

# 2012/13 ANNUAL REPORT



## *ABOUT GRSA*

*Greyhound Racing SA Limited (GRSA)  
is the controlling body which conducts, regulates and promotes  
greyhound racing throughout South Australia.  
It has a primary responsibility to ensure the responsible and ethical  
management of the sport, the enforcement of local and national rules  
of racing and the effective conduct of racing operations.*

### *2012-13 South Australian Racing Industry:*

One in every 80 South Australian adults are employed by, or participate in, the SA Racing Industry

Racing in South Australia is second only to the AFL in terms of event attendance

### *2012-13 GRSA Industry Snapshot:*

1,719 individually registered participants including 110 breeders, 349 registered trainers, 1,357 registered owners and 13 handlers

329 TAB meetings with coverage via Sky 1 (174), Sky 2 (155) and TAB Radio (329)

16 Non-TAB meetings and 11 Coursing Events

Total of 9 Group races and 4 Country Cups

3,622 races conducted in SA



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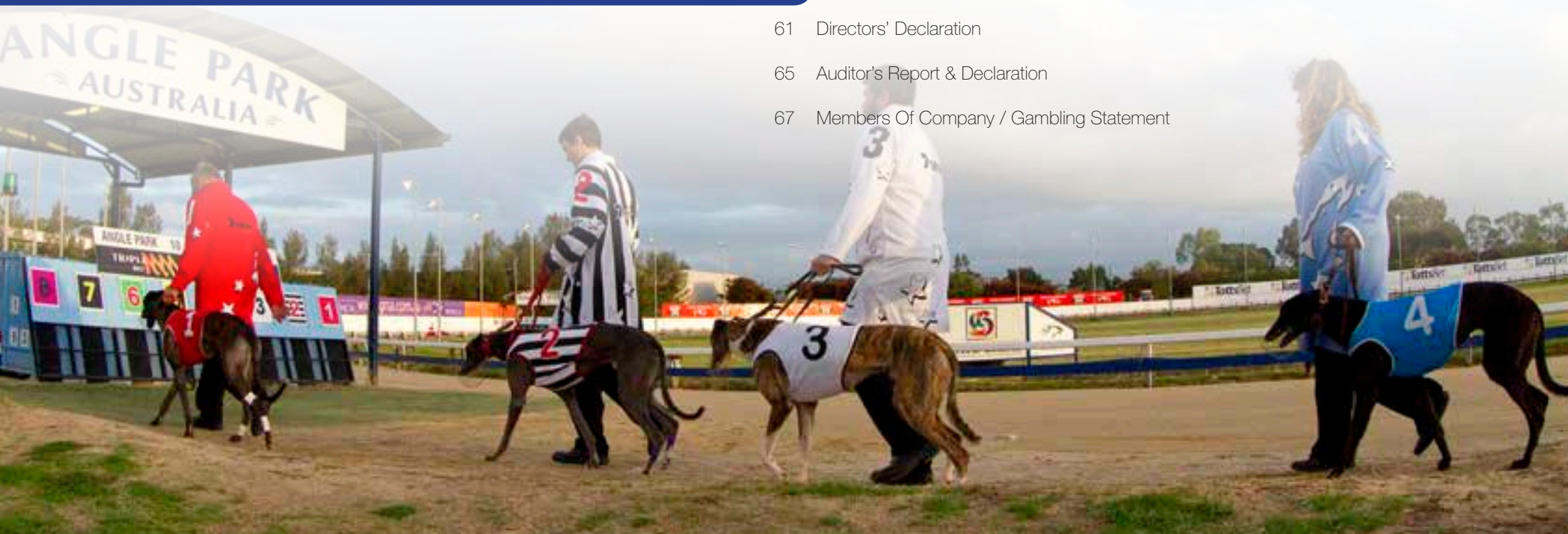
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## CHAIRMAN'S REPORT



*It remains an exciting time to be involved in the sport and I would again like to thank all participants for their continued support of the industry*

The financial year ending 30 June 2013 was a year of consolidation for Greyhound Racing South Australia Ltd. It was the first full year of our Strategic Plan and a year that saw the good work that was commenced in the 2012 financial year continue. 2012-13 was a year of foundational planning for the renewal of the infrastructure utilised in the industry both north and south. Each region is viewed by the Board as being integral to the ongoing viability of the industry and the need for investment to not only underpin that viability, but to encourage growth, is a centrepiece of both the Strategic Plan as well as the Board's deliberations on a regular basis.

GRSA consolidated its racing program with more racing opportunities than ever before across the State. Finishing the year with a market share of 16.3% was an excellent result for the industry and was a credit to the efforts of both participants, in fulfilling the racing schedule, as well as management, who play an important role in ensuring the smooth operation of the code generally. Race field fees for corporate bookmakers for the 2012/2013 increased significantly. This was an important step adopted to protect the industry from the revenue 'shock' that was imminent with the loss of the professional punter to the local TAB. Whilst we experienced a considerable and expected drop-off in local TAB turnover we are seeing Tattsbet approach wagering with a new vigour and a number of new initiatives which can only assist with arresting that slide.

Initiatives instituted by Board and Management were designed to continue the dialogue between participants and the governing body and to respond to industry needs and requirements. The Industry Consultative Group was re-constituted and promises to be an excellent forum for the company to engage all industry sectors given the broad representation on that committee. Considerable reinvestment into industry infrastructure via capital works projects, including the much needed refurbishment of the Gawler kennelhouse, were undertaken during the year. Investment into the McQueens Tavern business was carried out methodically and in a very strategic way producing immediate results and increased returns for industry.

The OzChase racing platform moved toward finalisation, and whilst it has not been without its challenges, industry and management have worked diligently and cohesively through the process. A special note of thanks needs to be extended to Racing manager Shaun Mathieson who has borne the burden of the migration to the new system more than anyone in GRSA. Our Greyhound Adoption Program (GAP) has continued to grow its presence in our community and importantly, continued to grow the program and its outcomes during the year. Angela Webb and her team of dedicated volunteers and helpers have seen South Australia 'punch out of its weight division' in this important area of the industry yet again. The industry, as always, owes a debt of gratitude to Angela and the many people who donate their time to this fantastic cause.

The Adelaide Cup continued to strengthen its position on the national calendar with the move to October continuing to produce better outcomes for GRSA than the previous position in January. The Cup yielded large crowds and record turnover, not to mention the fantastic exposure the evening brings with the valuable assistance of our partners, radio station Triple M.

An industry economic report (IER) was produced in collaboration with the other racing codes in South Australia and will form the platform for continued dialogue with government to ensure the many benefits provided to the state by our industry do not go unnoticed.

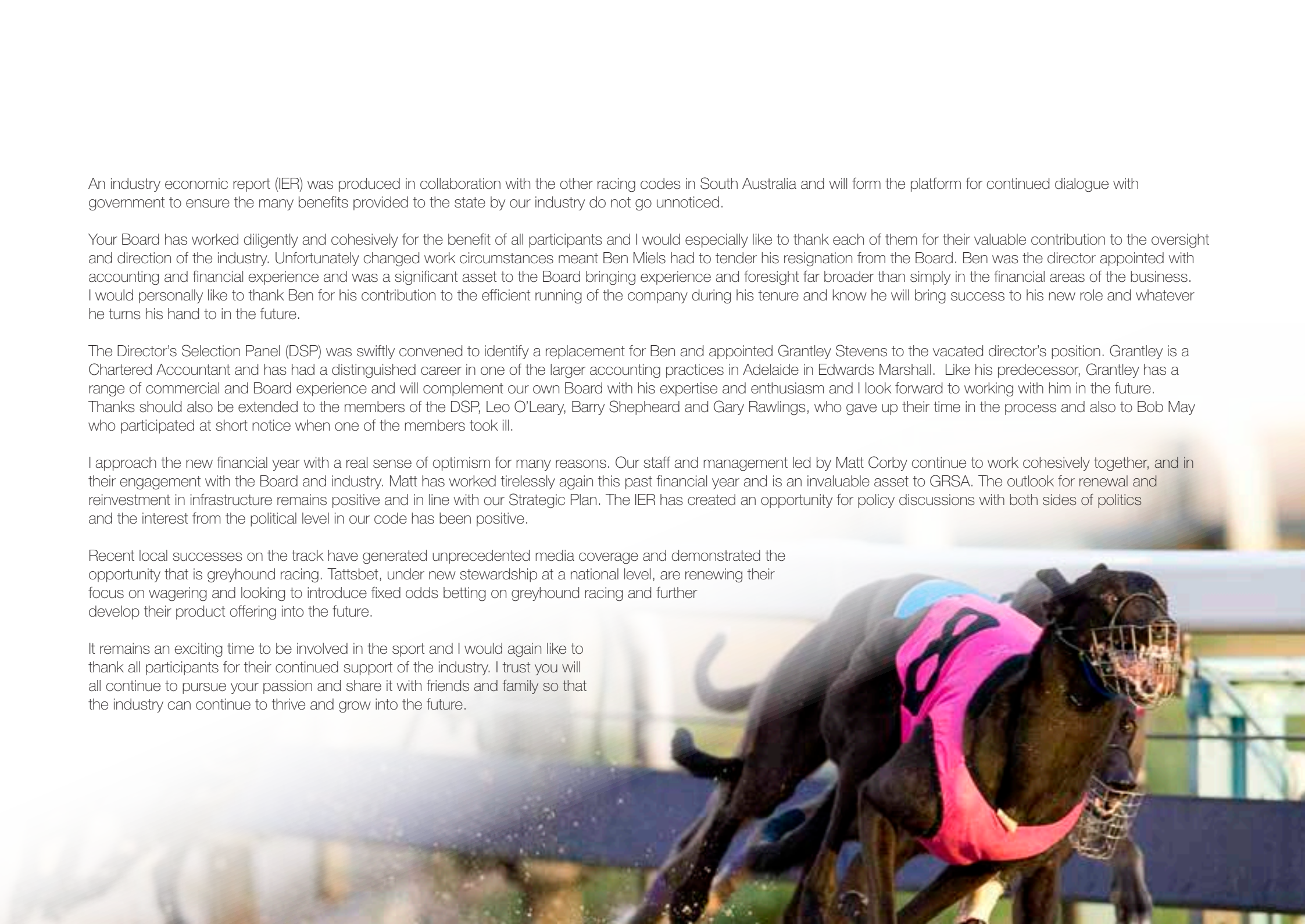
Your Board has worked diligently and cohesively for the benefit of all participants and I would especially like to thank each of them for their valuable contribution to the oversight and direction of the industry. Unfortunately changed work circumstances meant Ben Miels had to tender his resignation from the Board. Ben was the director appointed with accounting and financial experience and was a significant asset to the Board bringing experience and foresight far broader than simply in the financial areas of the business. I would personally like to thank Ben for his contribution to the efficient running of the company during his tenure and know he will bring success to his new role and whatever he turns his hand to in the future.

The Director's Selection Panel (DSP) was swiftly convened to identify a replacement for Ben and appointed Grantley Stevens to the vacated director's position. Grantley is a Chartered Accountant and has had a distinguished career in one of the larger accounting practices in Adelaide in Edwards Marshall. Like his predecessor, Grantley has a range of commercial and Board experience and will complement our own Board with his expertise and enthusiasm and I look forward to working with him in the future. Thanks should also be extended to the members of the DSP, Leo O'Leary, Barry Shephard and Gary Rawlings, who gave up their time in the process and also to Bob May who participated at short notice when one of the members took ill.

I approach the new financial year with a real sense of optimism for many reasons. Our staff and management led by Matt Corby continue to work cohesively together, and in their engagement with the Board and industry. Matt has worked tirelessly again this past financial year and is an invaluable asset to GRSA. The outlook for renewal and reinvestment in infrastructure remains positive and in line with our Strategic Plan. The IER has created an opportunity for policy discussions with both sides of politics and the interest from the political level in our code has been positive.

Recent local successes on the track have generated unprecedented media coverage and demonstrated the opportunity that is greyhound racing. Tattsbet, under new stewardship at a national level, are renewing their focus on wagering and looking to introduce fixed odds betting on greyhound racing and further develop their product offering into the future.

It remains an exciting time to be involved in the sport and I would again like to thank all participants for their continued support of the industry. I trust you will all continue to pursue your passion and share it with friends and family so that the industry can continue to thrive and grow into the future.



## YEAR IN BRIEF

### Financial Snapshot

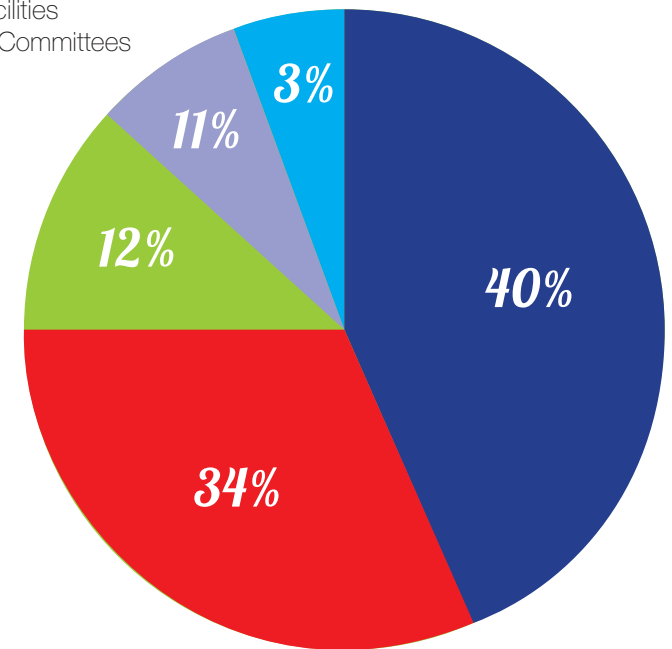
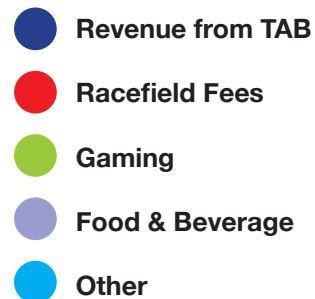
- Market share of 16.298% as at 30 June 2013
- Gross interstate wagering on SA greyhounds exceeded \$300m for the first time

	2011-12 (’000)	2012-13 (’000)	Change (’000)	Change (%)
Net TAB Revenue	\$6,630	\$6,404	(\$226)	(3%)
Racefield Fee Revenue	\$4,357	\$5,493	\$1,136	26%
Participant Returns	\$5,538	\$5,846	\$308	6%
Local TAB Turnover	\$17,063	\$14,367	(\$2,696)	(16%)
National TAB Turnover	\$125,176	\$112,766	(\$12,410)	(10%)

## Corporate Highlights

- Participant returns (stakemoney, bonuses and rebates) increased from \$5.54m to \$5.85m
- Worked collaboratively with Racing SA to implement an increase in race field fees for wagering providers and corporate bookmakers (excluding Tattsbet)
- Coordinated the collection of data for the preparation of a whole of industry report on the South Australian Racing Industry
- Comprehensive WH&S audit of industry facilities identifying priority practices/works to ensure ongoing compliance
- Introduction of a framework for increased Club allocations in support of regional racing
- Reactivation of the Angle Park Vet Clinic to offer a restricted service on Tuesdays covering the night trial session
- Coordination of a comprehensive federal funding application in support of the development of Gawler patron facilities
- Reformation of the Industry Consultative Group and development of the general framework supporting industry Committees
- Review and amendment of the GRSA Constitution in consultation with the Members of Company

## Sources of Revenue



*Sources of Revenue*



## *Gaming*

- Contribution from gaming of 1.2m (steady from 2011-12)
- Refurbishment of venue and intensive development of gaming mix strategy from May 2013

## *Infrastructure*

- Infrastructure works totaling \$1.5m across 23 individual projects of varying scale
- Development of an industry-wide Infrastructure Plan for the replacement and renewal of strategic assets
- Refurbishment of the Gawler kennelhouse within budget and with minimal disruption to racing at the venue
- Upgrade of TV monitors and the installation of the track irrigation system at Angle Park
- Investigation of possible southern sites for a new one-turn track

## *Racing*

- Migration to OzChase Racing System from August 2012
- Introduction of a simplified and more equitable stakemoney framework
- First full year of the operation of the Breeders' Rebate
- Group 1 Adelaide Cup won by Spud Regis for trainer Andrea Dailly
- Hope's Up named 2012 Greyhound of the Year for trainer Cameron Butcher



## *Integrity*

- 28,192 runners with an injury rate of 2.56%
- 799 swabs taken with 0.63% testing positive for prohibited substances
- 186 kennels were inspected which equates to 46.5% of registered premises

## *Marketing*

- Record (local) Tattsbet wagering turnover on an Adelaide Cup
- Renewal of Triple M as Adelaide Cup sponsor for a 3rd successive year
- Rebranding and relaunch of McQueens Tavern
- Rollout of the new grsa.com.au website platform
- Appointment of Andrew 'Cosi' Costello as GRSA's industry ambassador
- Progressive rollout of the 'Only at the Dogs' branding across all areas of the business

## *GAP - Greyhound Adoption Program*

- 11.4% increase in the number of GAP greyhounds adopted out to new family homes
- Awarded 'Best Exhibit' in the dog pavilion at the Royal Adelaide Show
- Allocation to GAP of \$103k in support of program resources



## CORPORATE GOVERNANCE

*GRSA and the Board are committed to achieving and demonstrating the highest standards of corporate governance*

GRSA and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Directors are responsible for the performance of the company across both the short and longer term and seek to balance what are often competing objectives in the interests of the company and its stakeholders as a whole.

The routine management of the company's affairs and the implementation of the company's strategy and policy initiatives are formally delegated by the Board to the Chief Executive Officer and Management team, as set out in the company's delegations of authority policy.

A description of the company's main corporate governance practices is set out below.

### *Board Composition*

In accordance with the GRSA Constitution, the Board comprises four independent Directors and one Industry Director. Details of members of the Board, their experience, expertise, qualifications, term details and independent status are set out in the Directors' Report under the heading 'Information on Directors'.





## *Board Responsibilities*

The responsibilities of the Board include:-

- Establishing the company's vision, mission and values
- Providing strategic guidance to the company including the development and approval of GRSA's company strategy
- Reviewing and approving business plans, the annual budget and financial plans including available resources and capital expenditure initiatives.
- Overseeing and monitoring:
  - Organisational performance and the achievement of strategic goals and objectives
  - Compliance with the Code of Conduct
  - Progress of major capital expenditure and other significant projects
- Monitoring financial performance and liaison with the company's auditors
- Appointment and performance assessment of the Chief Executive Officer
- Ensuring there are effective management processes in place and approving major company initiatives
- Demonstrating corporate leadership
- Enhancing and protecting the reputation of the company
- Overseeing the operation of the company's compliance and risk management framework
- Ensuring effective communication to members of company, staff and key stakeholders

## *Conflicts of Interest*

The Directors comply with their obligations at law and under the Corporations Act in relation to potential or actual conflicts of interest. The Directors have a Board Conflict of Interest Policy which outlines the obligations and processes that the Directors will adopt. At a procedural level, the Directors utilise an annual standing notice as well as adhering to a standing agenda item in Board meetings for the management of conflicts of interest.

## *Board Charter*

The Directors adhere to a Board Charter which reflects an expectation of the highest standards of behaviour and identifies the practices that are deemed necessary to maintain the integrity of the company.

## *Members of Company Communication*

All members of company receive an annual report. In addition, updates on the company's performance and other material issues are prepared for and presented quarterly to members of company information meetings.



## CEO'S REPORT



***Racing makes a significant contribution to the South Australian economy and is an intrinsic part of the state's social fabric***

### ***1. Recent Highlights***

#### ***SA Racing Industry Study***

The three SA codes have recently collaborated on a comprehensive study of the South Australian Racing Industry which will underpin an imminent approach to Government seeking a level of funding support that is commensurate with the outputs that local racing generates.

Our industry continues to face a number of significant challenges including, but not limited to, the following matters:

- The general trend of decline relating to on-course attendance away from feature race meetings
- Repelling the growth in wagering on sports to maintain racing's market share of total wagering
- Renovating and developing industry facilities in line with modern community standards and expectations
- Elevating base stake money levels to a level that sustains and grows participation
- Reversing the long-term decline of local breeding
- Developing appropriate training and rearing facilities in support of viable participation
- Compliance costs associated with WH&S obligations, particularly within the context of ageing facilities

Racing makes a significant contribution to the South Australian economy and is an intrinsic part of the state's social fabric. Our three local codes sustain the employment of over 3,600 South Australians while, across the state, one in every 80 adult residents are employed by, or participate in, the South Australian Racing Industry.

South Australia is the only state not currently represented by a Racing Minister under the banner of a dedicated racing portfolio. In the face of growing interstate competition where state Governments have underpinned the success of the racing industry in their respective jurisdictions, our local industry can only become less competitive and sustainable without similar support in this state.

The three codes are united in their goal of seeking a level of Government support for racing which reflects the scale of economic, social and employment outcomes that the industry continues to produce for all South Australians.



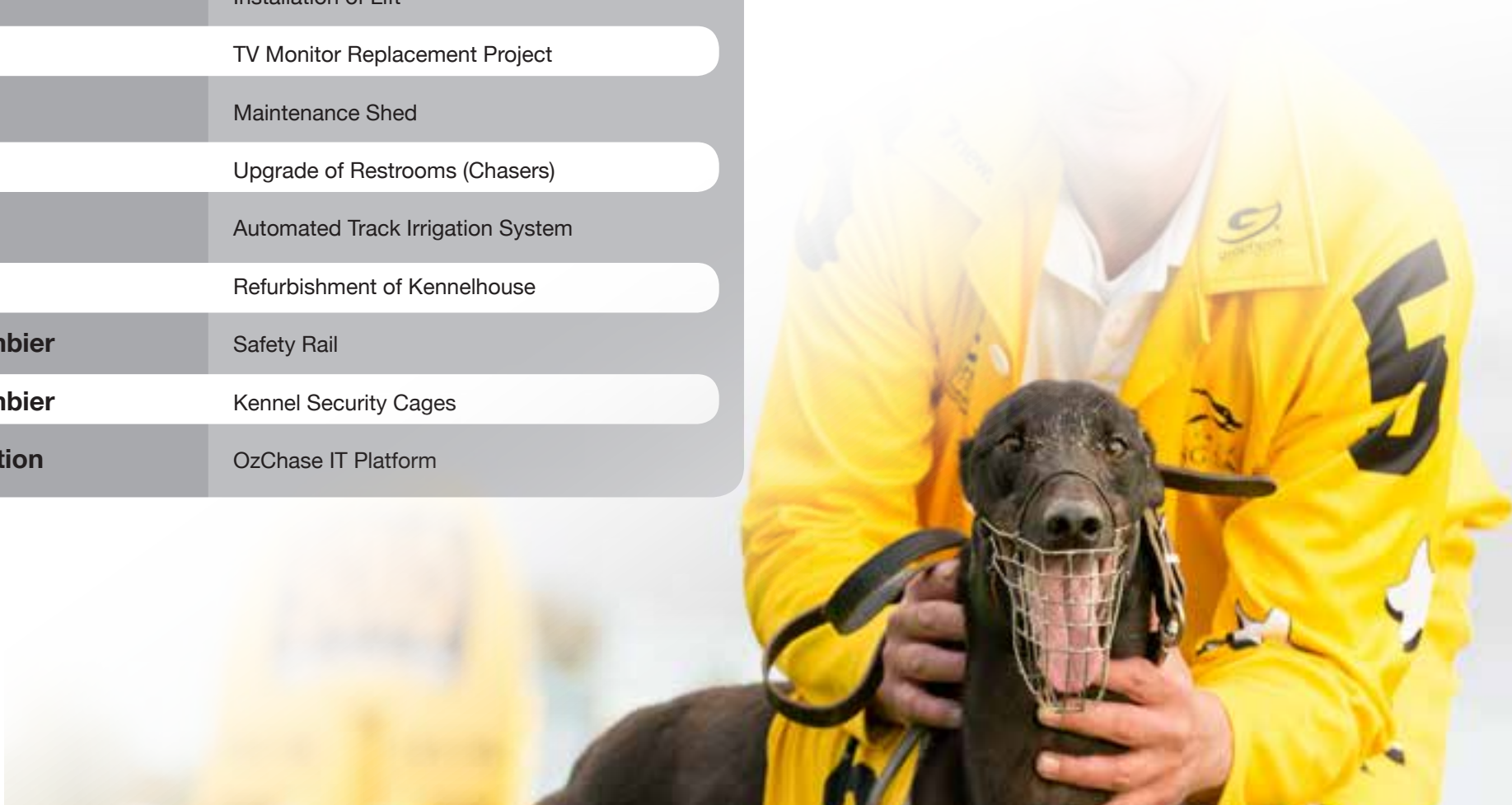
## *Industry Investment*

The 2012 GRSA Strategic Plan identified the need for significant infrastructure spending over the ensuing five years, particularly in support of the modernisation of South Australian tracks and facilities. In support of that objective, a comprehensive infrastructure plan for the renewal and replacement of strategic industry assets was developed.

The end of the 2012-13 financial year brought to a close the first full year of that plan. More than \$1.5 million has been invested around the state in upgrading and improving industry facilities, equipment and systems in that first year. GRSA remains committed to an ongoing program of investment, including the impending redevelopment of the patron facilities at Gawler and the construction of a one-turn track in the southern region.

The following is a summary of expenditure on key strategic items that took place or commenced during 2012-13:

Location	Description
Angle Park	McQueens Refurbishment & Gaming Upgrade
Angle Park	Installation of Lift
Angle Park	TV Monitor Replacement Project
Angle Park	Maintenance Shed
Angle Park	Upgrade of Restrooms (Chasers)
Angle Park	Automated Track Irrigation System
Gawler	Refurbishment of Kennelhouse
Mount Gambier	Safety Rail
Mount Gambier	Kennel Security Cages
Administration	OzChase IT Platform



## ***Support of Participation***

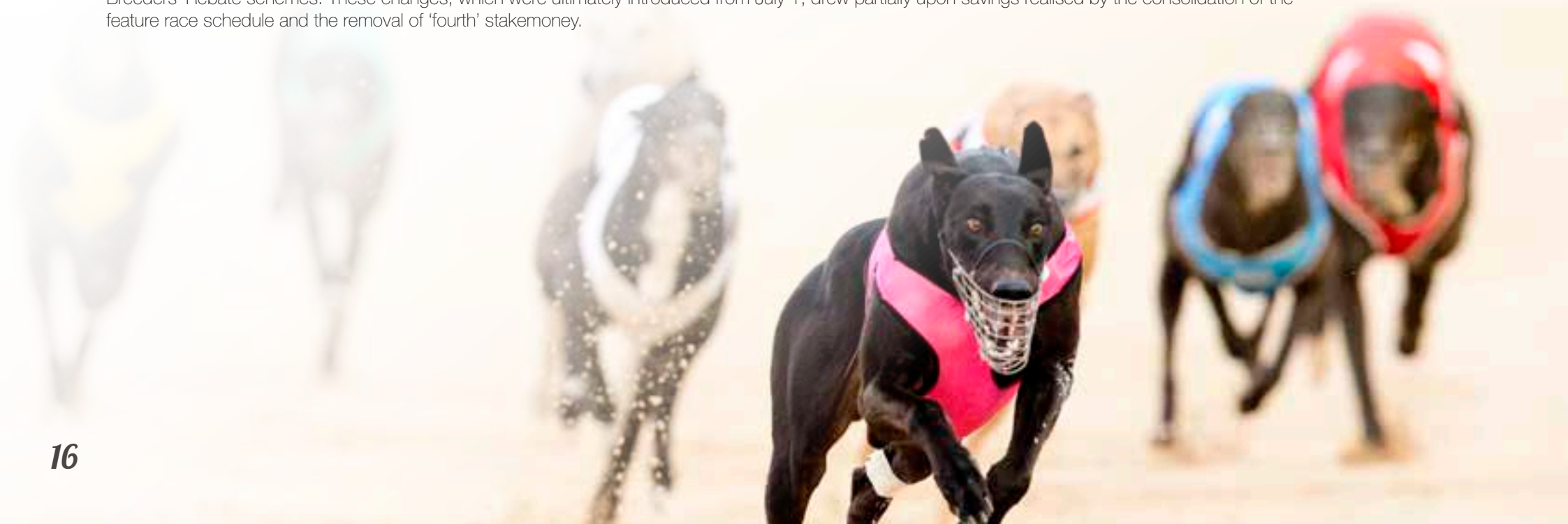
### ***Stakemoney Strategy***

Returns to industry in the form of stakemoney, rebates and breeding incentives increased by 6% to \$5.85 million in 2012-13.

In addition to stakemoney increases that were introduced from October 2012, GRSA also introduced a more equitable distribution of stakemoney to all participants – a key pillar of the GRSA Strategic Plan – effectively establishing three distinct levels of racing across all TAB tracks and removing any arbitrary differentiation that previously existed between the regions.

A comprehensive process of consultation was then undertaken to identify the strategy that would apply to the next round of stakemoney increases from July 2013. That new framework was heavily influenced by feedback from industry groups including the Industry Consultative Group, Grading Review Panel and Feature Race Panel.

Those discussions resolved the need to prioritise an increase in Thursday night base stakemoney levels and modification to the existing trainer fee structure. Other changes that were supported included the introduction of trainer fee payments for Mount Gambier and Port Augusta meetings and nominal increases to the allocations for the SA Bred and Breeders' Rebate schemes. These changes, which were ultimately introduced from July 1, drew partially upon savings realised by the consolidation of the feature race schedule and the removal of 'fourth' stakemoney.



## *GRSA Participant Returns - Prizemoney, Rebates & Breeding Incentives*



## *Reactivation of Angle Park Vet Clinic*

One of the most satisfying outcomes from 2012-13 was the reactivation of a restricted service out of the Angle Park Vet Clinic. South Australian trainers have persistently expressed the view that this would deliver significant participant outcomes in terms of both convenience and safety.

From February of this year, Dr Greg Moore commenced a weekly service out of that facility which extends into the Tuesday night trial session. In addition to some incidental costs associated with reactivating the clinic, it was acknowledged that a feasible service would require the introduction of modern digital imaging technology. The purchase of that equipment drew predominantly upon the funds that were available through the Industry Foundation with the general support of participants.

The introduction of this service has been extremely well-received and represents a practical example of the benefits of a functional framework of communication between Management and industry.

## *Policy Amendment - Abandoned Races/Meetings*

Further to the loss of the Strathalbyn meeting on Sunday February 24, GRSA made the unusual decision to allocate stake money to participants when it had previously only been the practice to do so in relation to meetings that had progressed beyond the half-way point. Despite the absence of any wagering on that meeting, the application of the old policy would have failed to recognise the fundamental obligation that GRSA has in relation to viable participation. In acknowledging that trainers still automatically incur costs in the event of abandonment, the policy has been updated accordingly.

## *Animal Welfare*

The welfare of our greyhounds remains a clear priority for the Board and that commitment has been underpinned by ongoing increases to funding and resourcing of the Greyhound Adoption Program. The GAP SA team punches well above its weight within the national framework, adopting out more retired greyhounds than any jurisdiction other than Victoria.

Behind the scenes, there have been highly positive discussions in recent months relating to the commencement of a Prison Pet Partnership program in South Australia driven primarily by the enthusiasm of the current Racing Minister Leon Bignell. Such an initiative would allow the GAP program to take the next step in terms of capacity and we remain optimistic that this initiative may be launched in the months immediately ahead.

Greyhound Racing SA is unambiguous on its position in relation to animal welfare. The Board acknowledges that the greyhound racing industry, its promoters and regulators are collectively accountable for the welfare of all animals involved in greyhound racing in Australasia. This consideration will factor heavily into any strategically significant decisions that the Board makes going forward.

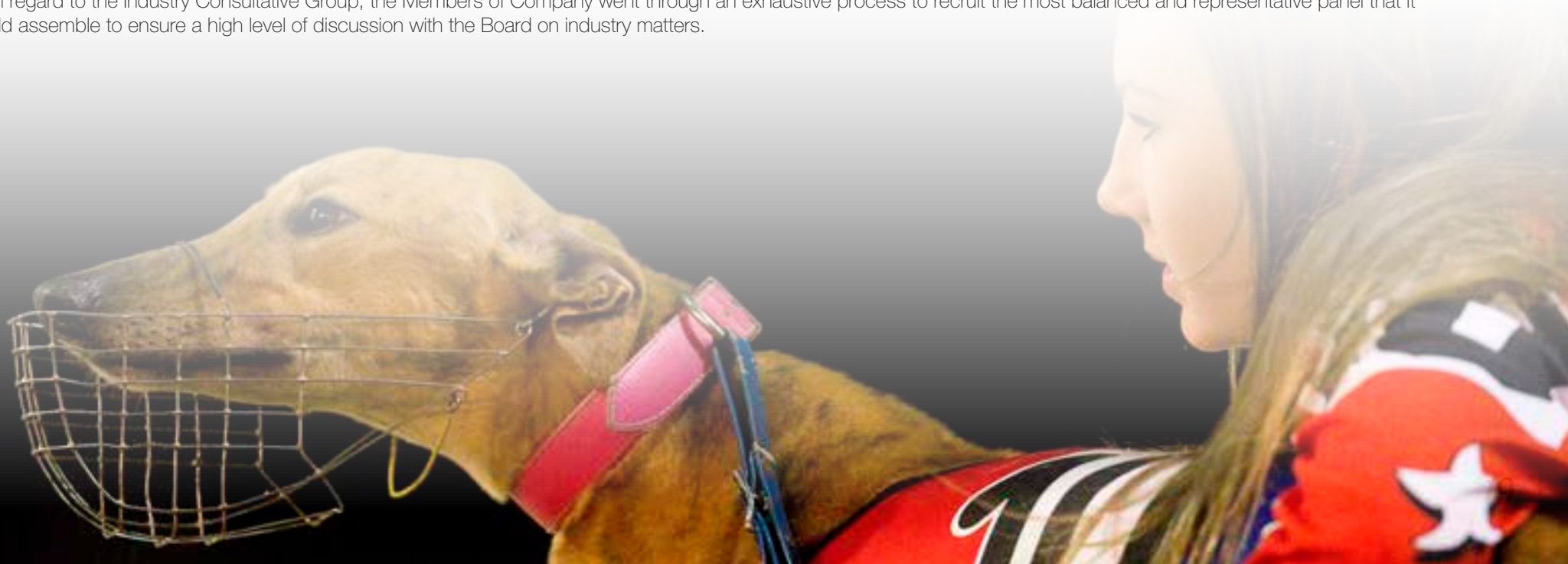
As a Member of Greyhounds Australasia, GRSA is committed to promoting and protecting the well-being of greyhounds throughout their life cycle in accordance with the principles, policies and rules of greyhound racing. We seek to identify initiatives that optimise animal welfare outcomes including the encouragement of quality breeding practices and the introduction of initiatives to extend greyhound racing careers.

On a related note, South Australia and Western Australia are currently partnering in a collaborative study which is investigating the correlation of specific factors which are deemed to be potential contributors to hock injury. That process has required the significant support of other jurisdictions and will ultimately form the basis of a final report to AGRA.

## ***Industry Committees***

Significant effort has gone into the reformation of the industry's committee framework. The following bodies meet at least annually to address issues of relevance to their charter – the Industry Consultative Group, the Grading Review Panel, the Feature Race Panel, the Breeders' Taskforce and the Panel of Professional Trainers.

With regard to the Industry Consultative Group, the Members of Company went through an exhaustive process to recruit the most balanced and representative panel that it could assemble to ensure a high level of discussion with the Board on industry matters.



## ***McQueens Tavern***

The investment that went into McQueens Tavern during the year has triggered improvement from the business which will more than offset the costs that were involved. The result is particularly pleasing in the context of a broader decline of gaming across the state and given the prolonged interruptions that have been associated with the construction of the South Road Superway.

## ***Triple M Adelaide Cup***

Triple M renewed its sponsorship of the Group 1 Adelaide Cup and it is clear that the Rush Hour program has served as a uniquely successful platform for promoting awareness of our premier race. In acknowledging that to be the case, it would be remiss not to commend 'Roo' and 'Ditts' for the enthusiasm and professionalism that they bring to the table in support of greyhound racing.

## ***2. Items In Progress***

### ***Facilities at Gawler***

Work commenced in February of this year on the Gawler GRC kennelhouse which aimed to address the structural shortcomings of the previous building. The changes included a much more practical layout, greater soundproofing of the external walls and a heightened ability to regulate temperature in all conditions. Despite the imposition of a challenging six-week timeframe, the project was completed on time and within budget.

At around the same time, GRSA progressed to the next round of the RDA (Regional Development Australia) federal funding application process. This required the formal submission of an expression of interest to construct a multi-stakeholder grandstand and function centre on the site of the current patron facility. Unfortunately, we received confirmation in June that GRSA had been unsuccessful with its application due to the strength of competing submissions. It had been anticipated that GRSA could secure funding towards a \$5.3 million building to replace and modernise the outdated facilities at that site for the various stakeholder groups.

Management is now in the process of finalising its designs for a patron facility that specifically services our industry's racing requirements at that venue. It is our current expectation that work will commence in the first half of 2014.

## ***Southern Site Selection***

Our Management team has embarked upon a comprehensive review of sites in the southern region with a view to identifying the best long-term proposition for the location of a one-turn track. From the various locations that have been assessed, two options remain in calculation – a development of the existing site at Strathalbyn or the construction of a new site near Murray Bridge.

The two options are different in a number of ways. The Strathalbyn option is more affordable, incorporates fewer unknown elements and could foreseeably commence sooner. The Murray Bridge option is more expensive and requires more planning, but offers clear benefits in terms of ownership and future participation. These types of strategic consideration were incorporated within the body of the recent industry survey of breeders and trainers.

A decision on the future southern strategy is expected by the middle of 2014.



## ***Risk Profiling***

A register of primary industry risks is maintained and presented twice annually to the Board. The document considers the likelihood of specific risks manifesting on any level and the foreseeable impact of same. This tool promotes more informed decision-making at the Board level and clearer strategic thinking at the Management level.

The following is an overview of some of the more significant items that our organisation needs to consider when setting its strategic agenda:

- The industry's challenge to remain viable in the absence of meaningful and systemic Government funding support
- The maintenance of our racing facilities both as a compliance issue and with regard for modern community expectations
- The risk to wagering revenue associated with fragmented wagering pools and the growth of national corporate bookmaking activity
- Maintenance and growth of all categories of participation at the local level
- Mainstream acceptance of greyhound racing and the contribution that it makes to the community
- The threat of Sky Racing selling its broadcast rights to TVN
- Ensuring public confidence in the integrity of our racing and wagering product



## ***OzChase Racing IT System***

As is typically the case with the transition to a new IT platform, our first year on the OzChase racing system has not been without its challenges, however we are steadily moving towards the delivery of more functional and user-friendly solutions. As NSW, WA and Queensland migrate onto the platform, we anticipate that their presence will accelerate the process of identifying and resolving system issues.

It should be noted that the IT solution that we have chosen supports the majority of the national framework, with all jurisdictions other than Victoria either on OzChase or planning to come onto that system within the months ahead. By virtue of that fact, the new system offers potential synergies that have not previously existed. We remain confident that the new platform will ultimately reach a point of universal acceptance and appeal.

## ***3. Looking Ahead***

### ***Sky Racing Weekly Schedule***

The weekly schedule on Sky Racing still remains one of our most valuable tools for driving market share on our code. There are a number of things that we need to consider when reviewing the current approach to our schedule which averages 6 ½ weekly meetings (allowing for fortnightly Sundays at Mount Gambier).

The factors that impact upon our ability to schedule include, but are not limited to, the following types of issues:

- The minimal provision of a weekly racing opportunity in each region in direct support of participation
- Consideration of the extent to which our scheduling can genuinely be supported by nomination activity
- The availability of prime timeslots as made available by Sky Racing
- The value of removing the current practice of alternating two different regions within the one weekly timeslot in support of wagering continuity
- The variance in the costs associated with providing racing out of different venues

The primary difficulty with managing our Sky schedule is that it is always a matter of balancing different priorities rather than identifying a perfect solution. By way of example, more frequent scheduling at our primary venue at Angle Park will typically generate greater turnover, but is undertaken at a higher operational cost and, by definition, reduces the direct opportunity to race in the regional areas.

Our Management team remains committed to exploring the opportunities that exist within the schedule to ensure that our market share strategy remains competitive and current at all times while still remaining conscious of our fundamental charter to support viable participation.

## ***Race Fields Charging Model***

The introduction of charging for race field information in 2007 was a critical turning point for the racing codes. The absence of the revenue that we receive from other wagering providers and corporate bookmakers who use that information to conduct their business would be unthinkable. In the last year alone, this item contributed to 34% of total revenue or \$5.49m against the bottom line.

While the concept of charging a fee for the use of your own (intellectual) property is common practice, it should be noted that the introduction of this charge and increases to same over time have met with resistance from those who are compelled to pay it or forego the right to wager on our product. Notwithstanding, it is imperative for the codes at a national level to keep collective pressure on the rate that it charges and to remain unapologetic about the need for such providers to support the sustainability of the product of racing.

## ***Strategic Plan Items***

The GRSA Strategic Plan released in July 2012 provides the overarching principles that will serve to revitalise the South Australian greyhound industry and promote a sustainable future for greyhound racing in this state.

In the first 12 months since the implementation of the Strategic Plan, the industry will have noticed the introduction of various changes including, but not limited to, major stakeholder reform, increased focus on infrastructure spending and a more formalised approach to participant consultation.

Over the ensuing 12 months, GRSA will focus on a number of key areas including the ongoing progression of the industry's WH&S framework, programs to support participant education and initiatives aimed at further elevating industry confidence in the integrity processes which underpin our racing product.

GRSA is committed to a process of ongoing review of the Strategic Plan to ensure that the principles contained within continue to remain relevant to our changing environment.

## *Senior Management Team*



**Matt Adams** - Finance Manager



**Shaun Mathieson** - Racing Manager



**Paul Marks** - Integrity & Standards Manager



**Ben Owens** - Hospitality Manager



**Scott Wuchatsch** - Strategic Projects Manager



**Sam Jeffries** - Marketing Manager

## WORK, HEALTH & SAFETY

***GRSA is committed to ensuring the health, safety and wellbeing of workers, volunteers and visitors to all of its venues and workplaces in South Australia***

The modern workplace environment places stringent requirements upon organisations such as ours to ensure that they have a compliant and accountable WH&S platform in place. An independent audit of GRSA's racing facilities was undertaken during the year which identified the areas of priority that we need to focus on as an industry in the short and medium terms.

GRSA is committed to ensuring the health, safety and wellbeing of workers, volunteers and visitors to all of its venues and workplaces in South Australia.

The GRSA Workplace Safety and Wellbeing Plan forms part of the framework for a systematic and sustainable approach to health, safety, wellbeing and injury management within the organisation (including all greyhound clubs) and the continuous improvement of its Work Health & Safety and Injury Management Systems.

As staff and volunteer members of GRSA, we are all responsible for our own safety and the safety of others in the workplace, therefore everyone's input is required to ensure engagement and consultation at all levels throughout the organisation.

The Board and Senior Management are required to lead the implementation of this plan and to ensure a culture of safety is implemented across the organisation. We are committed to leading and driving a positive culture whereby all staff and volunteers take responsibility for the safety and wellbeing of all persons entering our greyhound racing venues across South Australia.



## EVENTS

*South Australia  
conducted a total  
of nine Group Races  
at Angle Park  
and Gawler during  
the year*

### *Feature Race Winners*

**South Australia conducted a total of nine Group Races at Angle Park and Gawler during the year. A summary of the Group and major races follows:**

#### *Group One*

Triple M Adelaide Cup

Spud Regis (Andrea Dailly)

#### *Group Three*

Coffex Coffee Oaks  
Coca Cola Derby  
Gawler Gold Cup  
Brian Johnstone  
SA Sprint Championship  
West End Distance Championship  
West End Anniversary Cup  
Howard Ashton

Hope's Up (Cameron Butcher)  
Spud Regis (Andrea Dailly)  
Bogie King (Ryan Ayre)  
Uncle's Miss (Todd Kelly)  
Fire Tyson (Tony Lagana)  
Mimicking (Robert Britton)  
Cintiama (Sandra Collins)  
Vicia Brooke (Ron Shadow)

#### *Other Feature Events*

Sister Cities Cup  
Gawler Produce Stake  
Champion Puppy  
SA St Leger  
Adelaide Cup Consolation  
Premier's Cup

Bogie King (Ryan Ayre)  
Comic Sans (Kelly Bravo)  
Sometimes Speedy (Troy Murray)  
Carlos Tyson (Tony Lagana)  
Mepunga Geordie (Jeff Britton)  
Fyna Bale (Andrea Dailly)





## *Country Cups*

Strathalbyn Cup  
Mount Gambier Cup  
Port Augusta City Council Cup  
Waterloo Cup

Sometimes Speedy (Troy Murray)  
Colville (Allen Williams)  
Jak And Boss (Ken Newlyn)  
Just Chases (Don Turner)

## *Track Records*

### *Angle Park*

388m: Kalden Mischief (Troy Murray)

21.95 - 23/04/2013

### *Gawler*

400m: Cash Or Credit (Aart Verhoef)

22.34 - 04/06/2013

### *Strathalbyn*

416m: Disco Chase (Annice Burns)  
536m: Rock Pepper (Allan Francis)

23.72 - 19/05/2013  
30.77 - 19/05/2013

### *Mount Gambier*

400m: Star Doll (Garry Marshman)

23.05 - 19/04/2013

## *2012 Award Winners*

**The 2012 Greyhound of the Year Dinner was held in March. The award winners presented on the night were:**

Greyhound of the Year	Hope's Up
SA Bred Greyhound of the Year	Hope's Up
Distance Greyhound of the Year	Abdon Bale
Sprinting Greyhound of the Year	Koombooyana Girl
Run of the Year	Abdon Bale
Gawler Trackstar	Where's Pancho
Stud Dog of the Year	Emerley Carlos
Broodbitch of the Year	Teelah
Breeder of the Year	Karen Bearpark
TAB Trainer of the Year	Shaun Matcott
Country Trainer of the Year	Don Turner
TAB Owner/Trainer of the Year	Tony Lagana
City Strike Rate Winner	Cameron Butcher
Syndicate of the Year	Don't Tell The Boss Syndicate, Mgr – Stephen Cieslak
Young Achievers Award	Jayde Edwards & Jasmyn Edwards
Volunteer of the Year	Bob May

**The major Coursing awards were presented in November and were won by:**

Coursing Greyhound of the Year	Nirimba Sapphire
Coursing Trainer of the Year	Todd Kelly



## ***DIRECTORS' REPORT***



Your directors present their report on the company for the financial year ended 30 June 2013.

### ***Directors***

The names of each person who has been a director during the year and to the date of this report are:

Michael Allan Fabbro  
Paul James Preiss  
Chris Leo Doyle  
David Anthony Spear (from March 2013)  
Benjamin Luke Thomas Miels (until May 2013)  
Grantley William Stevens (from July 2013)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### ***Principal Activities***

The principal activities of the company during the financial year, in accordance with the company's Constitution, were:

- To encourage, promote and conduct the sport of greyhound racing
- To provide industry control and direction for the greyhound industry
- To effectively market greyhound racing

### ***Operating Result***

The consolidated profit of the company for the financial year amounted to \$269,873.

## *Review of Operations*

The end-of-year market share figure for the greyhound code was 16.298%, a decrease of 0.11% on the previous year's result of 16.408%. Despite continuing to record strong national figures, local Tattsbet wagering turnover on SA greyhounds was down on previous years. Across the other codes, thoroughbred market share increased by 1.41 percentage points to 71.679% and harness fell 1.3 percentage points to 12.023%.

Despite the slight reduction in market share, the key elements of the Strategic Plan remain eminently achievable. This means that the Board remains committed to delivering on the planned upgrade of the patron facility at Gawler, the new one-turn track in the southern region and ongoing increases to industry returns.

Industry commissions from SA-based Tattsbet wagering amounted to \$6.404m for the greyhound code, a drop of 3.4% from the previous year. Race field revenue, derived from interstate betting on SA greyhound racing, constitutes the other primary source of income for GRSA. Income from this item increased \$1.14m to \$5.49m, equating to year-on-year growth of 26.1%. This significant increase was enabled by the introduction of a higher charge rate being applied across the three codes. During the same period race field fees payable to other states, based on local (SA) wagering activity on interstate racing, decreased by \$0.27m to \$1.46m or the equivalent of 15.7%.

Despite the general softness of the gaming market and the ongoing interruption of works associated with the South Road Superway, gaming revenue managed to hold reasonably steady with the result from the previous year. It is anticipated that gaming revenue will increase noticeably over the coming 12 months on the back of recent venue changes and a more aggressive strategy relating to the gaming offer at McQueens Tavern.

## *Financial Position*

The net assets of the company have increased to \$8,453,827 in 2013.

## *Dividends*

As the company has been formed as a company limited by guarantee, for the benefit of the greyhound racing industry in South Australia, no dividend is payable to members.

## *After Balance Date Events*

No significant events have occurred after 30 June 2013.

## *Future Developments*

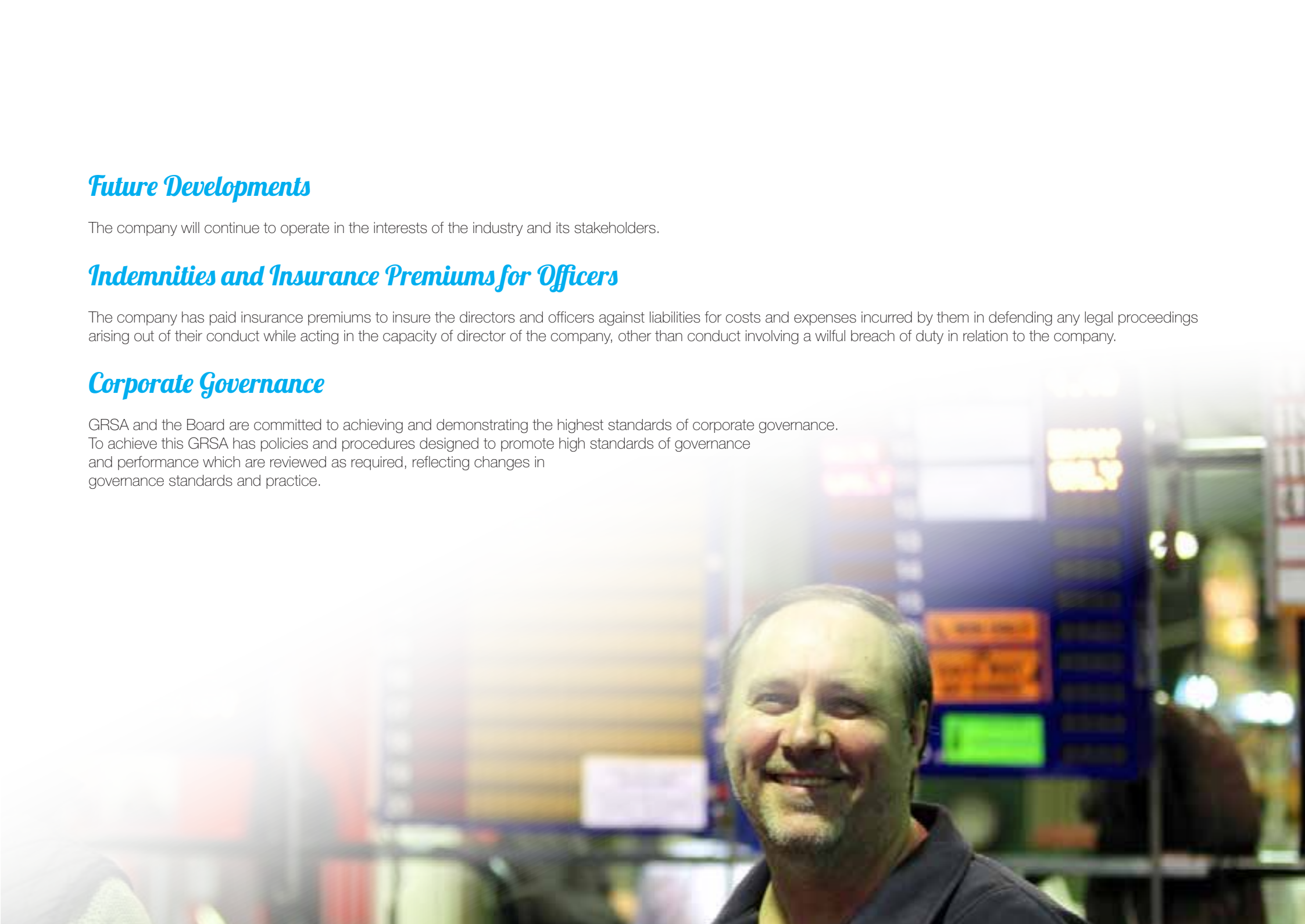
The company will continue to operate in the interests of the industry and its stakeholders.

## *Indemnities and Insurance Premiums for Officers*

The company has paid insurance premiums to insure the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

## *Corporate Governance*

GRSA and the Board are committed to achieving and demonstrating the highest standards of corporate governance. To achieve this GRSA has policies and procedures designed to promote high standards of governance and performance which are reviewed as required, reflecting changes in governance standards and practice.



## *Environmental & Animal Welfare Issues*

Greyhound Racing SA is an environmentally conscious organisation that takes concerted measures to save water and other natural resources throughout its operations, ensuring that it meets all regulatory requirements.

The welfare of our racing greyhounds will remain a fundamental consideration in the development of all company strategies and policy.

## *Proceedings on Behalf of Company*

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.





## *Information on Directors*

### ***Michael Allan Fabbro***

LLB(Hons), BCom (Acct), GDLP, FTIA, IPAA

Non-Executive Director (experience as a legal practitioner) and Chairman

Michael joined the Board of GRSA in November 2009 as a Non-Executive Director. He is a practising solicitor and principal of his own Firm, Ezra Legal and also holds a Bachelor of Commerce majoring in Accounting. Michael is a Fellow of the Tax Institute of Australia, a member of the Leaders Institute of South Australia and the Insolvency Practitioners Association of Australia and also sits on the Board of the Aged Rights Advocacy Service. Michael has also previously had direct experience of the hospitality industry.

Special responsibilities include Chairman of the Remuneration Committee and member of the Audit Committee.

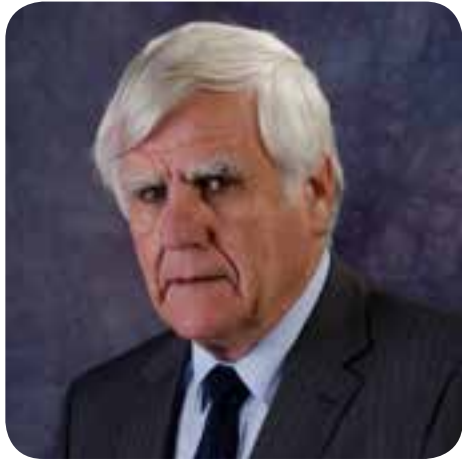


### ***Paul James Preiss***

B.Bus (Marketing), MAICD, FAIM, CPMgr, FAMI, CPM

Non-Executive Director (experience in marketing)

Paul joined the Board in November 2011 as a Non-Executive Director. He has a strong background in commercial and marketing strategy as well as human resource management. Having begun his marketing career in manufacturing and international trade, Paul went on to take up senior marketing roles with National Pharmacies, the Royal Automobile Association of SA and the University of Adelaide. He is a director and Partner of the Adelaide-based strategic management and marketing consultancy Makrid Preiss & Associates. His role requires working directly with and advising Chief Executive Officers, business owners and senior executives on business and marketing strategies, cultural programs and senior executive recruitment strategies. Paul is currently on the Media Advisory Board of the University of Adelaide.



### ***Dr Chris Leo Doyle***

BVSc

Non-Executive Director (experience in greyhound racing industry) as elected by licensed persons

Joining the Board in November 2011 as the South Australian greyhound racing industry's representative, Chris brings with him a wealth of experience including nearly 40 years of professional involvement with the industry's trainers and owners. He is currently the greyhound veterinarian at Angle Park and also serves as President and Chairman of the Australian Greyhound Veterinary Association.



### ***David Anthony Spear***

MAICD

Non-Executive Director (experience in business) from March 2013

David was appointed to the Board in March 2013. His previous executive positions include State Manager for Ausdoc Information Management Services, State Manager for Regional Express Airlines, Commercial Manager Government for Ansett Airlines. He was also the Commercial Manager Government for Australia Post. He is currently South Australian State Manager of the Institute of Company Directors with responsibility for, amongst other things, the strategic direction and commercial management of that organisation. David has over 20 years of involvement with the corporate sector combined with significant sales and marketing experience. Among the external Board seats he holds are positions with Uniting Care Wesley Bowden and the Australian Children's Performing Arts Company (Windmill Theatre).



### ***Benjamin Luke Thomas Miels***

B.Bus (Acct), FCA, LLB, FTIA, GAICD

Non-Executive Director (experience in finance) until May 2013

Appointed in April 2011 as a Non-Executive Director, Ben is a Managing Partner of Chartered Accounting firm Edwards Marshall where he assists many medium to large businesses and professional clients through his provision of taxation, accounting and business services. He also acts as a Director/Board adviser to a number of significant clients and other public and private companies. Ben has experience across a wide range of industries including manufacturing, mining, agriculture, law and wholesale and retail trade. Ben is also a past Chairman of the Institute of Chartered Accountants in Australia SAVNT Division and is currently a Director of the Institute of Chartered Accountants in Australia.

Special responsibilities included Chairman of the Audit Committee and a member of the Remuneration Committee.



### ***Grantley William Stevens***

B.Bus (Accounting)

Non-Executive Director (experience in finance)

Grantley joined the board in July 2013 bringing a strong background in financial management. Having joined Edwards Marshall in 1987, he was appointed a Senior Manager in 1998 and became a Partner in 2002. Grantley has a Bachelor of Business (Accounting) and completed his professional year with the Institute of Chartered Accountants in 1991. A Member of the Taxation Institute of Australia he sits on both their National Education Committee and the FBT National Taxation Group. In addition to holding Board positions with AW Go Organics Pty Ltd, IEBM Pty Ltd, Nixomax Pty Ltd and Inclusive Directions Pty Ltd, Grantley is the Secretary of the Alexander & Symonds Group.

Special responsibilities include Chairman of the Audit Committee and member of the Remuneration Committee.



## Meetings of Directors

The number of Board meetings held during the year was 11. The Audit and Remuneration Committees each met once during the same period.

## Attendance Details:

### Board Meetings

Michael Fabbro	Eligible 11	Attended 11
Paul Preiss	Eligible 11	Attended 11
Chris Doyle	Eligible 11	Attended 11
David Spear	Eligible 4	Attended 4
Ben Miels	Eligible 9	Attended 7
Grantley Stevens	Eligible 0	Attended 0



### Audit

Michael Fabbro	Eligible 1	Attended 1
Ben Miels	Eligible 1	Attended 1

### Remuneration

Michael Fabbro	Eligible 1	Attended 1
Ben Miels	Eligible 1	Attended 1

## *Company Secretary*

### ***Matthew Corby***

BA, B.Bus (Mktng), Grad Dip Sports Mgmt

Mr Corby was appointed to the Chief Executive Officer role on November 1, 2010.

## ***Auditor's Independence Declaration***

The auditor has performed no other services during the year.

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out in the Audit Report.

Signed in accordance with the resolution of the Board of Directors



.....  
Michael Allan Fabbro, Chairman  
Dated this 31st day of October 2013



# FINANCIALS

GREYHOUND RACING SA LTD ABN 39 094 569 525

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013 \$ 000's	2012 \$ 000's
<b>CLASSIFICATION OF EXPENSES BY FUNCTION</b>			
Racing product income	2	11,919	11,011
Other revenues from ordinary activities	3	538	687
SA Government Grants		-	100
Food, Beverage and Gaming Revenue		3,658	3,736
Prizemoney & rebate distribution expenses	4	(5,846)	(5,538)
Food, Beverage and Gaming Expenditure		(3,578)	(3,501)
Racing & probity expenses		(4,160)	(3,885)
Administration expenses		(1,925)	(2,028)
Marketing expenses	5(1)	(360)	(372)
Finance & borrowing expenses	5(2)	(15)	(32)
<b>Profit from ordinary activities</b>	5	<b>231</b>	<b>178</b>
<b>Other Comprehensive Income</b>			
Net gain/(loss) on revaluation of financial assets		39	(3)
<b>Other Comprehensive Income for the year</b>		<b>39</b>	<b>(3)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>270</b>	<b>175</b>



GREYHOUND RACING SA LTD ABN 39 094 569 525

## *STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013*

### **CURRENT ASSETS**

Cash & Cash Equivalents  
Receivables  
Inventories  
Investments  
Other Current Assets

### **Total Current Assets**

### **NON-CURRENT ASSETS**

Receivables  
Property, Plant and Equipment

### **Total Non-Current Assets**

### **TOTAL ASSETS**

NOTE	2013	2012
	\$ 000's	\$ 000's
6	1,414	1,614
7	1,163	1,092
8	48	67
9	261	222
10	51	100
	<b>2,937</b>	<b>3,095</b>
7	45	45
11	7,558	7,014
	<b>7,603</b>	<b>7,059</b>
	<b>10,540</b>	<b>10,154</b>

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	NOTE	2013 \$ 000's	2012 \$ 000's
<b>CURRENT LIABILITIES</b>			
Payables	12	1,396	1,085
Borrowings	13	-	140
Provisions	14	639	596
Other Current Liabilities	15	10	9
<b>Total Current Liabilities</b>		<b>2,045</b>	<b>1,830</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	14	41	20
Other Non-Current Liabilities	15	-	120
<b>Total Non-Current Liabilities</b>		<b>41</b>	<b>140</b>
<b>TOTAL LIABILITIES</b>		<b>2,086</b>	<b>1,970</b>
<b>NET ASSETS</b>		<b>8,454</b>	<b>8,184</b>
<b>EQUITY</b>			
Reserves		4,646	4,646
Retained Profits		3,808	3,538
<b>TOTAL EQUITY</b>		<b>8,454</b>	<b>8,184</b>



GREYHOUND RACING SA LTD ABN 39 094 569 525

## ***STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013***

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Capital Acquisition Reserve</b>	<b>Total</b>
<b>Balance at 1 JULY 2011</b>	<b>3,363</b>	<b>658</b>	<b>3,988</b>	<b>8,009</b>
Profit attributable to members	178	-	-	178
Transfer to & from Reserves	-	-	-	-
Total other comprehensive income for the year	(3)	-	-	(3)
<b>Balance at 30 JUNE 2012</b>	<b>3,538</b>	<b>658</b>	<b>3,988</b>	<b>8,184</b>
Profit attributable to members	231	-	-	231
Transfer to & from Reserves	-	-	-	-
Total other comprehensive income for the year	39	-	-	39
<b>Balance at 30 JUNE 2013</b>	<b>3,808</b>	<b>658</b>	<b>3,988</b>	<b>8,454</b>

GREYHOUND RACING SA LTD ABN 39 094 569 525

## ***CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2013***

	NOTE	2013	2012
		\$ 000's	\$ 000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		15,973	15,220
Grants received		-	100
Payments to suppliers and employees		(14,789)	(14,740)
Interest received		69	85
Finance costs		(15)	(32)
<b>Net cash provided (used) by operating activities</b>		<b>1,238</b>	<b>633</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	-
Payments for property, plant and equipment		(1,298)	(356)
Purchase of investments		-	-
Proceeds from investments		-	-
Advances to Clubs		-	-
Repayment of loans from Clubs		-	12
<b>Net cash provided (used) by investing activities</b>		<b>(1,298)</b>	<b>(344)</b>



#### CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from borrowings

Repayment of borrowings

Proceeds from other controlling authorities

**Net cash provided (used) by financing activities**

**Net increase/(decrease) in cash held**

**CASH AT BEGINNING OF PERIOD**

**CASH AT END OF PERIOD**

NOTE	2013	2012
	\$ 000's	\$ 000's
	-	-
	(140)	(257)
	-	-
	<b>(140)</b>	<b>(257)</b>
	<b>(200)</b>	<b>32</b>
	<b>1,614</b>	<b>1,582</b>
6	<b>1,414</b>	<b>1,614</b>

## ***NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013***

### **NOTE 1: STATEMENT OF ACCOUNTING POLICIES**

The financial report of Greyhound Racing SA Ltd for the year ended 30 June 2013 was authorised for issue in accordance with a resolution of the Directors on 31 October 2013.

In the opinion of the Board, Greyhound Racing SA Ltd. ("GRSA") is a reporting entity and accordingly, the financial report is a general purpose financial report that has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for land and buildings and available-for-sale investments, which have been measured at fair value.

The financial statements of GRSA are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB-RDRs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The adoption of AASB 1053 and AASB 2010 -2 has allowed GRSA to remove a number of disclosures. There was no other impact on the current or prior year financial statements. The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

GRSA is exempt from income tax pursuant to the Income Tax Assessment Act.

The following is a summary of the material accounting policies adopted by GRSA in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

## **(a) Revenue recognition**

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

### **(i) Sale of Goods**

Revenue from the sale of goods is recognised when there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is fixed and generally title has passed.

### **(ii) Rendering of Services**

Revenue from TAB distribution for both on-course and off-course wagering is shown net of expenses. Revenue from the supply of race fields is recognised in the month of the race field.

### **(iii) Interest revenue**

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

### **(iv) Dividends**

Revenue is recognised when the company's right to receive the payment is established.

## **(b) Depreciation**

All fixed assets, including buildings and capitalised leased assets but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset held is first ready for use.

### **(c) Cash & Cash Equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest bearing loans and borrowings in current liabilities in the statement of financial position.

### **(d) Receivables**

Receivables that generally have 30 day terms, are recognised at fair value. Collectability of receivables is reviewed on an ongoing basis at an operating level. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the company will not be able to collect the receivable.

### **(e) Inventories**

Inventories are measured at the lower of cost (First in First Out basis) and net realisable value.

### **(f) Available-For-Sale Financial Assets**

Available-for-sale financial assets are those non-derivative financial assets, principally equity securities, that are designated as available-for-sale. After initial recognition available-for-sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the reporting date.

### **(g) Property, Plant and Equipment**

Property is brought to account at cost or at independent valuation (see Note 11), less, where applicable, any accumulated depreciation or amortisation. Plant and Equipment is brought to account at cost, less where applicable, any accumulated depreciation. The carrying amount of the property, plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from these assets.

GRSA conducts an annual review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels from other assets or groups of assets. Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have been reversed.

The land, buildings and improvements situated at Angle Park were revalued as at 30 June 2009, by independent valuation performed by Neil Bradford, Certified Practising Valuer, of Egan National Valuers (SA), using the fair value methodology.

Revaluation increments arising upon revaluing non-current assets to their fair value are credited directly to the Asset Revaluation Reserve, except, to the extent that, the net increment reverses a net revaluation decrement previously recognised as an expense.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the proceeds of the disposal, and is included in the profit in the year of disposal.

#### **(h) Employee Entitlements**

Provision is made for GRSA's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at their nominal amount.

The liability for long service leave is recognised and measures as an estimate of the present value of expected future payments made in respect of services provided by employees up to the reporting date.

Contributions are made to employee superannuation funds and are charged as an expense when incurred.

#### **(i) Members' Guarantee**

GRSA is a company limited by guarantee. If GRSA is wound up, the Constitution states that each member is required to contribute a maximum of two (2) dollars towards meeting outstanding obligations. As at 30 June 2013, the number of members was six (6).

	NOTE	2013	2012
		\$ 000's	\$ 000's
<b>NOTE 2: RACING PRODUCT INCOME</b>			
TAB Product Fee paid to greyhound racing code		8,273	8,712
less clawback amount payable to SA Government		(497)	(483)
less TAB Product Fee Expenses		(1,458)	(1,730)
Transfer from Provisions - Futurity Series		22	24
Race Field Fee Income		5,493	4,357
On-course tote commissions		86	131
		<b>11,919</b>	<b>11,011</b>
<b>NOTE 3: REVENUE</b>			
<b>Other Operating Revenue</b>			
Sponsorships		120	173
Other		418	514
		<b>538</b>	<b>687</b>
<b>NOTE 4: PRIZEMONIES &amp; REBATES</b>			
Prizemonies		5,636	5,309
Travel Rebates		210	229
		<b>5,846</b>	<b>5,538</b>



#### NOTE 5: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:-

##### 5(1) Marketing Expenses

Marketing Expenses

##### **Total Marketing Expenses**

##### 5(2) Finance & Borrowing Costs

Borrowing facility usage fee paid

Interest paid on borrowings

##### **Total Borrowing Costs**

##### 5(3) Depreciation of Non-Current Assets

Property, plant & equipment

##### **Total Depreciation**

##### 5(4) Loss on Disposal of Property Plant & Equipment

Loss on Disposal of Property Plant & Equipment

##### **Total Loss on Disposal**

NOTE	2013	2012
	\$ 000's	\$ 000's
	231	178
	360	372
	<b>360</b>	<b>372</b>
	12	11
	3	21
	<b>15</b>	<b>31</b>
	631	639
	<b>631</b>	<b>639</b>
	122	-
	<b>122</b>	<b>-</b>

	NOTE	2013	2012
		\$ 000's	\$ 000's
<b>NOTE 6: CASH &amp; CASH EQUIVALENTS</b>			
Cash on Hand		59	56
Cash at Bank		325	320
Investments - Fixed Term		13	1,015
Cash Bank Deposits at call		1,017	223
		<b>1,414</b>	<b>1,614</b>
<b>NOTE 7: RECEIVABLES</b>			
<b>CURRENT</b>			
Sundry Debtors		1,043	1,027
Loans to Clubs		14	14
Provision for Doubtful Debt		(11)	(11)
Other		117	62
		<b>1,163</b>	<b>1,092</b>
<b>NON-CURRENT</b>			
Loans to Clubs		45	45
Provision for Doubtful Debt		-	-
		<b>45</b>	<b>45</b>
<b>Reconciliation of Doubtful Debts</b>			
Opening Balance		(11)	(11)
Movement		-	-
<b>Closing Balance</b>		<b>(11)</b>	<b>(11)</b>
<b>NOTE 8: INVENTORIES</b>			
Beverages - Tavern & Restaurant - At Cost		15	45
Food - Tavern & Restaurant - At Cost		33	22
		<b>48</b>	<b>67</b>



#### NOTE 9: INVESTMENTS

Available for Sale Financial Assets

#### NOTE 10: OTHER CURRENT ASSETS

Prepayments

#### NOTE 11: PROPERTY, PLANT AND EQUIPMENT

Land, Building and Improvements - Angle Park at Fair Value

Land, Building and Improvements - Angle Park at Cost

Accumulated Depreciation

Land, Building and Improvements - Gawler at Fair Value

Land, Building and Improvements - Gawler at Cost

Accumulated Depreciation

Land, Building and Improvements - Port Pirie at Fair Value

Accumulated Depreciation

NOTE	2013	2012
	\$ 000's	\$ 000's
	261	222
	<b>261</b>	<b>222</b>
	51	100
	<b>51</b>	<b>100</b>
1(g)		
	5,768	5,768
	316	316
	(736)	(554)
	<b>5,348</b>	<b>5,530</b>
	67	67
	143	143
	(146)	(109)
	<b>64</b>	<b>101</b>
	-	121
	-	(31)
	<b>-</b>	<b>90</b>

	NOTE	2013	2012
		\$ 000's	\$ 000's
Capital Works in Progress		133	11
Accumulated Depreciation		-	-
		<b>133</b>	<b>11</b>
Plant and Equipment		4,672	3,598
Accumulated Depreciation		(2,911)	(2,553)
		<b>1,761</b>	<b>1,045</b>
Furniture and Fittings		329	329
Accumulated Depreciation		(203)	(201)
		<b>126</b>	<b>128</b>
Motor Vehicles		188	152
Accumulated Depreciation		(62)	(43)
		<b>126</b>	<b>109</b>
		<b>7,558</b>	<b>7,014</b>



Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial period.

	Capital Work in Progress	Land Buildings & Improvements	Plant & Equipment	Furniture & Fittings	Motor Vehicles	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Carrying amount at start of year - at cost	11	5,721	1,045	128	109	7,014
Additions	133	-	1,139	-	36	1,308
Disposals	(11)	(91)	(31)	-	-	(133)
Depreciation expense	-	(218)	(392)	(2)	(19)	(631)
<b>Carrying amount at end of year</b>	<b>133</b>	<b>5,412</b>	<b>1,761</b>	<b>126</b>	<b>126</b>	<b>7,558</b>

	NOTE	2013	2012
		\$ 000's	\$ 000's
<b>NOTE 12: PAYABLES</b>			
<b>CURRENT</b>			
Trade Creditors		566	395
Other		830	690
		<b>1,396</b>	<b>1,085</b>
<b>NOTE 13: BORROWINGS</b>			
<b>CURRENT</b>			
Accommodation Bill Facility		-	140
		<b>-</b>	<b>140</b>
A finance facility agreement was in place between GRSA and Commonwealth Bank of Australia. The full amount of this loan was extinguished in 2013.			
<b>NOTE 14: PROVISIONS</b>			
<b>CURRENT</b>			
Provision for Annual Leave		235	250
Provision for Long Service Leave		268	251
Futurity & Gawler Produce Race Series	14(a)	136	95
		<b>639</b>	<b>596</b>



#### NON-CURRENT

Provision for Long Service Leave  
Futurity & Gawler Produce Race Series

NOTE	2013	2012
	\$ 000's	\$ 000's
	41	20
	-	-
	<b>41</b>	<b>20</b>

#### NOTE 14(a): FUTURITY & GAWLER PRODUCE SERIES

During the year, payments are received for eligible greyhounds to compete in the Futurity and Gawler Produce Race Series meetings. The payments received to compete in the series are paid as additional prizemoney to successful participants in the race series.

#### NOTE 15: OTHER LIABILITIES

##### CURRENT

Grants, Subsidies and Deposits in Advance

10	9
<b>10</b>	<b>9</b>

##### NON-CURRENT

Grants, Subsidies and Deposits in Advance

15(a)	-	120
	<b>-</b>	<b>120</b>

#### NOTE 15(a): SA GOVERNMENT REFORM PACKAGE PAYMENT

An amount was received during the financial year ended 30 June 2006 as compensation for the loss of future income expected to result from the S.A. Government's racing reform package (including on-course tote relief). This amount has been transferred to revenue in the current period due to the fact that GRSA has no obligation to repay this balance and that, substantially, all of the benefits of this compensation have already been obtained.

#### NOTE 16: EQUITY & RESERVES

##### Retained Earnings

GRSA is a Not-For-Profit Company Limited by Guarantee. The constitution precludes any distribution of earnings directly or indirectly by way of dividends, bonus or otherwise by way of profit to a Member

##### Asset Revaluation Reserve

The asset revaluation reserve is used to record increases and decreases in the fair value of land and buildings to the extent that they offset one another.

##### Capital Acquisition Reserve

The capital acquisition reserve is used to record fair value from the acquisition of the assets of member clubs where GRSA becomes responsible for the conduct of race meetings at the Club venue.

	NOTE	2013	2012
		\$ 000's	\$ 000's

#### NOTE 17: COMMITMENTS FOR EXPENDITURE

##### Capital Expenditure Commitments

##### Land, Buildings & Improvements

Not later than one year	108	250
Later than one year, not later than five years	-	-
Later than five years	-	-
<b>Total (including GST)</b>	<b>108</b>	<b>250</b>



NOTE	2013	2012
	\$ 000's	\$ 000's

#### NOTE 18: RELATED PARTY INFORMATION

Board members have no equity participation as GRSA is a company limited by guarantee, for the benefit of the greyhound racing industry.

(a) Board Members' Remuneration

<b>Total Board Members' Remuneration</b>	<b>130</b>	<b>138</b>
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(b) Key Management Remuneration

<b>Total Key Management Remuneration</b>	<b>946</b>	<b>902</b>
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Unless otherwise disclosed, transactions between related parties (including key management personnel) are on conditions no more favourable than those which it is reasonable to expect the entity would have adopted if dealing with a non-related party at arm's length in the same circumstances.

## DIRECTORS' DECLARATION



In accordance with a resolution of the directors of Greyhound Racing SA Ltd, I state that the directors of the company declare that:

**1. In the opinion of the directors, the financial statements and notes of Greyhound Racing SA Ltd for the financial year ended 30 June 2013 are in accordance with the Corporations Act 2001, including;**

- a. Giving a true and fair view of the financial position as at 30 June 2013 and performance for the year ended on that date; and
- b. Comply with Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- c. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

**2. The Chief Executive Officer and Chief Financial Officer have declared that:**

- a. The financial records of the company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001.
- b. The financial statements for the financial year, and accompanying notes as required by the Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- c. The financial statements and notes for the financial year give a true and fair view; and
- d. All other matters that are specified by regulations regarding declarations made under Section 295A have been satisfied.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'M. Fabbro', written over a horizontal dotted line.

Michael Allan Fabbro, Chairman  
Dated this 31st day of October 2013

# ANGLE PARK AUSTRALIA





## DECLARATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER



In accordance with Section 295A of the Corporations Act 2001, we declare that in our opinion:

1. The financial records of the company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001.
2. The financial statements for the financial year, and accompanying notes as required by the Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
3. The financial statements and notes for the financial year give a true and fair view of the financial position and performance of the company.
4. All other matters that are specified by regulations regarding declarations made under Section 295A have been satisfied.

This declaration is made in relation to the financial year ended 30 June 2013.



A handwritten signature in black ink, appearing to read 'Matthew Corby'.

.....  
Matthew Peter Corby  
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Matt Adams'.

.....  
Matt William Adams  
Chief Financial Officer

Dated this 31st day of October 2013



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## Independent auditor's report to the members of Greyhound Racing SA Ltd

### Report on the financial report

We have audited the accompanying financial report of Greyhound Racing SA Ltd, which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.



### Opinion

In our opinion the financial report of Greyhound Racing SA Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the financial position of Greyhound Racing SA Ltd at 30 June 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

*Ernst & Young*

Ernst & Young

*David Sanders*  
Partner

Adelaide  
31 October 2013



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### Auditor's Independence Declaration to the Directors of Greyhound Racing SA Ltd

In relation to our audit of the financial report of Greyhound Racing SA Ltd for the financial year ended 30 June 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

*Ernst & Young*

Ernst & Young

  
David Stinson  
Partner

Adelaide  
31 October 2013



## ***Greyhound Racing SA Members Of Company***

Adelaide Greyhound Racing Club Inc.  
Gawler Greyhound Racing Club Inc.  
Greyhound Owners, Trainers and Breeders Association Coursing Club Inc.  
Mount Gambier Greyhound Racing and Coursing Club Inc.  
Port Augusta Greyhound Racing Club Inc.  
Riverland Greyhound Racing Club Inc.\*  
Southern Greyhound Raceway Inc.

*\*Resigned Membership on 20th October, 2012.*

## ***Responsible Gambling Mission Statement***

Greyhound Racing SA is governed by a Code of Practice that promotes the socially responsible use of its wagering services as a recreational and entertainment-based activity and to minimise the potential harm associated with problem gambling.

