

# 2016-17

ANNUAL REPORT







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 effective oversight of greyhound welfare outcomes.

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# 02 2016-17 Industry Snapshot

**1,624**

individually registered participants including 144 breeders, 298 registered trainers and 1,326 registered owners and handlers

**353**

TAB meetings with coverage via Sky 1 (156), Sky 2 (197) and TABradio (353)

**4,143**

Races conducted in SA (4,021 TAB and 122 Non-TAB)

**8**

Group races

**5**

Country Cups

**16**

Non-TAB meetings

**10**

Coursing Events

## 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 and its participants embrace, as a fundamental obligation, the requirement for 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 in response to any discovery of welfare-related breaches by registered participants.



**\$58.2 MIL**

Total value-added contribution to SA economy

**474**

Full-time equivalent employees

**2,740**

Individual participants, volunteers and employees

GRSA spent **more than \$1,000,000** on **GAP rehoming** initiatives during 2016-17 to achieve **430 adoptions.**





# 04

## Chairman's Report

The Murray Bridge venue will serve as a cornerstone of long-term industry sustainability and will help to underpin the valuable contribution that the industry continues to make in terms of local employment and its broader impact upon the South Australian economy.

The financial year ending 30 June 2017 proved yet again to be another eventful and challenging year. The year commenced in July with the shock announcement that the NSW greyhound racing industry would be closed. The announcement by then Premier Baird was unexpected and came with no warning. It sent shockwaves through the industry and caused significant unrest not only in New South Wales but right around the country.

In spite of the significant distraction and negative impact on the industry generally occasioned by the NSW decision, GRSA continued to stay focussed on its operations and delivered strong results across the 2016-17 financial year.

Maintaining strong industry oversight and ensuring government stakeholders were kept informed of how the industry in this state continues to work diligently and invest strongly to ensure greyhound racing in South Australia operates in a nation-leading manner, ensured that we successfully navigated the uncertain waters.

GRSA continues to work closely with Government and remains grateful for the bipartisan support that it has received in relation to its management of integrity and welfare risks, pre-dating any issues at the national level. GRSA has also continued to work hard and, with a co-operative and collaborative approach from government, invest off the track in developing the Prison Pet Program in correctional facilities which has now expanded into a second site at Mobilong Prison, Murray Bridge.

Establishing a new venue to incorporate the latest and safest forms of racing has been the subject of significant ongoing work throughout the course of FY 16-17. The proposed new tracks and supporting facilities at Murray Bridge is the most significant infrastructure project for the South Australian greyhound racing industry in the modern era. The new venue will not only support participation in the areas south of Adelaide, but will also draw interest from as far afield as Mount Gambier, the Riverland and even Victoria.

The investment at Murray Bridge will support the conduct of racing out of three venues across Adelaide and its immediately surrounding regions and avail participants of a full suite of track design options ranging from two-turn to straight track racing. The new tracks will incorporate nothing less than the most current standards of safety as identified within the scope of recent research undertaken by the University of Technology Sydney on behalf of the industry nationally.

The Murray Bridge venue will serve as a cornerstone of long-term industry sustainability and will help to underpin the valuable contribution that the industry continues to make in terms of local employment and its broader impact upon the South Australian economy. The Murray Bridge Council has been highly supportive of the development and welcoming of the activity and benefits that will be delivered to the region both socially and economically. I extend my personal thanks for their foresight in embracing the great opportunity this development presents.

The South Australian industry continues to assert itself as a national leader in animal welfare and the Board and Management of GRSA are accustomed to placing welfare and integrity considerations at the forefront of its decision-making processes.

Our Greyhound Adoption Program [GAP] is peerless within the national industry and supported the rehoming of more greyhounds than were bred locally over the course of the past year. Our participants embrace the obligation that this industry has towards animal welfare, and GAP, with the support of its army of volunteers and prison partnerships, is addressing the singularly most important challenge that our industry faces – that is, ensuring that the racetrack is just a stepping stone to life after racing.

GRSA has been instrumental in the introduction of other important industry welfare strategies during 2016-17 including the expansion of its grading framework to accommodate racing opportunities for greyhounds of all abilities, and the introduction of a Track Injury Rebate Scheme which subsidises the majority of costs associated with surgical repair of racing injuries. The South Australian industry is also an active advocate of such initiatives at the national level.

UBET continues to provide strong support of greyhound racing in South Australia and has had a particularly energetic presence in relation to the branding of retail outlets across the state. Negotiations are currently ongoing between state Government and UBET regarding a possible extension of exclusivity relating to its existing wagering licence. Separately, an application has been submitted to the Australian Competition Tribunal seeking that body's authorisation for a merger between Tabcorp and Tatts Group, which GRSA has publicly supported. These are important developments for the racing

industry in South Australia and we remain optimistic that the outcomes from same will benefit the industry and help drive further investment into the many welfare initiatives being promulgated by the South Australian industry.

Not surprisingly, the issues in New South Wales temporarily dented the confidence of participants across the country, but by year's end there were clear signs that the local industry was beginning to move forward. GRSA has continued to adapt to the changes in its environment and the South Australian industry now appears to be uniquely placed to recover and prosper. At a personal level, I'm grateful for the patience and the co-operation that our industry participants have demonstrated during what has been a challenging few years. Their commitment and passion is to be commended and continues to underpin every success the industry enjoys.

I must also acknowledge the work of our staff and management and in particular our CEO, Matt Corby, who has led the industry admirably in spite of the many challenges and opponents. I would also like to thank my fellow Directors who always give generously of their time to fulfil their respective roles. Their courage and clear-mindedness has helped to steer a course for the industry which will, I firmly believe, continue to see the South Australian industry lead and prosper in the years ahead. In much the same way as has been required of our participants, the current Board has had to demonstrate resilience and resolve during trying times.

Finally, I would like to thank each of our member Clubs who conducted themselves, in concert with their respective committees, professionally and diligently at all times ensuring a stable platform from which the industry has been able to respond positively to its complex environment.

This will be my last report as Chairman as I look to step away from what has been a challenging, yet significantly rewarding, role. I have appreciated my time as Chairman of GRSA and am hopeful that my tenure will be reflected upon positively by the industry in the future. The challenge of making the right decisions at the right times, for the benefit of the thousands of our wonderful participants, and in the face of the most challenging of environments, has been both motivating and tiring, and the time is now right to hand the Chairmanship over to a new steward to help guide the industry over the ensuing years. I am confident the industry can continue to grow and prosper into the future and wish it, and the many great people within it, every success.

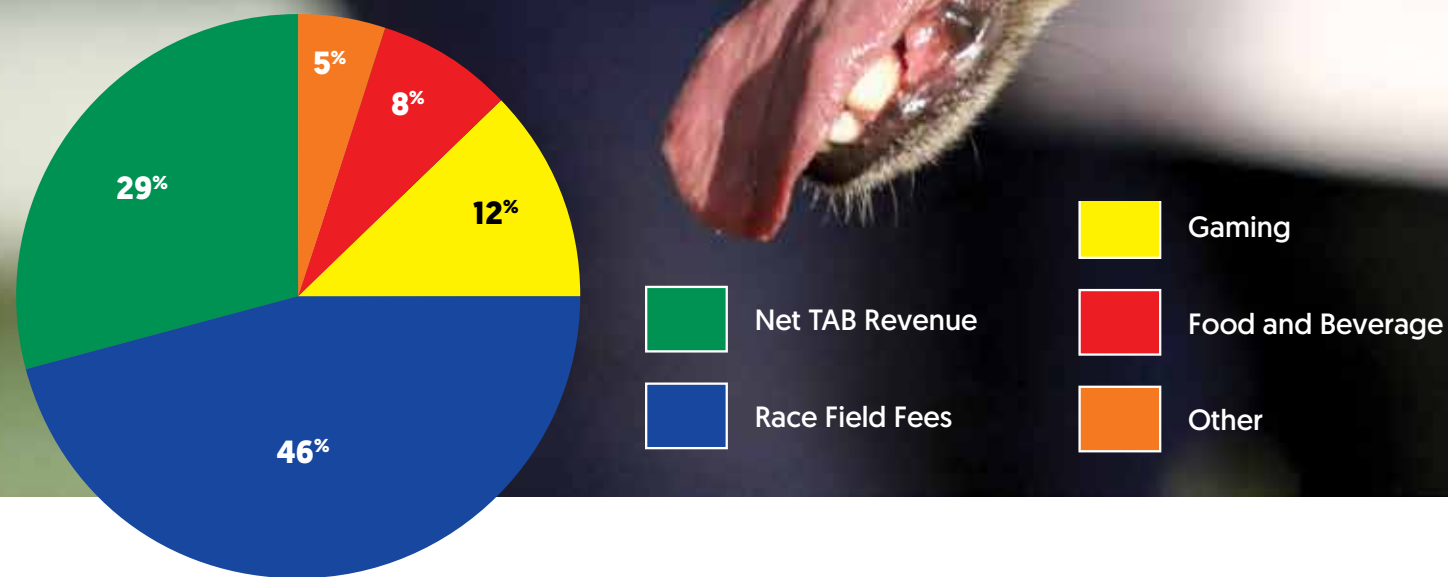


**Michael Fabbro**

# 06

## Year In Brief

### Financial Snapshot



	2016-2017 [\$'000]	2015-2016 [\$'000]	Change [\$'000]	Change [%]
Net TAB Revenue	\$6,662	\$5,897	\$765	13%
Race Field Fee Revenue	\$10,450	\$9,373	\$1,077	11%
Participant Returns	\$8,368	\$7,234	\$1,134	16%
Local TAB Turnover	\$15,202	\$16,386	[\$1,184]	[7%]
National TAB Turnover	\$115,335	\$122,158	[\$6,823]	[6%]

## Corporate Highlights

- Market share increased to 17.95%
- Industry commissions from SA-based UBET wagering grew to \$7.27m
- Race field revenue increased to \$10.45m
- Stake money and rebates grew to \$8.37m

## Gaming

- Fall in gaming turnover of 8% in line with a broader downward trend experienced across all SA venues
- Contribution from gaming for the year of \$1.5m [down by 9%]

## Infrastructure

- Progression of preliminaries for the Murray Bridge project, including land subdivision, utilities connection and planning around key project elements
- Construction of a new kennelhouse facility at Mobilong Prison in Murray Bridge with the capacity to support the foster care of up to 16 greyhounds simultaneously
- Comprehensive upgrade of the Gawler lure system to address ongoing reliability issues
- Creation of a new reception/lobby area in the GRSA administration building to better manage pedestrian traffic flow and venue security
- Refurbishment of the Angle Park toilets and a redesign to allow for the addition of a separate disabled toilet on the ground floor of the complex





## Racing

- Introduction of the industry's first formal time-based grading framework as part of a broader strategy to support racing opportunities for greyhounds of all standards
- The Introduction of My OzChase providing an easier means for participants to perform transactions online that previously had to be completed and submitted manually
- Group 1 UBET National Sprint Championship won on home soil by the South Australian owned, trained and bred sprinter Worm Burner
- Worm Burner also ran second in the Group 1 Adelaide Cup, third in the Group 1 Melbourne Cup and strung together 13 straight metropolitan wins at Angle Park on his way to securing 2016 Greyhound of the Year honours for leading SA trainer Cameron Butcher
- Locally trained Parsec Bale and locally trained, owned and bred Springvale Bryne recorded second and third placings respectively in the Group 1 UBET National Distance Championship
- The Group 1 Triple M Adelaide Cup was taken out by Aqua Cheetah from Victoria
- Locally trained greyhound Bogie Bekim won the Group 1 Galaxy at Cannington and was second in the Group 1 Association Cup at Wentworth Park
- Fabregal won the Gawler Produce Stake and the Group 3 Gawler Cup during a sequence of 13 straight wins at that track
- Local greyhound Gun McBain set a new record of 50 wins at Angle Park surpassing the previous record of 37 wins
- Additional scheduling of racing at Mount Gambier in support of the current strength of the sport that is evident in that region

## Integrity

- All registered participants across the state were required to complete formal attendance-based education as a condition of future licensing
- Sampling of greyhounds for prohibited substances amounted to 4.64% of total runners
- Conduct of 30 inquiries during the year, the majority of which related to allegations of participant misconduct or prohibited substance breaches
- Maintenance of a schedule of premise inspections which equates to all licensed participants being inspected at least annually
- 17 routine matters referred to SAPOL [5] and the RSPCA [12] in compliance with reporting obligations under the Animal Welfare Act 1985
- 32,134 runners competed with an injury rate of 2.32%
- 1,490 samples were taken with 0.74% testing positive for prohibited substances

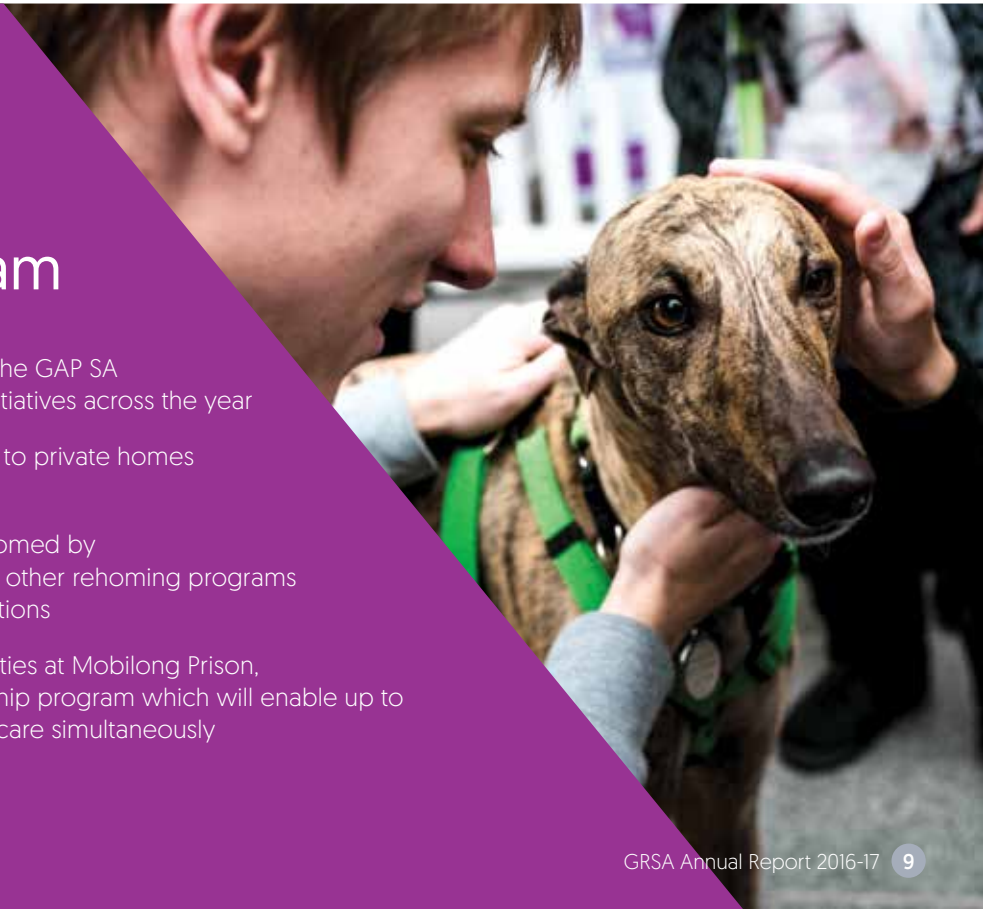
	2016-2017	2015-2016
Pre-race urine / blood samples	22	134
Post-race urine / blood samples	1,417	1,256
Out-of-competition samples	48	67
Elective samples	3	7
No. of positive samples	11	15
<b>Total samples</b>	<b>1,490</b>	<b>1,464</b>

## Marketing

- Successful management of the 2016 UBET Nationals and associated conferences and events, including the Australian Greyhound of the Year
- Portrayal of the human face of greyhound racing industry in mainstream media and promotion of the key elements of GRSA's welfare and integrity frameworks
- Growth in greyhound adoptions and recruitment of foster carers underpinned by public awareness of the You. Me. 6 Weeks. campaign
- Expansion of brand awareness initiatives for GAP to include retail activations and therapy-based interactions with greyhounds at Rundle Mall and Flinders University respectively
- Launch of the new website for GAP SA incorporating user-friendly functionality and mobile compatibility
- Continued growth of all social media profiles reflected in an increase in The Dogs twitter followers of 62% and GAP SA's Facebook page hitting over 10,000 followers
- Continued success of wagering initiatives including the successful conduct of the Golden Bone Tipping Competition, the heightened profile of Todd Gray as GRSA's resident tipster, and the introduction of direct linking of the GRSA website to UBET's online wagering function

## Greyhound Adoption Program

- GRSA invested over \$1 million on the GAP SA program and related rehoming initiatives across the year
- 430 unique greyhound adoptions to private homes coordinated through GAP SA
- An additional 221 greyhounds rehomed by participants, adopted out through other rehoming programs or taken up by owners or connections
- Construction of kennelhouse facilities at Mobilong Prison, supporting a new prison partnership program which will enable up to 16 greyhounds to undergo foster care simultaneously





# 10 CEO's Report

Matthew Corby



## The National Industry

The collaborative spirit between the states has never been more evident as the national industry strives to cement the benefits of recent progress and reform. The issues that dominate the focus of national dialogue include:

- The need for the industry to collectively identify and target a sustainable level of breeding activity which has primary regard for rehoming capability by jurisdiction and considers the movement of greyhounds across state borders
- The ongoing normalisation of a culture of highly accountable and responsible greyhound ownership which, in turn, underpins a broader objective of eradicating unnecessary euthanasia
- The abolition of greyhound training or educational practices that are detrimental to the interests of animal welfare supported by a 'zero tolerance' approach to breaches of this nature
- The need for ongoing reform of national grading frameworks with the aim of providing genuine racing opportunities for greyhounds of all standards
- The need for continuous refinement of IT systems and processes to support the production of timely, accurate and comprehensive data which tracks the greyhound life-cycle from birth to death
- The extent to which the national rules framework supports effective industry regulation and addresses emerging priorities
- The residual need for ratification of the industry's proposed federal passport system in support of the prohibition of greyhound exports to high-risk international destinations, particularly in the Asian region.

## Greyhound Welfare

No racing code in any state invests a greater percentage of its revenue on rehoming initiatives and GAP SA is a national leader in this area. The year just completed marks the first instance wherein that program has rehomed more greyhounds than were bred within the state. The target for 2017-18 reflects GRSA's aspirational objective of limiting greyhound euthanasia to instances involving medical, temperamental or legal grounds only.

The number of greyhounds which raced in South Australia during the year fell slightly from 2,460 to 2,386. That number will come down further in the coming two years due to the recent reduction in national breeding activity. Whilst a smaller racing population will potentially relieve some of the pressure on future rehoming targets, it will also require GRSA to consider what constitutes an optimal breeding level which balances its obligation towards delivering an optimal racing schedule with its capacity to rehome greyhounds. Additionally, any calculation of sustainable breeding levels must make provision for the movement of greyhounds across state borders, noting that South Australia relies on a positive net import figure to support a sustainable racing population.

Local breeding was down marginally from 418 to 373 pups. It is foreseeable that local breeding will return to a figure more closely approaching historical levels over the coming two years due to greater industry certainty and the commencement of works on a new track and facilities at Murray Bridge. GRSA is committed to ensuring that future breeding activity, combined with net imports from interstate, will always be managed at a level that can be accommodated within its full rehoming strategy.

The number of greyhounds adopted out by GAP SA for the year was 430, that figure representing a 40% increase on the previous year and landing within 5% of an overall target of 450 greyhounds. During the year, the program underwent a complete restructure and GRSA remains optimistic that the elevated adoption target for 2017-18 remains achievable. Expenditure on the program and broader animal welfare initiatives increased by 10% from \$1,198,000 to \$1,324,000. In addition to its already expansive network of foster carers, GAP SA will soon embark upon a second prison partnership with Mabilong Prison in Murray Bridge, to complement the existing arrangement with Adelaide Women's Prison.



The ongoing growth of GAP's rehoming capacity, combined with the expansion of racing opportunities for slower and older greyhounds, will continue to place downward pressure on the number of greyhounds that need to be rehomed separately through unaffiliated groups, or directly by participants, going forward.

The total euthanasia figure for 2016-17 came in at 357, slightly less than 10% above estimate. This amounted to an overall reduction of 30% when compared against the previous year which, in turn, was reflected in the achievement of an overall rehoming rate for unraced and retired greyhounds of 65% in South Australia.

Despite the focus on injury reduction strategies during the year, the number of racing-related injuries resulting in humane euthanasia plateaued in 2016-17, rising from 31 to 32 year on year within the context of a racing schedule which increased by 7.5%. Modern one-turn track and straight track options at Murray Bridge can be expected to reduce the overall rate of injury from the commencement of racing at that venue. A major research project into track safety and design, conducted in partnership with the University of Technology in Sydney, has identified Murray Bridge as a template for modern and best practice design.

In late 2016, GRSA introduced the Track Injury Rebate Scheme [TIRS] under which it offers an 80% subsidy against costs relating to surgical repair of serious raceday injuries. The TIRS has been embraced by the local industry and reflects a broader objective on GRSA's part to ensure that the potential cost of surgery never detracts from key welfare considerations associated with the treatment of an injury. Wherever necessary, greyhounds covered under the TIRS are then fast-tracked into the GAP system post-recovery.

An internal review investigating the correlation between track 'speed' and the rate and nature of racing injuries was initiated during the year. The outcomes from that process will continue to educate our track curators and guide the manner in which track surfaces are prepared to ensure the safest standards of racing at all times.

## Racing and Wagering

South Australian greyhound racing has generated market share growth in five of the past six years, reflecting the relative appeal of the product within the wagering market. In 2016-17, GRSA market share increased from 17.70% to a new high of 17.95%.

Towards the end of the year, the proposed merger between Tabcorp Holdings Limited [Tabcorp] and Tatts Group Limited [Tatts] had progressed to the point wherein the Australian Competition Tribunal [ACT] had approved the proposed combination of the two businesses.

In response to that decision, the Australian Competition and Consumer Commission [ACCC] subsequently made application to the Federal Court to seek to clarify specific elements of law as they apply to all merger and non-merger authorisations, as opposed to citing any issue with the ACT's specific findings of substantial public benefits and of no, or insignificant detriment arising from the proposed merger transaction.

GRSA has publicly been an enthusiastic supporter of the proposed merger and believes that it has the capacity to deliver significant benefits to the racing industry in terms of pool consolidation, national marketing and branding, product offering and operational efficiencies amongst other things.

At the same time, Tatts Group has been in ongoing negotiation with the state Government regarding the potential for an extension of retail exclusivity rights in South Australia beyond the initial 15 year term that was granted in the Approved Licensing Agreement with SA TAB [now UBET] in late 2001.

During 2016-17, Treasury also identified that South Australia would become the first state to apply a Point of Consumption tax to wagering activity conducted in South Australia. That change will take effect from July 1, 2017. Other states have indicated that they are committed to introducing a similar tax from the following year.

## Murray Bridge

In 2011, the Board of GRSA made the difficult decision to reduce tracks and identified the critical need for a modern new track in the southern area to replace the Strathalbyn facility. Six years on, the final element of that project – the new development at Murray Bridge – is now on the cusp of being realised.

The new site incorporates 11 hectares of land located approximately 2.5 kilometres to the east of the town centre, immediately adjacent to the Murray Bridge Showgrounds precinct. GRSA's plan for that site provides for the construction of a 620m one-turn track and a separate 400m straight track in addition to requisite patron and kennelling facilities.

The Murray Bridge Council has been publicly supportive of this initiative based on the anticipated economic, employment and social impacts it will generate for that community. The new venue will play a pivotal role in preserving and growing participation in that region and provide new racing opportunities, both in number and diversity, for greyhounds which may be less suited to the traditional two-turn form of racing. It will elevate standards of racing safety, help to prolong the careers of racing greyhounds, and stimulate further wagering growth for the code. From a participant perspective, this project is the singularly the most important initiative that GRSA could pursue in support of viability.

The new tracks will incorporate the most contemporary of design principles. The layout of the proposed one-turn track at Murray Bridge was identified as an example of best-practice design in a recent presentation made to Greyhounds Australasia by Professor David Eager, the Associate Professor of Risk Management and Injury Prevention with the University of Technology Sydney [UTS]. Furthermore, a recently published report by UTS unconditionally recommends the use of straight tracks to improve animal welfare outcomes in the sport. Based on those considerations, the development at Murray Bridge will stand as an industry leader in track design and safety.





## Integrity

As a regulator of racing in this state, GRSA has a fundamental obligation to ensure that its integrity framework is effective and fit for purpose. During the 2016-17 year, integrity staff undertook more premise inspections than has been the case in any previous period. All licensees could currently anticipate being inspected at least annually.

The report from an independent audit of GRSA's integrity framework, undertaken by consulting firm McGrath Nicol, identified a number of recommendations for progressive implementation during 2017-18. A key recommendation arising from that review related to the separation of the Chief Steward function from what had previously been the Integrity and Standards Manager role (now the Integrity Manager role). That change was implemented shortly after receipt of the report.

In late 2016, GRSA rolled out compulsory attendance-based education for all participants based on units developed for a similar initiative delivered in Queensland. Attendance at, and completion of, those training units constituted a mandatory requirement for future licensing from mid-2017.

Key areas of focus for the integrity Department during the year included a review of the hot weather policy (resulting in a number of practical amendments), refinement of the structure and processes within the stewarding panel, and the advancement of processes and systems supporting the collection, validation and management of industry data.

GRSA continues to maintain close and functional relationships with key external stakeholders across Government, SAPOL, the RSPCA of SA and the Dog and Cat Management Board. The Racing Minister is routinely apprised of GRSA's strategies for managing industry risk, and its performance in relation to key welfare and integrity outcomes.

In accordance with the Animal Welfare Act 1985, GRSA diligently observes its obligation to provide timely and faithful notifications to the RSPCA of SA and/or SAPOL of known or suspected welfare or criminal breaches.

## GRSA Staff and Management

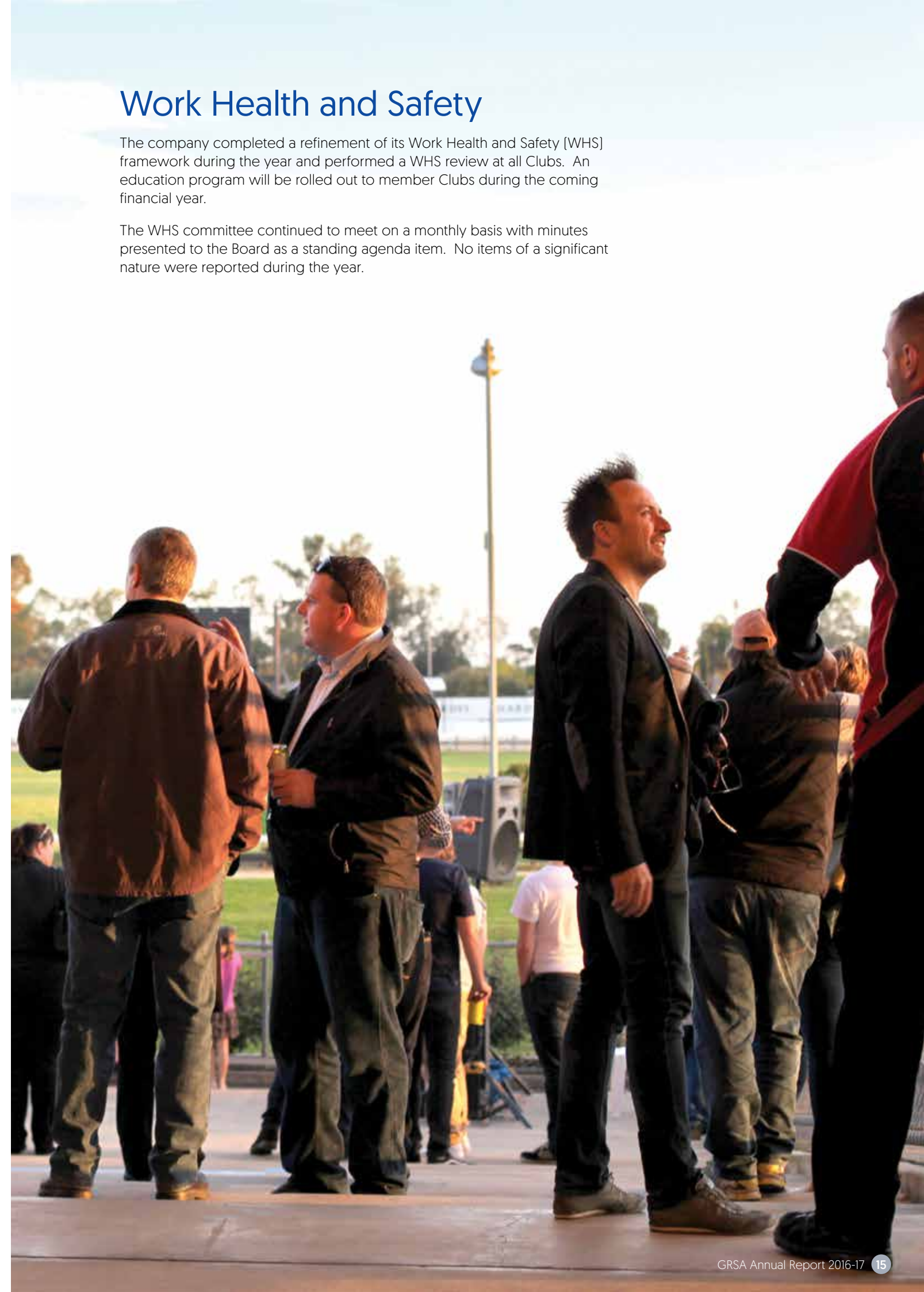
It would be remiss of me not to thank the staff and Management of GRSA for the manner in which they continue to support the business and the resilience that they have demonstrated in coping with an environment wherein constant change represents the norm.

In particular, special mention needs to be made of our Management team including Sarah Webster (Chief Operating Officer), Shaun Mathieson (Racing Manager), Scott Wuchatsch (Strategic Projects Manager), Lisa Michalanney (Integrity Manager), Dianne Dumanovic (Marketing Manager) and Alex Fairgrieve (Hospitality Manager). I remain grateful for the support that I have received from that team, noting that Management can sometimes feel like a thankless proposition.

## Work Health and Safety

The company completed a refinement of its Work Health and Safety (WHS) framework during the year and performed a WHS review at all Clubs. An education program will be rolled out to member Clubs during the coming financial year.

The WHS committee continued to meet on a monthly basis with minutes presented to the Board as a standing agenda item. No items of a significant nature were reported during the year.





# 16 Clubs' Report

On behalf of GRSA and all of our Clubs, we acknowledge the unique and vital role that our volunteers play in supporting racing operations, managing Club-related activity and serving as the human interface between our industry and the members of the general public who support racing in our regional communities.

## Adelaide Greyhound Racing Club

- Financial contribution to the NSW Greyhound Industry Fighting Fund in support of its efforts to [successfully] seek the repeal of legislation relating to an industry ban in that state
- The AGRC Chairman met with the Chief Minister and the Chairman of the Darwin Greyhound Association Racing to discuss racing matters of shared interest
- Coordination of the industry greyhound auction in conjunction with GRSA
- Sponsorship of Mount Gambier race meeting and John Gray race series at Angle Park
- Contributions to industry publication the "Flyer" on behalf of the Club and the Combined Members Club

## Gawler Greyhound Racing Club

- The development and launch of a new website for Nixon's Function Centre to assist promotion of the use of the facility for private functions. The venue has continued to attract a high level of bookings, particularly from local community groups.
- Club funding of extensive works undertaken to develop the lower floor of the patron building to improve venue utility for premium race meetings and community events
- Extensive upgrade of the lure system to increase system reliability and greyhound safety
- Investment in additional TV monitors to improve the raceday experience as well as improving venue utility for functions
- Conduct of the 2016 GOTY awards night at Nixon's Function Centre
- Upgrade of the kennelhouse 'empty out' area with new turf and irrigation in support of more functional raceday processes

## Southern Greyhound Racing Club

- Continued to work collaboratively with GRSA regarding practical considerations relating to the longer-term transition from racing at Strathalbyn to the new facility at Murray Bridge
- Growth of sponsorship, both in number and value, against a broader trend of sponsorship decline
- Support of GRSA with the scheduling of additional racing and trialling during enforced periods of maintenance at other tracks

## Mount Gambier Greyhound Racing Club

- Installation of solar power system to derive energy savings and reduce operational costs
- Support of permanent additional race meetings in line with demand for racing opportunities in the region and consistent with GRSA objectives relating to future wagering growth
- Replacement of aged roofing on Clubrooms and kennelhouse
- Installation of 150 metres of concrete pathways linking key operational areas within the facility
- Upgrade of the kennelhouse security system
- Upgrade of kitchen facilities to maximise the Club's opportunity from catering revenue

## Port Augusta Greyhound Racing Club

- Delivery of Marketing strategies – including TV and billboard placements – resulting in significant growth of raceday attendance and broader community support within the region
- Strengthening of stakeholder relationships resulting in Council sponsorship of Port Augusta Cup, involvement with local football and netball teams, support of community events (railway workshops, Memorial Day) and the retention of Dan Van Holst Pellekaan MP as official Club patron

## GOTBA (Virginia)

- Representation of the industry at a national level by way of contribution to, and attendance at, national owners, trainers and breeders meetings to discuss and resolve shared racing issues
- Engagement with the Adelaide Lure Coursing and Racing Club, arising from which, a variety of non-greyhound breeds utilise the Virginia track to race against the clock recreationally





# 18 Industry Events

## Feature Race Winners

South Australia conducted a total of eight Group Races at Angle Park and Gawler during the year. A summary of the Group and feature race winners follows:

### GROUP ONE

**UBET AGRA National Sprint Championship Final**  
Worm Burner [Cameron Butcher]

**UBET AGRA National Distance Championship Final**  
Ring The Bell [Gerard O'Keeffe]

**UBET Adelaide Cup**  
Aqua Cheetah [Jason Thompson]

### GROUP THREE

**Coffex Coffee Oaks**  
Pepper Fire [Jeffrey Britton]

**BGC Industrial Cleaning Supplies Derby**  
Weekend Binge [Kelvyn Greenough]

**Gawler Gold Cup**  
Fabregal [Robyn Mackellar]

**The Brian Johnstone**  
On Fire [Cameron Butcher]

**The Howard Ashton**  
Wilba Beast [Ben Rawlings]

## OTHER MAJOR RACES DURING THE YEAR INCLUDED:

**Gawler Produce Stake**  
Fabregal [Robyn Mackellar]

**SA Sprint Championship**  
Worm Burner [Cameron Butcher]

**SA Distance Championship**  
Bogie Bekim [Ben Rawlings]

**SA Anniversary Cup**  
On Fire [Cameron Butcher]

**AGRC/GRSA Auction Final**  
Kung Fu Mary [Ben Rawlings]

**Champion Puppy**  
Optic Blast [Aart Verhoef]

**SA St Leger**  
On Fire [Cameron Butcher]

**State Final National Sprint**  
Worm Burner [Cameron Butcher]

**State Final National Distance**  
Parsec Bale [Wendy Matcott]

**Adelaide Cup Consolation**  
Ruff State [Ken Gill]

**Premier's Cup**  
Springvale Bryne [Gavin Harris]

### COUNTRY CUPS

**Strathalbyn Cup**  
Aston Kody [Troy Murray]

**Mount Gambier Cup**  
Fabregal [Robyn Mackellar]

**Port Augusta City Council Cup**  
Marley Bale [Ben Rawlings]

**SA Country Cup**  
Berry Bling [Nicole Stanley – Mount Gambier]

**Waterloo Cup**  
Zipping Alex [Con Haagmans]

### TRACK RECORDS

**Mount Gambier**  
512m: Brazen Bomber [Jeff Guy] 29.55  
11/06/2017

512m: Mojito Mayhem [Peter Franklin] 29.52  
18/06/2017

600m: Paraphernalia [Jeff Guy] 34.97  
11/06/2017

600m: Mclvor Verna [Peter Franklin] 34.84  
18/06/2017

## 2016 Award Winners

The 2016 Greyhound of the Year Dinner was held in February at the Gawler Greyhound Racing Club. The award winners presented on the night were:

**UBET SA Greyhound of the Year**  
Worm Burner

**SA Bred Greyhound of the Year**  
Worm Burner

**SA Sprinting Greyhound of the Year**  
Worm Burner

**SA Distance Greyhound of the Year**  
Springvale Bryne

**SA Run of the Year**  
Worm Burner

**Gawler Trackstar**  
Fabregal

**SA Stud Dog of the Year**  
Falcon

**SA Broodbitch of the Year**  
Little Looper

**SA Breeder of the Year**  
Alan McCulloch

**UBET TAB Trainer of the Year**  
Tony Rasmussen

**SA Owner/Trainer of the Year**  
Cameron Butcher

**City Strike Rate Winner**  
Gavin Harris

**SA Syndicate of the Year**  
The Riff Raff Syndicate, Mgr – Kim Johnstone

**Outstanding Service to Industry Award**  
Stephen Bartholomew

**Outstanding Service to Industry Award**  
Scott Volbrecht

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

**Coursing Greyhound of the Year**  
Dakota Rose

**SA Coursing Trainer of the Year**  
Ray Fewings



# 20 Directors' Report



Your directors present their report on the Company for the financial year ended 30 June 2017.

## 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 was \$430,858.

## Review of Operations

The end-of-year market share figure for the greyhound code was 17.95%, an increase of 0.25% on the previous year's result of 17.7%. National market share continued to exceed local share and wagering reduced marginally overall. Across the other codes, thoroughbred market share was up 0.5% to 71.3% and harness market share decreased by 0.8 percentage points to 10.8%. Industry commissions from SA-based UBET wagering for the greyhound code grew to \$7.27m from \$7.02m 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 \$10.45m, equating to year-on-year growth of 11.5%. During the same period race field fees payable to other states, based on local [SA] wagering activity on interstate racing, reduced to \$1.77m or by the equivalent of 3.3%.

Stakemoney and rebates returned to industry grew by \$1.134m to \$8.368m constituting an increase over the previous period of 15.7%.

## Financial Position

The net assets of the Company have increased to \$10.45m in 2017, up from \$10.019m in 2016.

## 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 2017.

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 auditor
  - appointment and performance assessment of the Chief Executive Officer
  - the effectiveness of management processes and planning of major Company initiatives
  - the nurturing of 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 across its operations, ensuring that it meets all regulatory requirements.

The welfare of our racing greyhounds forms 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 sign an annual declaration and maintain 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.



**Michael Allan Fabbro**  
LLB(Hons), BCom (Acct),  
GDLP, FTIA, ARITA

Non-Executive Director  
[experience as a legal practitioner] and Chairman

Michael joined the Board of GRSA in November 2009. 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.



**Dr Chris Leo Doyle**  
BVSc

Non-Executive Director  
[experience in the greyhound racing industry] as elected by eligible 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.

Chris is an Executive Member of Australian Greyhound Veterinarians and also a member of the Greyhounds Australasia Veterinary and Analyst 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. 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. As a Director of Centour Consulting he consults to organisations on business and people strategies. Paul is also a Non-Executive Director of Colombin Australia Pty Ltd.



**David Anthony Spear**  
FAICD, FAIM

Non-Executive Director  
[experience in carrying on a 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 alumnus of the 2013 Harvard Business School governance program.



**Grantley William Stevens**  
B.Arts [Accounting], FCA,  
CTA, MAICD

Non-Executive Director  
[experience in financial management]

Grantley joined the Board in July 2013 bringing a strong background in financial management. Having joined Edwards Marshall in 1987, he was appointed to the position of 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 and is a committee member of the Finance and Audit Committee of the Port Adelaide Football Club.

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



# Meetings of Directors

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

## Attendance Details

Board Meetings	Eligible	Attended
Michael Fabbro	15	15
Paul Preiss	15	13
Chris Doyle	15	15
David Spear	15	14
Grantley Stevens	15	15

## Audit Meetings

Michael Fabbro	3	3
Grantley Stevens	3	3

## Remuneration Committee

Michael Fabbro	2	2
Grantley Stevens	2	2

## 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 26th day of October 2017



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## Financial Report

Statement of profit or loss and other comprehensive income for the year ended 30 June 2017

	NOTE	2017	2016
		\$000's	\$000's
Racing Product income	2	17,112	15,270
Other revenues from ordinary activities	3	910	668
Food, Beverage and Gaming Revenue		4,712	4,875
Stakemoney and Rebates	4	[8,368]	[7,234]
Food, Beverage and Gaming Expenditure		[4,647]	[4,627]
Racing and Probity expenses		[5,201]	[4,639]
Administration expenses		[2,487]	[2,331]
Greyhound Adoption Program (GAP) and Animal Welfare expenses		[1,324]	[1,198]
Marketing expenses		[276]	[205]
<b>Profit from ordinary activities</b>	5	<b>431</b>	<b>579</b>
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>431</b>	<b>579</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 2017

	NOTE	2017	2016
		\$'000's	\$000's
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	6	2,003	1,972
Receivables	7	1,696	1,500
Inventories	8	60	54
Other Current Assets	9	86	91
<b>Total Current Assets</b>		<b>3,845</b>	<b>3,617</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	7	12	20
Property, Plant and Equipment	10	8,887	8,344
<b>Total Non-Current Assets</b>		<b>8,899</b>	<b>8,364</b>
<b>TOTAL ASSETS</b>		<b>12,744</b>	<b>11,981</b>
<b>CURRENT LIABILITIES</b>			
Payables	11	1,473	1,208
Provisions	12	757	671
<b>Total Current Liabilities</b>		<b>2,230</b>	<b>1,879</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	12	64	83
<b>Total Non-Current Liabilities</b>		<b>64</b>	<b>83</b>
<b>TOTAL LIABILITIES</b>		<b>2,294</b>	<b>1,962</b>
<b>NET ASSETS</b>		<b>10,450</b>	<b>10,019</b>
<b>EQUITY</b>			
Reserves	13	4,927	4,927
Retained Earnings	13	5,523	5,092
<b>TOTAL EQUITY</b>		<b>10,450</b>	<b>10,019</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 2017

	Retained Earnings	Asset Revaluation Reserve	Capital Acquisition Reserve	Total
	\$'000's	\$'000's	\$'000's	\$'000's
<b>Balance at 1 JULY 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>
Profit attributable to members	431	-	-	431
Total other comprehensive income for the year	-	-	-	-
<b>Balance at 30 JUNE 2017</b>	<b>5,523</b>	<b>939</b>	<b>3,988</b>	<b>10,450</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 2017

	NOTE	2017	2016
		\$'000's	\$'000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		21,855	20,223
Payments to suppliers and employees		[20,545]	[19,235]
Interest received		14	21
<b>Net cash provided by operating activities</b>		<b>1,324</b>	<b>1,009</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		25	28
Payments for property, plant and equipment		[1,318]	[401]
<b>Net cash (used) by investing activities</b>		<b>(1,293)</b>	<b>(373)</b>
<b>Net increase in cash held</b>		<b>31</b>	<b>636</b>
<b>CASH AT BEGINNING OF PERIOD</b>		<b>1,972</b>	<b>1,336</b>
<b>CASH AT END OF PERIOD</b>	6	<b>2,003</b>	<b>1,972</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 2017

### 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 2016/2017. 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.

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 2017, the number of members was six (6).



NOTE 2: RACING PRODUCT INCOME

	2017	2016
	\$'000's	\$'000's
UBET Product Fee paid to greyhound racing code	8,581	8,280
less clawback amount payable to SA Government	-	(504)
less UBET Product Fee Expenses	(1,771)	(1,829)
Race Field Fee Income	10,450	9,373
On-course tote commissions	(148)	(50)
	17,112	15,270

NOTE 3: OTHER REVENUES FROM ORDINARY ACTIVITIES

Sponsorships	87	11
Other	823	657
	910	668

NOTE 4: STAKEMONEY AND REBATES

Prizemonies	7,491	6,420
Travel Rebates	877	814
	8,368	7,234

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	748	790
Total Depreciation	748	790

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

Loss on Disposal of Property Plant and Equipment	3	-
Loss on Disposal	3	-

#### NOTE 6: CASH AND CASH EQUIVALENTS

	2017	2016
	\$'000's	\$'000's
Cash on Hand	8	64
Cash at Bank	148	371
Investments - Fixed term	52	51
Cash Bank Deposits - At Call	1,795	1,486
	<b>2,003</b>	<b>1,972</b>

#### NOTE 7: RECEIVABLES

<b>CURRENT</b>		
Sundry Debtors	1,476	1,295
Loans to Clubs	11	7
Other	209	198
	<b>1,696</b>	<b>1,500</b>
<b>NON-CURRENT</b>		
Loans to Clubs	12	20
	<b>12</b>	<b>20</b>
<b>Reconciliation of Doubtful Debts</b>		
Opening Balance	-	-
Movement	-	-
Closing Balance	-	-

#### NOTE 8: INVENTORIES

Beverages - Tavern and Restaurant - At Cost	31	31
Food - Tavern and Restaurant - At Cost	29	23
	<b>60</b>	<b>54</b>

#### NOTE 9: OTHER CURRENT ASSETS

Prepayments	86	91
	<b>86</b>	<b>91</b>

#### NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	2017	2016
	\$'000's	\$'000's
Land, Building and Improvements - Angle Park at Fair Value	5,591	5,591
Accumulated Depreciation	(494)	(329)
	<b>5,097</b>	<b>5,262</b>
Land, Building and Improvements - Gawler at Fair Value	1,739	1,739
Accumulated Depreciation	(286)	(199)
	<b>1,453</b>	<b>1,540</b>
Capital Works in Progress	947	37
Accumulated Depreciation	-	-
	<b>947</b>	<b>37</b>
Plant and Equipment	5,356	5,161
Accumulated Depreciation	(4,451)	(4,110)
	<b>905</b>	<b>1,051</b>
Furniture and Fittings	937	786
Accumulated Depreciation	(586)	(486)
	<b>351</b>	<b>300</b>
Motor Vehicles	340	306
Accumulated Depreciation	(206)	(152)
	<b>134</b>	<b>154</b>
<b>Total Property, Plant and Equipment</b>	<b>8,887</b>	<b>8,344</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.	<b>Capital Work in Progress</b>	<b>Land Buildings &amp; Improvements</b>	<b>Plant &amp; Equipment</b>	<b>Furniture &amp; Fittings</b>	<b>Motor Vehicles</b>	<b>Total</b>
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Carrying amount at start of year	37	6,802	1,051	300	154	8,344
Additions	910		200	152	33	1,294
Disposals	-	-	(3)	-	-	(3)
Transfers	-	-	-	-	-	-
Depreciation expense	-	(252)	(343)	(100)	(53)	(748)
<b>Carrying amount at end of year</b>	<b>947</b>	<b>6,550</b>	<b>905</b>	<b>351</b>	<b>134</b>	<b>8,887</b>



#### NOTE 11: PAYABLES

CURRENT	2017	2016
	\$'000's	\$'000's
Trade Creditors	630	611
Other	843	597
	<b>1,473</b>	<b>1,208</b>

#### NOTE 12: PROVISIONS

CURRENT		
Provision for Annual Leave	334	306
Provision for Long Service Leave	343	293
Futurity and Gawler Produce Race Series	80	72
	<b>757</b>	<b>671</b>
NON-CURRENT		
Provision for Long Service Leave	64	83
	<b>64</b>	<b>83</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

	2017	2016
	\$'000's	\$'000's

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

Operating lease commitments		
After one year but not more than five years	77	26
More than five years	40	44
<b>Total</b>	<b>117</b>	<b>70</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>168</b>	<b>165</b>
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[b] Key Management Remuneration

<b>Total Key Management Remuneration</b>	<b>1,155</b>	<b>1,042</b>
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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 \$78,500 [2016: \$90,500] have been made by the company for veterinary services from Chris Doyle. No amounts were outstanding at the year end [2016: \$Nil].

Purchases of \$475 [2016: \$2,450] for taxation and marketing services were made by the company from Nexia Edwards Marshall, of which Grantley Stevens is a partner. No amounts were outstanding at the year end [2016: \$Nil].

Purchases of \$Nil [2016: \$3,500] 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 [2016: \$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 2017 are in accordance with the Corporations Act 2001, including:
    - i. Giving a true and fair view of the financial position as at 30 June 2017 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 2017.

On behalf of the Board



.....  
Michael Allan Fabbro,  
Chairman  
Dated this 26th day of October, 2017

**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 2017, 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 26<sup>th</sup> day of October, 2017.

**CHARTERED ACCOUNTANTS  
& ADVISORS**  
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## Greyhound Racing SA Limited

### Independent auditor's report to members

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Greyhound Racing SA Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion, the accompanying financial report of the Company, is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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& ADVISORS**  
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### Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors 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 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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



**G.W. Martinella**  
Partner

Dated this 26<sup>th</sup> day of October, 2017.

## 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.**







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*Greyhound*  
**RACING SA**

