement,”** she said. I said go ahead.
- A few days later I heard from Ms Alberti again: **“I have some unfortunate news as once I received your copy for your ad banner I discussed with my publisher (Ray Paulick) and although we appreciate your interest in advertising with us, we will decline. There has been litigation over your previous book and we have concerns about this one.”**
- I was scathing in my reply: **“I always regarded the American people as the champions of free speech, but sadly I was mistaken. For the record, the litigation you mention concerning the first book was all brought by me. No finding has been made by any court anywhere that I have committed any offence, civil or criminal, relating to the first book, second book or anything else.”**
- **“So perhaps your publisher, Mr Paulick, will come out from hiding behind you and say exactly what concerns he has about my new book. Has he even read it? A few months ago I emailed him asking where I could send a copy for him to review but he didn't reply. Will he reply to this email now?”**

And, of course, he didn't.

I consider Mr Paulick's decision to ban a book that is totally legitimate, just as the first book is, a huge endorsement of what I have to say. These editors and publishers, such upright defenders of a free press, sold their journalistic soul to protect Magnier's reputation and keep hold of their share of the millions of dollars his stud farms pay to advertise their stallions in Europe, the USA and Australia. Goebbels would be on his feet rapturously applauding such a brilliant way to censor and manipulate the media. How many pieces of silver would this bit of silence be worth?

COMING UP IN ISSUE 2

Egan is such an embarrassment that I'm sure to be writing about him again in my next newsletter, when I will also report on what happened when the IHRB are said to have turned up at Joseph O'Brien's training yard to test horses for drugs in an unannounced anti-doping check.

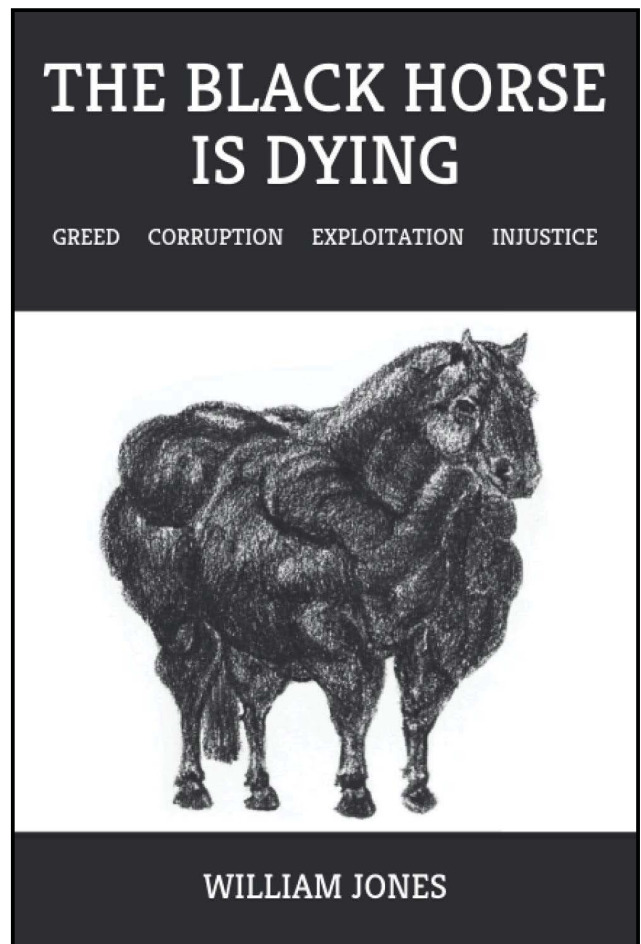
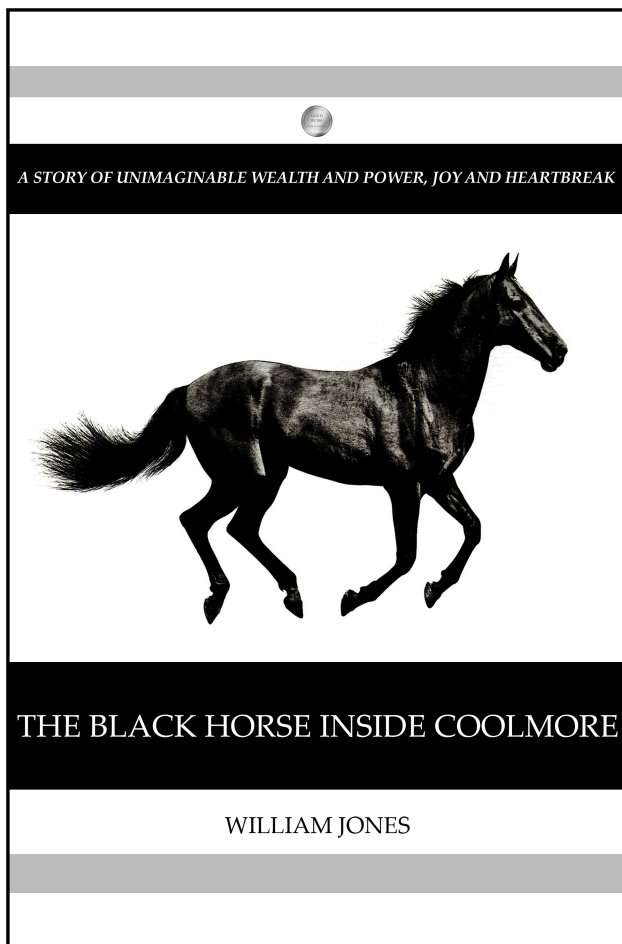
I will be presenting the facts about Ballydoyle's €1 million Hyperbaric Oxygen Chamber and posing the question – does this legal therapy enhance the performance of Aidan O'Brien's star racehorses?

And I will also be revealing who the Lance Armstrong of Irish racing is as a follow-up to the story about Jim Bolger's doping allegations made in the Sunday Independent recently. It's got to be someone really big to make the brave Bolger so reluctant to name him.

Not forgetting the bizarre story of how the Chief Justice of Ireland, Judge Frank Clarke, a long time member of the Turf Club and friend of John Magnier, held an inquiry during a behind closed doors race meeting at the Curragh in May into a 6 day whip ban given by stewards at Cork to Aidan O'Brien's top jockey Seamie Heffernan. Clarke threw Heffernan's suspension out.

William Jones

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The Black Horse Inside Coolmore and
The Black Horse Is Dying are available on
Amazon or contact the author at
will.r.jones@hotmail.com or the publisher at
info@goldrushpublications.com

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amazon