



*Greyhound*  
**RACING SA**

**ANNUAL  
REPORT**  
2015-2016





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Greyhound Racing SA Limited [GRSA] is the Controlling Body responsible for the conduct, regulation and promotion of 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 oversight of greyhound welfare outcomes.



# 2015-2016 Industry Snapshot



## THE SOUTH AUSTRALIAN GREYHOUND RACING INDUSTRY CRUNCHING THE NUMBERS

**1,787**

individually registered participants including 180 breeders, 386 registered trainers and 1,401 registered owners and handlers

**342**

TAB meetings with coverage via Sky 1 [179], Sky 2 [163] and TAB Radio [342]

**3,855**

races conducted in SA [3,744 TAB and 111 Non-TAB]

**26**

Non-TAB meetings including 11 Coursing events



## THE NATIONAL GREYHOUND RACING INDUSTRY

The national greyhound racing industry contributes over \$1 billion to the Australian economy and employs more than 10,000 people. It is a professional industry run predominantly by statutory authorities reporting to a Racing Minister.



# 11

Feature events  
including 6 Group races  
and 5 Country Cups



# Chairman's Report

**Michael Fabbro**

It is with great pleasure I present to you the annual report of Greyhound Racing South Australia Ltd for the 2016 financial year.

The financial year ending 30 June 2016 was another successful one for the South Australian greyhound industry. The consistent efforts of staff and management, and especially participants, saw the greyhound racing code enjoy growth and expansion at all levels.

Against a difficult background, the industry remained focussed on the things it could control and ensured that it operated in a cohesive and professional manner.

With an ever-increasing need to ensure that our animal welfare practices and outcomes constitute national best practice, our investment into the Greyhound Adoption Program [GAP] and animal welfare oversight doubled in the 2016 financial year and now exceeds one million dollars annually. This represents the highest percentage investment into animal welfare for any racing code in Australia and underscores the importance we place on the welfare of the greyhound whilst still maintaining a successful, vibrant and viable industry.

This investment is a recurrent annual commitment which will underpin our declared goal of achieving full rehoming by June 2018. This investment, coupled with the commendable efforts of our GAP staff and volunteers, saw our GAP program set a new record high for adoptions for the year with 307 greyhounds being rehomed directly through the GAP program. In addition to the efforts of our GAP staff and volunteers, industry participants themselves accounted for a further 332 rehomed greyhounds.

The development of the "You.Me.Six Weeks." marketing campaign by our marketing team ensured the profile and effectiveness of our GAP program were elevated. This campaign, designed at building our foster care

capacity, produced significant results in support of the GAP program and has helped to build a platform for success in the ensuing years.

Fortunately the greyhound code experienced strong wagering support to underpin the investments necessary to achieve the welfare outcomes targeted, with Race Field income lifting 11.2% year on year [YOY] and gross UBET product fee income lifting 4.7%. The market share for greyhound racing also lifted significantly to 17.7%, up 1.1% YOY.

Again, our focus on animal welfare led to the introduction of Pathway Racing, supported by a grading methodology which challenges the established paradigm in that it grades from the lowest class greyhound up. This strategy results in the slowest dogs obtaining starts to ensure every greyhound has a racing opportunity, and has subsequently been adopted in other jurisdictions in Australia.

The Group 1 Adelaide Cup was run and won by Fernando Bale, the Victoria wonder dog, who in doing so became the first greyhound in the world to break the million dollar mark in prizemoney. Elsewhere, South Australian greyhounds performed well on the national stage with Fabregal a stand out performer, placing in Group races in Queensland and Western Australia.

Capital works were undertaken on a more moderate basis in the wake of the significant industry investment that was required for the Gawler patron facility in 2014-15. A sand slipping track was installed at Angle Park and the kennelhouse received a complete refurbishment. To accommodate the strengthened GAP team, their offices were renovated and expanded during the financial year.

GRSA contracted to purchase 11 hectares of Murray Bridge land for the proposed construction of facilities in



the southern region. A straight track as well as a one-turn track are planned for the land. Additionally, GAP facilities to support our Prison Pet Partnership program, whereby greyhounds undergo the foster care process in the Mobilong Prison, will form part of the development.

Despite the significant investments outlined above, returns to participants were not neglected and a 7% increase in participant returns was allocated across FY16. Without the efforts of participants to support our initiatives in the animal welfare area, achievement of the outcomes expected of us would not be attainable. Increased returns were specifically directed toward the Trainer's Fee and unplaced stake money, is directed at encouraging participation in the sport and going against the racing culture of driving prizemoney to the winners and placegetters only.

GRSA continues to lead the way with ground-breaking initiatives designed to create longevity for a sport and an industry that has a desire to respond to the changing social environment in which it operates. This could not occur without a fully committed and professional staff and management team, one which GRSA is fortunate to enjoy.

Under the stewardship of our CEO Matt Corby, our senior management team has worked extremely hard to respond to the needs of the industry and the business. I would personally like to thank Matt and all of the staff at GRSA for diligently applying themselves to 'future-proofing' greyhound racing in South Australia.

Similarly, our resilient participants are to be congratulated for conducting themselves in a professional manner at a time when we have been under the spotlight. The cohesion and support of industry participants underpins the stability that has been evident in this state. I thank participants for continuing to pursue their passion in a responsible and ethical manner; the future of this industry rests in your hands and encouragement of each other is important. However, even more important is that participants keep each other accountable for their important role in the sport. The actions of each participant will impact upon the industry both positively and negatively. Accordingly, keeping each other accountable to the high standards expected will see the sport grow and flourish.

Finally, I would again reiterate my thanks to Matt Corby for his support of my role as Chair throughout

the year and his professionalism in carrying out his role. I would also like to thank my fellow Board members who have also been a great support to me throughout the year and have conducted themselves with diligence and applied their professional skills for the betterment of this industry. The role of Board member in this industry at this time is a unique challenge and the commitment and loyalty of David Spear, Paul Priess, Dr Chris Doyle and Grantley Stevens to their roles is deeply appreciated by myself.

I look forward to the future of this industry with confidence and believe that the future will necessarily be different to the past, but is no less bright. I encourage all industry members to positively embrace the future and commend this annual report to you as a reflection of the hard work of so many during the previous financial year.

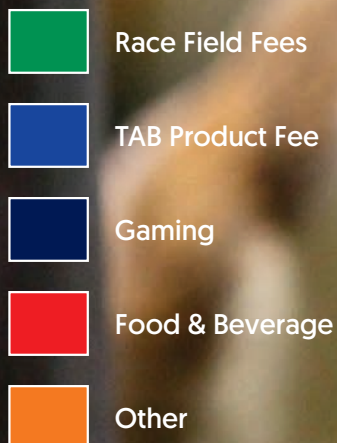
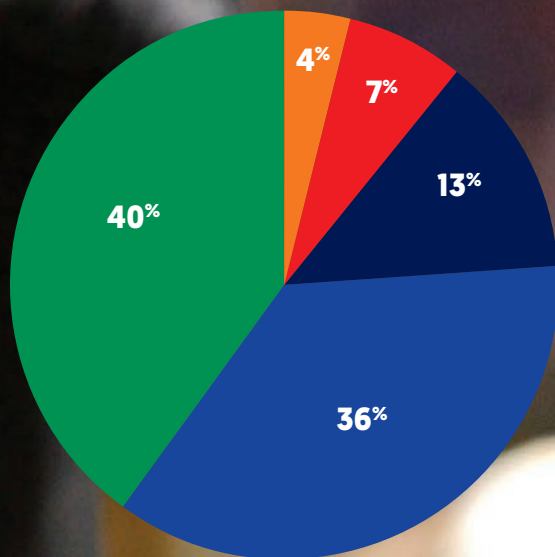


**Michael Fabbro**



# Year In Brief

## Sources of revenue



## Financial Snapshot

|                       | 2015-2016<br>[\$'000] | 2014-2015<br>[\$'000] | Change<br>[\$'000] | Change<br>[%] |
|-----------------------|-----------------------|-----------------------|--------------------|---------------|
| UBET Product Fee      | \$8,280               | \$7,905               | \$375              | 4.7%          |
| Race Field Fee Income | \$9,373               | \$8,432               | \$941              | 11%           |
| Participant Returns   | \$7,234               | \$6,743               | \$491              | 7%            |
| Local TAB Turnover    | \$16,386              | \$15,233              | \$1,153            | 8%            |
| National TAB Turnover | \$122,158             | \$112,052             | \$10,106           | 9%            |



# UBET Market Share and Race Field Revenue



The end-of-year market share figure for the greyhound code was 17.7%, an increase of 1.1% on the previous year's result of 16.6%. National market share continued to exceed local, although wagering on both elements grew during the year.

Across the other codes, thoroughbred market share was maintained at 70.7%

and harness market share decreased by 1.1 percentage points to 11.6%.

Industry commissions from SA-based UBT wagering for the greyhound code grew to \$8.3m from \$7.9m in the prior year.

Race field revenue, derived from interstate betting on SA greyhound racing, constitutes the other primary source of income for GRSA. Income from this source increased to \$9.37m, equating to year-on-year growth of 11.2%. During the same period race field fees payable to other states, based on local [SA] wagering activity on interstate racing, increased to \$1.83m or by the equivalent of 28.5%.

Stakemoney and rebates returned to industry grew by \$0.49m to \$7.23m constituting an increase over the previous period of 7.3%.

## Gaming

- Growth in gaming turnover of 15.4% underpinned by a more proactive gaming machine mix strategy
- Contribution from gaming for the year of \$1.6m representing an increase of 10%.

## Infrastructure

- GRSA has contracted to purchase an 11 hectare parcel of land in Murray Bridge East for the construction of a new greyhound racing and training facility
- Completion of the 240 metre sand slipping track at Angle Park
- Full refurbishment of the Angle Park kennelhouse, including new stainless steel kennel cages
- Upgrade of the bar facilities at Chasers Restaurant
- Installation of an automated track irrigation system at the Mount Gambier track
- Expansion of the Greyhound Adoption Program administration building to accommodate additional resources
- Beautification and landscaping works at the front of McQueen's Tavern



## Racing



- Pathway Racing introduced to provide regular racing opportunities for lower class and out of form greyhounds incorporating a new flattened prizemoney framework
- Independent box draw audit of the Ozchase Racing System completed on behalf of all interstate partners
- Trainers Fee increased to a flat \$60 with \$15 unplaced stakemoney introduced for all races
- Introduction of online bookings trial sessions
- Group 1 Adelaide Cup won by Fernando Bale for trainer Andrea Dailly, making him the first greyhound in the world to break the \$1 million mark for stakemoney earnings
- SA Owned and Bred Lachlan Brown managed a second placing in the Group 1 Adelaide Cup
- SA Owned and Bred victory to Fabregal in the Group 2 Bogie Leigh Futurity at Albion Park to complement her second placing in the Group 2 WA Oaks at Cannington
- Gun McBain named 2015 Greyhound of the Year

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## Marketing

- Development and implementation of the You. Me. 6 Weeks. campaign to increase volunteer foster care numbers for GAP SA and generate greater brand awareness
- Management of public relations and related media initiatives to convey the strength of GRSA's performance within the broader context of national industry issues
- 50% growth in followers of the GAP SA Facebook page
- 37.5% increase in followers of GRSA's twitter profile (@TheDogsSA)
- New sponsorship arrangements with Bargain Steel Centre, Triple M and UBET
- Continued success of the Golden Bone Tipping Competition attracting a record 578 registered tipsters
- Ongoing development of GAP SA's marketing assets including the development of a new GAP website





- Total program expenditure of \$832,000 funded by GRSA
- 307 unique greyhound adoptions to private homes through the GAP SA program
- An additional 332 greyhounds rehomed by participants, adopted out through other rehoming programs or taken up by owners

## Integrity

- 29,464 runners with an injury rate of 2.37%
- 1,464 swabs taken with 1.02% testing positive for prohibited substances
- Sampling of greyhounds for prohibited substances increased by 35% up to 5% of total runners
- 479 inspections of licensed trainers' premises and 215 inspections of licensed breeders' premises equating to an increased frequency of 46% on the previous year
- Welfare staff covered 90,000 kilometres to perform kennel inspections and out-of-competition testing
- 50 premise inspections undertaken with the support of drone technology
- Development of the operational relationship with SAPOL supporting investigations and intelligence collection

|                                   | 2015-16      | 2014-15      |
|-----------------------------------|--------------|--------------|
| Pre-race urine / blood samples    | 134          | 31           |
| Post-race urine / blood samples   | 1,256        | 1,027        |
| Out-of-competition samples        | 67           | 25           |
| Elective samples                  | 7            | 1            |
| <b>Number of positive samples</b> | <b>15</b>    | <b>6</b>     |
| <b>Total samples</b>              | <b>1,464</b> | <b>1,084</b> |



# CEO's Report

**Matthew Corby**



## Animal Welfare Statement

GRSA remains unconditionally opposed to the notion that animal cruelty can ever be an acceptable outcome associated with the training of greyhounds. Additionally, the South Australian greyhound racing industry embraces, as its fundamental obligation, a requirement to achieve full rehoming of unraced and retired greyhounds. GRSA is committed to ensuring that animal welfare considerations are central to decision-making and that a 'zero tolerance' approach will be applied to any discovery of welfare-related breaches by registered participants.

In accordance with the Animal Welfare Act 1985, GRSA is compelled to provide timely and faithful notifications to the RSPCA of SA, SAPOL or both of known or suspected animal welfare breaches.

## National Industry Reform

In response to the significant challenges that have recently beset the national industry, the 2015-16 year was one of profound change and sweeping reform. Upon reflection, there has never been a higher level of cooperation evident between the states as they strive to shape the future vision for our industry.

The issues that the states are dealing with are often complex and, for the most part, are not isolated to the greyhound racing code. They include considerations of the following:

- The eradication of live-baiting or any other practices detrimental to animal welfare, supported by a zero tolerance approach to breaches of this nature
- Breeding regulation and the strategies for striking an optimal balance between national breeding outputs and the collective obligation that the various Controlling Bodies have to move towards full greyhound rehoming [which also contemplates the movement of greyhounds across state borders]
- The need for IT systems and processes to produce timely, accurate and comprehensive data which tracks the greyhound life-cycle from birth to death
- A shift in industry culture which embraces an industry norm of highly accountable and responsible greyhound ownership which, in turn, underpins a broader objective of eradicating the unnecessary euthanasia of unraced or retired greyhounds
- The need for reform of national grading frameworks with the aim of providing genuine racing opportunities for greyhounds of all standards and removing the notion of a greyhound being 'too slow' to race
- The need for ratification of the proposed federal passport system and the prohibition of greyhound exports to high-risk international destinations, particularly within the Asian region
- The extent to which the national Rules framework supports effective industry regulation and embodies the spirit of current reform

Significant progress has been made in each of these areas during the past 12 months, and a new guard of Boards and Management have been given a clear mandate to continue to deliver outcomes which reflect their absolute priority.

# The South Australian Industry

Greyhound racing in South Australia is overseen by a predominantly independent Board of Directors recruited through a public process on the basis of professional skills-based selection criteria. The local industry generates approximately \$50 million of state economic impact and directly employs or engages more than 4,000 workers, participants and volunteers. It is a public company which does not routinely receive funding from Government in support of its operation.

The code plays a key role in driving the social fabric of the regional communities that it supports and constitutes a legitimate recreational activity for the tens of thousands of South Australians who attend or wager upon the more than 340 race meetings conducted annually in this state.

During the 2015-16 year, no registered South Australian participant faced charges on any allegation of live-baiting or the unauthorised export of a greyhound in their care. Through the vehicle of its own Greyhound Adoption Program, GRSA rehomed more than 300 greyhounds, making South Australia the leading rehoming state in relative terms and the second-highest [behind Victoria only] in nominal terms.

GRSA has continued to expand its integrity and welfare resources to ensure that the local industry is appropriately protected from risk. Other key initiatives have included the introduction of the Pathways grading framework for lower standard greyhounds, the development of our surveillance methodology (and introduction of technological advancement in relation to same), the introduction of an industry panel to review breeding applications, and a commitment to introducing Certificate II training for all registered participants as a mandatory component of future licensing to ensure that their practices are current, ethical and effective.

Appearance fees and unplaced stakemoney allocations were increased substantially in an effort to reduce the emphasis on performance, increase the reward for participation and drive a more equitable distribution of industry returns generally. In further support of its primary objective of increasing the number of greyhounds which graduate to racing, The Maiden victory bonus, split between the owner and the breeder, was also doubled during the year.

GRSA has remained in close contact with Government since national issues arose in 2015, and has continued to apprise the Racing Minister and other relevant stakeholders of our response to those matters, our strategies for managing industry risk, and our performance in relation to welfare and integrity outcomes.

## Greyhound Rehoming

GRSA will continue to commit whatever level of funding and resourcing may be necessary in support of realising a full rehoming strategy for all greyhounds in South Australia by the middle of 2018. By doing so, it will become the first code in any Australian state to have achieved that goal.

In line with the approach of welfare organisations generally, the definition of 'full rehoming' excludes euthanasia undertaken for medical, behavioural or legal reasons only. The strategy provides for all greyhounds registered with GRSA, whether they were locally bred or have been transferred from interstate. GRSA has absolute control over the movement of interstate participants and greyhounds into South Australia through its licensing framework and is, therefore, able at all times to restrict total greyhound numbers to a level that remains manageable from a rehoming perspective.

GRSA is a clear national leader on this front and has been a strong advocate for a national strategy of full greyhound rehoming well prior to any national issues arising. No racing code in any state spends a higher percentage of its revenue than, or delivers superior outcomes to, GRSA in this regard.

GRSA is aiming to increase the capacity of its own Greyhound Adoption Program [GAP SA] from the 307 greyhounds rehomed in 2015-16, up to 450 in the following year, and then to 600 by mid-2018. A further 332 greyhounds were rehomed or kept for breeding in 2015-16 including placements through non-affiliated rehoming programs, and those undertaken by trainers and by owners. GRSA estimates that the South Australian industry, through the collective vehicles of GAP, other rehoming programs and participant placements, will have the collective capacity to rehome more than the 850 greyhounds that it estimates will be required annually to achieve its full rehoming target within the coming two years.



|   | 2015-16    | 2016-17    | 2017-18    |
|---|------------|------------|------------|
|   | Actual     | Projected  | Projected  |
| <b>Racing and Breeding</b>              |            |            |            |
| Number of race starts                   | 28,414     | 27,500     | 25,000     |
| Greyhounds Raced                        | 2,460      | 2,400      | 2,000      |
| SA Breeding                             | 418        | 400        | 400        |
|   |            |            |            |
| <b>Rehoming and Euthanasia</b>          |            |            |            |
| Rehomed - GAP SA                        | 307        | 450        | 600        |
| Rehomed - Other*                        | 332        | 375        | 250        |
| <b>TOTAL Rehomed - GAP SA and other</b> | <b>639</b> | <b>775</b> | <b>850</b> |
| Euthanasia (excludes racing injury)     | 482        | 310        | 140        |
| Euthanasia - Racing Injury              | 31         | 15         | 10         |
| Deaths - Natural Cause/Unassisted       | 22         | 25         | 25         |

\* Other includes retired for breeding purposes, rehomed through non-affiliated programs, rehomed by participants or taken in by their owners.


^ Projected number of unavoidable deaths due to natural causes, medical issues or temperament issues that would prevent responsible rehoming

Due to medical, behavioural or legal reasons ONLY^

**The realisation of this critical goal will be supported by the following framework:**

- GRSA will commit more than \$1 million annually towards its rehoming strategy from 2016-17
- GRSA has expanded GAP resourcing to include eight permanent staff, foster care partnerships with Adelaide Women's Prison and (imminently) Mobilong Prison, and a small army of volunteer foster carers
- The introduction of subsidised boarding kennels to support a more efficient transition of greyhounds into the GAP program
- Stimulation of new foster care recruitment and adoption demand via mainstream advertising strategies across TV, print, radio, transit and digital vehicles
- Constant reinforcement of the principles of responsible ownership, and the elements that underpin that concept, will permeate through all industry communication to ensure that participant and industry culture is aligned with the stated rehoming objective
- GRSA will continue to report annually on its performance against the targets that have been set so that ongoing efforts are underpinned by transparency and accountability





GRSA's response to the challenges of the past year has been unprecedented. Noting that the three racing codes in this state operate independently of Government, having been corporatised in 2000, our current performance and future targets constitute best practice in racing and will set the standard for others to follow.





## Murray Bridge

The proposed new track at Murray Bridge will provide for shorter-course racing which, in turn, equates to additional racing opportunities for a larger number of greyhounds with lower endurance levels. The construction of a bigger track with just the one [sweeping] turn and a straight track at that venue will not only reduce injury rates but could be expected to contribute to a higher average of career starts for greyhounds in this state. The new track will replace the existing one at Strathalbyn without any addition to the overall weekly racing schedule.

This \$7 million project will be entirely funded by industry and will drive positive economic, employment and social outcomes within the Murray Bridge community. The track design incorporates modern design and best practice standards in terms of racing safety. GRSA's strategic charter mandates that the company invests responsibly in the maintenance, upgrade and, less frequently, the construction of facilities in a manner which supports viable participation in key racing regions. The project is expected to be undertaken across a period of 12 to 18 months.

## Racing Injury Reduction

In the 2015-16 racing year, GRSA stewards recorded 31 racing-related injuries requiring humane euthanasia. It is our aim through the following initiatives to support the reduction of that figure by two-thirds over the next two years.

- The plans for the track at Murray Bridge incorporate best-practice design principles, the opportunity for straight-track racing, a full circuit safety rail, and the safety advantages that accompany a larger modern racing circuit on which the vast majority of racing will be conducted with just the one sweeping turn to navigate.
- Subsidised support of veterinary care by GRSA for the treatment of serious racing injuries with the goal of reducing the current rate of euthanasia by 70%. Wherever necessary, those greyhounds will then be fast-tracked into the GAP system post-recovery.
- GRNSW and GRSA were foundation co-contributors to a \$300,000 national track research study being undertaken by the University of Technology, Sydney. The outcomes of that work will guide track design considerations and identify key risk indicators of racing injuries to inform mitigation strategies.
- An internal review of the correlation between track 'speed' and the rate and nature of racing injuries has already commenced. The outcomes from that process will continue to guide the manner in which track surfaces are prepared to ensure the safest standards of racing.

## Racing and Wagering

South Australian greyhound racing has realised market share growth in four of the past five financial years, demonstrating the relative appeal of the product within the broader wagering market. GRSA's market share has gradually increased over the past decade from 14.35% to a record high of 17.70% in 2015-16.

Wagering growth during that period was initially generated by the scheduling of additional race meetings, however more recent growth has come from UBET's commitment to an offer of fixed odds betting on all race meetings and the increasing appeal of the greyhounds product with younger audiences, particularly in the 18-25 age group.

GRSA is genuinely grateful for the level of support that it has received from its corporate wagering partner, UBET, in 2015-16. The cooperative spirit of this relationship has never been stronger and it should be clear to our industry that UBET has embraced a far more proactive strategy in relation to wagering under the stewardship of the current Managing Director, Robbie Cooke. Racing SA is currently in negotiation with UBET regarding retail exclusivity rights beyond the end of 2016, and those discussions have been progressing in a positive manner.

Sky Racing has extended its domestic and international broadcast rights for South Australian greyhound racing for the next three years, with an option for an additional three years. The agreement introduces a number of key benefits for South Australian greyhound racing. In conjunction with those new arrangements, Sky will work with GRSA to install broadcasting facilities at Murray Bridge and, separately, support the digital streaming of South Australia greyhound racing on the Controlling Body and Club websites.

Sky Racing is broadcast to 2.9 million homes and 5,500 pubs and clubs around Australia. The new deal will also see Sky continue to take South Australian greyhound racing to a global audience, with revenue from international wagering being shared with the local industry.

## Work Health and Safety

The company continued to progress the systems, policies, processes and procedures which constitute the pillars of its Work Health and Safety (WHS) framework.

A number of WHS projects and initiatives were completed during the year which addressed staff, participant and patron safety in relation to matters such as emergency evacuation, fire systems, money handling, premises security and dangerous substance storage and control. Works which had been commenced prior to the conclusion of the financial year include the designation of smoking areas across the Angle Park facility and the documentation and review of standard operating procedures for various departments within the organisation.

GRSA continues to build a culture of awareness and reporting of hazards and incidents. All new incidents reported are itemised and the minutes of WHS meetings are presented to the Board as a standing agenda item.

By the end of the 2015-16 year, planning had been significantly progressed in relation to the development of systems at the Club level, and all Clubs will be required during the 2016-2017 financial year to participate in a mandatory review of site issues and participate in training for WHS currency.

**Matthew Corby**





## WHS In Action

Further to feedback from participants and discussions with Stewards and raceday staff regarding potential risks associated with allowing patrons to pat greyhounds, measures were put into place at Angle Park to mitigate the risk of injury to patrons and dogs.

- The thoroughfare from the greyhound ramp to the track remains closed before events; and
- Handlers/trainers are advised that if they are willing to allow patrons to pet their greyhound, they must ensure that the dog remains muzzled until away from the public.

# Industry Events

## Feature Race Winners

South Australia conducted a total of six Group races at Angle Park and Gawler during the year. A summary of the Group and feature races follows:

### Group One:

|                                |                               |
|--------------------------------|-------------------------------|
| Classic Triple M Adelaide Cup: | Fernando Bale (Andrea Dailly) |
|--------------------------------|-------------------------------|

### Group Three:

|   |                                  |
|---|----------------------------------|
| Coffex Coffee Oaks:                     | Elfen Bale (Andrea Dailly)       |
| BGC Industrial Cleaning Supplies Derby: | Fever Pitch (Rinaldo Divirgilio) |
| Gawler Gold Cup:                        | It's Classified (Troy Murray)    |
| The Brian Johnstone:                    | Worm Burner (Cameron Butcher)    |
| The Howard Ashton:                      | Wilba Beast (Ben Rawlings)       |

### Other major races during the year included:

|                                |                                  |
|--------------------------------|----------------------------------|
| Gawler Produce Stake:          | Mrs Bubbles (Matthew Payne)      |
| SA Sprint Championship:        | Mrs Bubbles (Matthew Payne)      |
| SA Distance Championship:      | Zippping Geoff (Kim Johnstone)   |
| SA Anniversary Cup:            | Coorong Kid (Cameron Butcher)    |
| AGRC/GRSA Auction Final:       | Team Roper (Alan McCulloch)      |
| Champion Puppy:                | Aston Eclipse (Troy Murray)      |
| SA St Leger:                   | Worm Burner (Cameron Butcher)    |
| State Final National Sprint:   | Alex's Entity (Ben Rawlings)     |
| State Final National Distance: | Psychotic Gold (Petar Jovanovic) |
| Adelaide Cup Consolation:      | Real Flash (Troy Murray)         |
| Premier's Cup:                 | Ulala Bale (Tony Rasmussen)      |

### Country Cups:

|                                |                                      |
|--------------------------------|--------------------------------------|
| Strathalbyn Cup:               | Wheel Spinner (Brendan Gottschutzke) |
| Mount Gambier Cup:             | Mojito Mayhem (Peter Franklin)       |
| Port Augusta City Council Cup: | He's Innocent (Don Turner)           |
| SA Country Cup:                | My Excuse (Karen Wittholz – GAWLER)  |
| Waterloo Cup:                  | Heliski (Rolland Parry)              |

## Track Records

### Gawler

|       |  |       |            |
|-------|--|-------|------------|
| 531m: | It's Classified (Troy Murray)            | 30.23 | 18/08/2015 |
|       | [Equal with Regional Image – 01/07/2003] |       |            |

### Mount Gambier

|       |                              |       |            |
|-------|------------------------------|-------|------------|
| 400m: | Cryer's Ricky (Thomas Cryer) | 22.78 | 19/02/2016 |
|-------|------------------------------|-------|------------|



## 2015 Award Winners

The 2015 Greyhound of the Year Dinner was held in February. The award winners presented on the night were:

|                                     |              |
|-------------------------------------|--------------|
| UBET SA Greyhound of the Year:      | Gun McBain   |
| SA Bred Greyhound of the Year:      | Gun McBain   |
| SA Distance Greyhound of the Year:  | Grifter Bale |
| SA Sprinting Greyhound of the Year: | Gun McBain   |
| SA Run of the Year:                 | Grifter Bale |
| Gawler Trackstar:                   | Aha McBain   |

|                            |                |
|----------------------------|----------------|
| SA Stud Dog of the Year:   | Emerley Carlos |
| SA Broodbitch of the Year: | Flame McBain   |
| SA Breeder of the Year:    | Alan McCulloch |

|                                 |  |
|---------------------------------|--|
| UBET TAB Trainer of the Year:   | Wendy Matcott and Ben Rawlings                     |
| SA Country Trainer of the Year: | Ben Rawlings                                       |
| SA Owner/Trainer of the Year:   | Paula Hearnden                                     |
| City Strike Rate Winner:        | Ben Rawlings                                       |
| SA Syndicate of the Year:       | The Kelly Gang Syndicate<br>[Manager – Raye Kelly] |

|  |                       |
|--|-----------------------|
| Outstanding Service to Industry Award: | John and Kathy Hurley |
| Outstanding Service to GAP Award:      | Janice Teague         |

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

|                                  |             |
|----------------------------------|-------------|
| Coursing Greyhound of the Year:  | Vail        |
| SA Coursing Trainer of the Year: | Ray Fewings |







# Directors' Report

Your directors present their report on the Company for the financial year ended 30 June 2016.

## 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  
Grantley William Stevens

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 \$579,210.

## Financial Position

The net assets of the Company have increased to \$10,019,598 in 2016, up from \$9,440,389 in 2015.

## Dividends

On the basis that 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 2016.

## 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 willful breach of duty in relation to the Company.

## Corporate Governance

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The directors are responsible for the overall performance of the company and the interests of its various participants and stakeholders.

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.

The routine management of the company's affairs and the implementation of 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 follows.

## Board Responsibilities

The responsibilities of the Board include:

- Providing strategic guidance to the company including the development and approval of company strategy
- Reviewing and approving business plans, the annual budget and financial plans including provision for an appropriate allocation of resources and capital
- 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
  - financial performance and liaison with the company's auditors
  - appointment and performance assessment of the Chief Executive Officer
  - the effectiveness of management processes and planning of major company initiatives
  - nurturing a culture of corporate leadership
  - the enhancement and protection of the reputation of the company
  - the operation of the company's compliance and risk management framework
  - effective communication to members of company, staff and key stakeholders.



## Environmental and Animal Welfare Issues

GRSA 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 form the central 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.

## Conflicts of Interest

The directors comply with their obligations at law under the Corporations Act in relation to potential or actual conflicts of interest. The directors have a Board conflict of interest policy which outlines their obligations and the processes that they will adopt. At a procedural level, the directors utilise an annual standing notice and adhere 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. Additionally, updates on the company's performance and other material issues are prepared for and presented to quarterly Members of Company information meetings.



# Board Composition

In accordance with the GRSA Constitution, the Board comprises four independent directors and one industry director.

## 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 practicing 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, the Law Society of South Australia and the Australian Restructuring Insolvency and Turnaround Association. Michael is a director of Racing SA Ltd, Greyhounds Australasia Ltd and sits on a number of client advisory Boards as well as being a Board member of the not-for-profit organisation the Aged Rights Advocacy Service Inc. Michael has previously had direct investments and experience in the Hotel and Gaming industry.

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

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### **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. Having begun his marketing career in manufacturing and international trade, Paul went on to take up senior executive roles with National Pharmacies, the Royal Automobile Association of SA and the University of Adelaide. He is the South Australian Director for the CEO Institute providing leadership development programs for CEO's and senior executives. He also consults to organisations on business and people strategies. Paul is also Non-Executive Director of Colombin Australia Pty Ltd and a member of the Media Advisory Board of the University of Adelaide.

Special responsibilities include being a member of the Remuneration Committee.

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## **Dr Chris Leo Doyle**

BVSc

Non-Executive Director [experience in greyhound racing industry] as elected by licensed persons

Having come onto the Board in November 2011 as the South Australian greyhound racing industry's representative, Chris brings with him a wealth of experience including more than 40 years of professional involvement with the industry's trainers and owners. He currently acts as the raceday veterinarian for meetings at Angle Park, Gawler and Strathalbyn. He is an Executive Member of Australian Greyhound Veterinarians and also a member of the Greyhounds Australasia Veterinary and Analyst Committee.

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## **David Anthony Spear**

FAICD, FAIM

Non-Executive Director [experience in business]

David was appointed to the Board in March 2013. He is currently a partner of governance consulting firm VUCA Pty Ltd advising business predominantly on matters of corporate governance, leadership and board performance. Among the external Board seats he holds are positions as Chairman of Tyre Stewardship Australia, Chairman SMSF Remuneration and Nominations Committee, Chairman Free Throw Foundation and a Non-Executive Director of Gelganyem Ltd and Kilkayi Ltd. His previous executive positions include State Director for the Australian Institute of Company Directors, State Manager for Ausdoc Information Management Services, State Manager for Regional Express Airlines and Commercial Manager Government for Ansett Airlines. David is a Fellow of the Australian Institute of Company Directors and an alumni of the 2013 Harvard Business School governance program.

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## **Grantley William Stevens**

B.Arts [Accounting], FCA, CTA

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 to partner in 2002. He currently manages the Business Consulting and Taxation division of the firm. Grantley has a Bachelor of Arts [Accounting] and is a fellow of The Tax Institute and Chartered Accountants Australia and New Zealand. In addition to holding Board positions with AW Go Organics Pty Ltd, IEBM Pty Ltd and Nicomax Properties Pty Ltd, Grantley is the company secretary of the Alexander & Symonds Group.

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

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# Meetings of Directors

The number of Board meetings held during the year was eleven. The Audit Committee met three times and the Remuneration Committees met once during the same period.

## Attendance Details

|                               | Eligible | Attended |
|-------------------------------|----------|----------|
| <b>Board Meetings</b>         |          |          |
| Michael Fabbro                | 11       | 11       |
| Paul Preiss                   | 11       | 10       |
| Chris Doyle                   | 11       | 11       |
| David Spear                   | 11       | 8        |
| Grantley Stevens              | 11       | 9        |
| <b>Audit Meetings</b>         |          |          |
| Michael Fabbro                | 3        | 3        |
| Grantley Stevens              | 3        | 3        |
| <b>Remuneration Committee</b> |          |          |
| Michael Fabbro                | 1        | 1        |
| Grantley Stevens              | 1        | 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



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Michael Allan Fabbro,  
Chairman

Dated this 27th day of October 2016





# Financials

## Statement of profit or loss and other comprehensive income for the year ended 30 June 2016

|  | NOTE | 2016       | 2015       |
|--|------|------------|------------|
|  |      | \$'000's   | \$'000's   |
| Racing Product Income                          | 2    | 15,270     | 14,453     |
| Other Revenues from Ordinary Activities        | 3    | 668        | 643        |
| Food, Beverage and Gaming Revenue              |      | 4,875      | 4,635      |
| Stakemoney and Rebates                         | 4    | [7,234]    | [6,743]    |
| Food, Beverage and Gaming Expenditure          |      | [4,627]    | [4,642]    |
| Racing and Probity Expenses                    |      | [4,639]    | [4,804]    |
| Administration Expenses                        |      | [2,331]    | [2,263]    |
| Greyhound Adoption Program [GAP] Expenses      |      | [832]      | [447]      |
| Animal Welfare Expenses                        |      | [366]      | [148]      |
| Marketing Expenses                             |      | [205]      | [258]      |
| <b>Profit from Ordinary Activities</b>         | 5    | <b>579</b> | <b>426</b> |
| <b>Other Comprehensive Income for the year</b> |      | <b>-</b>   | <b>-</b>   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b> |      | <b>579</b> | <b>426</b> |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

## Statement of financial position as at 30 June 2016

|                                      | NOTE | 2016          | 2015          |
|--------------------------------------|------|---------------|---------------|
|                                      |      | \$'000's      | \$'000's      |
| <b>CURRENT ASSETS</b>                |      |               |               |
| Cash and Cash Equivalents            | 6    | 1,972         | 1,336         |
| Receivables                          | 7    | 1,500         | 1,421         |
| Inventories                          | 8    | 54            | 50            |
| Other Current Assets                 | 9    | 91            | 69            |
| <b>Total Current Assets</b>          |      | <b>3,617</b>  | <b>2,876</b>  |
| <b>NON-CURRENT ASSETS</b>            |      |               |               |
| Receivables                          | 7    | 20            | 20            |
| Property, Plant and Equipment        | 10   | 8,344         | 8,761         |
| <b>Total Non-Current Assets</b>      |      | <b>8,364</b>  | <b>8,781</b>  |
| <b>TOTAL ASSETS</b>                  |      | <b>11,981</b> | <b>11,657</b> |
| <b>CURRENT LIABILITIES</b>           |      |               |               |
| Payables                             | 11   | 1,208         | 1,470         |
| Provisions                           | 12   | 671           | 678           |
| <b>Total Current Liabilities</b>     |      | <b>1,879</b>  | <b>2,148</b>  |
| <b>NON-CURRENT LIABILITIES</b>       |      |               |               |
| Provisions                           | 12   | 83            | 69            |
| <b>Total Non-Current Liabilities</b> |      | <b>83</b>     | <b>69</b>     |
| <b>TOTAL LIABILITIES</b>             |      | <b>1,962</b>  | <b>2,217</b>  |
| <b>NET ASSETS</b>                    |      | <b>10,019</b> | <b>9,440</b>  |
| <b>EQUITY</b>                        |      |               |               |
| Reserves                             |      | 4,927         | 4,927         |
| Retained Profits                     |      | 5,092         | 4,513         |
| <b>TOTAL EQUITY</b>                  |      | <b>10,019</b> | <b>9,440</b>  |

The above statement of financial position should be read in conjunction with the accompanying notes to the financial statements.







## Statement of changes in equity for the year ended 30 June 2016

|   | Retained<br>Earnings | Asset<br>Revaluation<br>Reserve | Capital<br>Acquisition<br>Reserve | Total         |
|---|----------------------|---------------------------------|-----------------------------------|---------------|
|   | \$'000's             | \$'000's                        | \$'000's                          | \$'000's      |
| <b>Balance at 1 JULY 2014</b>                 | <b>4,087</b>         | <b>939</b>                      | <b>3,988</b>                      | <b>9,014</b>  |
| Profit attributable to members                | 426                  | -                               | -                                 | 426           |
| Total other comprehensive income for the year | -                    | -                               | -                                 | -             |
| <b>Balance at 30 JUNE 2015</b>                | <b>4,513</b>         | <b>939</b>                      | <b>3,988</b>                      | <b>9,440</b>  |
| Profit attributable to members                | 579                  | -                               | -                                 | 579           |
| Total other comprehensive income for the year | -                    | -                               | -                                 | -             |
| <b>Balance at 30 JUNE 2016</b>                | <b>5,092</b>         | <b>939</b>                      | <b>3,988</b>                      | <b>10,019</b> |

The above statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

## Cashflow statement for the year ended 30 June 2016

|   | NOTE | 2016         | 2015           |
|---|------|--------------|----------------|
|   |      | \$'000's     | \$'000's       |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |      |              |                |
| Receipts from customers                             |      | 20,223       | 18,915         |
| Payments to suppliers and employees                 |      | (19,235)     | (17,667)       |
| Interest received                                   |      | 21           | 37             |
| <b>Net cash provided by operating activities</b>    |      | <b>1,009</b> | <b>1,285</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |      |              |                |
| Proceeds from sale of property, plant and equipment |      | 28           | 30             |
| Payments for property, plant and equipment          |      | (401)        | (1,858)        |
| Proceeds from investments                           |      | -            | -              |
| <b>Net cash (used) by investing activities</b>      |      | <b>(373)</b> | <b>(1,828)</b> |
| <b>Net increase/(decrease) in cash held</b>         |      | <b>636</b>   | <b>(543)</b>   |
| <b>CASH AT BEGINNING OF PERIOD</b>                  |      | <b>1,336</b> | <b>1,879</b>   |
| <b>CASH AT END OF PERIOD</b>                        | 6    | <b>1,972</b> | <b>1,336</b>   |

The above cashflow statement should be read in conjunction with the accompanying notes to the financial statements.



# Notes to the financial statements for the year ended 30 June 2016

## NOTE 1: STATEMENT OF ACCOUNTING POLICIES

### Basis of preparation

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 report is presented in Australian dollars and all values are rounded to the nearest thousand dollars [\$000] unless otherwise stated.

### Note 1: Statement of Accounting Policies

The company applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

### New and amended standards and interpretations

Several amendments to Australian Accounting Standards and AASB interpretations apply for the first time in 2015/2016. However, they do not impact the annual financial statements of the Company.

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 UBET 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) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income as received.

##### (c) Taxes

###### Income Tax

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

###### Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed including GST recoverable from, or payable to, the taxation authority.

##### (d) Property, Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

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Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and Improvements 10 to 20 years

Plant and equipment 3 to 10 years

Furniture and Fittings 5 to 10 years

Motor vehicles 4 to 7 years

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is de-recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company engaged an independent valuation specialist to assess fair value as at 30 June 2014 for revalued land and buildings at Angle Park. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

#### **(e) Leases**

Operating lease payments are recognized as an operating expense in the statement of profit or loss on a straight-line basis over the lease term.

#### **(f) 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.

#### **(g) 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.

#### **(h) Inventories**

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

#### **(i) 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.

#### **(j) Impairment of non-financial assets**

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 of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### **(k) Employee Entitlements**

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary



benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

#### *Long service leave*

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage

and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### **(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 2015, the number of members was six [6].



## NOTE 2: RACING PRODUCT INCOME

|  | 2016          | 2015          |
|--|---------------|---------------|
|  | \$'000's      | \$'000's      |
| UBET Product Fee paid to greyhound racing code | 8,280         | 7,905         |
| less clawback amount payable to SA Government  | [504]         | [477]         |
| less UBET Product Fee Expenses                 | [1,829]       | [1,423]       |
| Transfer from Provisions - Futurity Series     | -             | -             |
| Race Field Fee Income                          | 9,373         | 8,432         |
| On-course tote commissions                     | [50]          | 16            |
|  | <b>15,270</b> | <b>14,453</b> |

## NOTE 3: OTHER REVENUES FROM ORDINARY ACTIVITIES

|              |            |            |
|--------------|------------|------------|
| Sponsorships | 11         | 70         |
| Other        | 657        | 573        |
|              | <b>668</b> | <b>643</b> |

## NOTE 4: STAKEMONEY AND REBATES

|                |              |              |
|----------------|--------------|--------------|
| Prizemonies    | 6,420        | 6,169        |
| Travel Rebates | 814          | 574          |
|                | <b>7,234</b> | <b>6,743</b> |

## NOTE 5: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:

### 5(1) Depreciation of Non-Current Assets

|                               |            |            |
|-------------------------------|------------|------------|
| Property, Plant and Equipment | 790        | 727        |
| <b>Total Depreciation</b>     | <b>790</b> | <b>727</b> |

### 5(2) Loss on Disposal of Property Plant & Equipment

|  |          |          |
|--|----------|----------|
| Loss on Disposal of Property Plant and Equipment | -        | 2        |
| <b>Loss on Disposal</b>                          | <b>-</b> | <b>2</b> |

#### NOTE 6: CASH AND CASH EQUIVALENTS

|                              | 2016         | 2015         |
|------------------------------|--------------|--------------|
|                              | \$'000's     | \$'000's     |
| Cash on Hand                 | 64           | 70           |
| Cash at Bank                 | 371          | 151          |
| Investments - Fixed term     | 51           | 50           |
| Cash Bank Deposits - At Call | 1,486        | 1,065        |
|                              | <b>1,972</b> | <b>1,336</b> |

#### NOTE 7: RECEIVABLES

|                    |              |              |
|--------------------|--------------|--------------|
| <b>CURRENT</b>     |              |              |
| Sundry Debtors     | 1,295        | 1,176        |
| Loans to Clubs     | 7            | 11           |
| Other              | 198          | 234          |
|                    | <b>1,500</b> | <b>1,421</b> |
| <b>NON-CURRENT</b> |              |              |
| Loans to Clubs     | 20           | 20           |
|                    | <b>20</b>    | <b>20</b>    |

#### NOTE 8: INVENTORIES

|   |           |           |
|---|-----------|-----------|
| Beverages - Tavern and Restaurant - At Cost | 31        | 29        |
| Food - Tavern and Restaurant - At Cost      | 23        | 21        |
|   | <b>54</b> | <b>50</b> |

#### NOTE 9: OTHER CURRENT ASSETS

|             |           |           |
|-------------|-----------|-----------|
| Prepayments | 91        | 69        |
|             | <b>91</b> | <b>69</b> |



## NOTE 10: PROPERTY, PLANT AND EQUIPMENT

|  | 2016         | 2015         |
|--|--------------|--------------|
|  | \$'000's     | \$'000's     |
| Land, Building and Improvements - Angle Park at Fair Value | 5,591        | 5,591        |
| Accumulated Depreciation                                   | (329)        | (165)        |
|  | <b>5,262</b> | <b>5,426</b> |
| Land, Building and Improvements - Gawler at Fair Value     | 1,739        | 1,739        |
| Accumulated Depreciation                                   | (199)        | (112)        |
|  | <b>1,540</b> | <b>1,627</b> |
| Capital Works in Progress                                  | 37           | -            |
| Accumulated Depreciation                                   | -            | -            |
|  | <b>37</b>    | <b>-</b>     |
| Plant and Equipment  | 5,161        | 4,953        |
| Accumulated Depreciation                                   | (4,110)      | (3,725)      |
|  | <b>1,051</b> | <b>1,228</b> |
| Furniture and Fittings                                     | 786          | 685          |
| Accumulated Depreciation                                   | (486)        | (385)        |
|  | <b>300</b>   | <b>300</b>   |
| Motor Vehicles   | 306          | 279          |
| Accumulated Depreciation                                   | (152)        | (99)         |
|  | <b>154</b>   | <b>180</b>   |
| <b>Total Property, Plant and Equipment</b>                 | <b>8,344</b> | <b>8,761</b> |

Revaluation of land and buildings - [1] fair value of land, buildings and improvements at Angle Park is based on valuations performed by CBRE Valuations Pty Limited, an accredited independent valuer. [2] Fair value of land, buildings and improvements at Gawler is based on Director Valuations that use inputs provided by an independent, external valuer.

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      | -                        | 7,053                         | 1,228             | 300                  | 180            | 8,761        |
| Additions                             | 37                       | -                             | 208               | 101                  | 55             | 401          |
| Disposals                             | -                        | -                             | -                 | -                    | (28)           | (28)         |
| Transfers                             | -                        | -                             | -                 | -                    | -              | -            |
| Depreciation expense                  | -                        | (251)                         | (385)             | (101)                | (53)           | (790)        |
| <b>Carrying amount at end of year</b> | <b>37</b>                | <b>6,802</b>                  | <b>1,051</b>      | <b>300</b>           | <b>154</b>     | <b>8,344</b> |

## NOTE 11: PAYABLES CURRENT

|                 | 2016         | 2015         |
|-----------------|--------------|--------------|
|                 | \$'000's     | \$'000's     |
| Trade Creditors | 611          | 634          |
| Other           | 597          | 836          |
|                 | <b>1,208</b> | <b>1,470</b> |

## NOTE 12: PROVISIONS

|   |            |            |
|---|------------|------------|
| <b>CURRENT</b>                          |            |            |
| Provision for Annual Leave              | 306        | 334        |
| Provision for Long Service Leave        | 293        | 271        |
| Futurity and Gawler Produce Race Series | 72         | 73         |
|   | <b>671</b> | <b>678</b> |
| <b>NON-CURRENT</b>                      |            |            |
| Provision for Long Service Leave        | 83         | 69         |
|   | <b>83</b>  | <b>69</b>  |

## NOTE 12(a): FUTURITY AND 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 13: EQUITY AND 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 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 14: COMMITMENTS FOR EXPENDITURE

Future minimum rentals payable under non-cancellable operating leases as at 30 June were as follows:

|   | 2016      | 2015      |
|---|-----------|-----------|
|   | \$'000's  | \$'000's  |
| <b>Operating lease commitments</b>          |           |           |
| After one year but not more than five years | 26        | 39        |
| More than five years                        | 44        | 47        |
| <b>Total</b>                                | <b>70</b> | <b>86</b> |

## NOTE 15: 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>165</b> | <b>163</b> |
|--|------------|------------|

[b] Key Management Remuneration

|  |              |            |
|--|--------------|------------|
| <b>Total Key Management Remuneration</b> | <b>1,042</b> | <b>908</b> |
|--|--------------|------------|

Unless otherwise disclosed, transactions between related parties (including 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.

During the year, purchases of \$90,500 [2015: \$92,795] have been made by the company for veterinary services from Chris Doyle. No amounts were outstanding at the year-end [2015: \$Nil].

Purchases of \$2,450 [2015: \$1,350] for taxation and marketing services were made by the company from Edwards Marshall Pty Ltd, of which Grantley Stevens is a partner. No amounts were outstanding at the year-end [2015: \$Nil].

Purchases of \$3,500 [2015: \$Nil] for management consultancy services were made by the company from Centour Consulting Pty Ltd, of which Paul Preiss is a director. No amounts were outstanding at the year-end [2015: \$Nil].

## NOTE 16: SUBSEQUENT EVENTS

There have been no events subsequent to period end which require adjustment or disclosure in this financial report.



# Directors' Declaration

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

1. In the opinion of the directors:

a. The financial statements and notes of Greyhound Racing SA Ltd for the financial year ended 30 June 2016 are in accordance with the Corporations Act 2001, including:

i. Giving a true and fair view of the financial position as at 30 June 2016 and performance for the year ended on that date

ii. Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001

b. 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. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and chief financial officer in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2016.

On behalf of the Board



.....  
Michael Allan Fabbro,  
Chairman

Dated this 27th day of October, 2016

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF GREYHOUND RACING SA LTD**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



**William Buck**  
ABN: 38 280 203 274



**G.W. Martinella**  
Partner

Dated this 27<sup>th</sup> day of October, 2016.

**CHARTERED ACCOUNTANTS  
& ADVISORS**

Level 6, 211 Victoria Square  
Adelaide SA 5000  
GPO Box 11050  
Adelaide SA 5001  
Telephone: +61 8 8409 4333  
[williambuck.com](http://williambuck.com)

**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 (the company), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other 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 Regime and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 judgement, 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 control 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 control. 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*.

**CHARTERED ACCOUNTANTS  
& ADVISORS**

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[williambuck.com](http://williambuck.com)



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
GREYHOUND RACING SA LTD (CONTINUED)**

*Auditor's 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 company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Regime and the Corporations Regulations 2001.



**William Buck**  
ABN: 38 280 203 274



**G.W. Martinella**  
Partner

Dated this 27<sup>th</sup> day of October, 2016.

**CHARTERED ACCOUNTANTS  
& ADVISORS**

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*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 and District Greyhound Club Inc.

Southern Greyhound Raceway Inc.



*Greyhound*  
**RACING SA**

**OFFICE LOCATION**

55 Cardigan Street  
Angle Park SA 5010

**POSTAL ADDRESS**

PO Box 2352  
Regency Park SA 5942

**CONTACT**

Phone: [08] 8243 7100  
Email: [admin@grsa.com.au](mailto:admin@grsa.com.au)  
Web: [www.grsa.com.au](http://www.grsa.com.au)