

2019  
ANNUAL  
REPORT



MYSTIC RIOT  
2018 CHAMPION

2019



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## 2019 ANNUAL REPORT

# CHAIRPERSON'S REPORT



As the recently appointed Chair of Greyhound Racing NSW (GRNSW), I am pleased to deliver this report covering the period from 1 July 2018 to 30 June 2019. In doing so, I acknowledge the outstanding contribution to the organisation and the industry more broadly of my predecessor, the Hon Morris Iemma, who was Chair for the entirety of the reporting period.

In his stewardship of the Board from mid-2017, and his role as head of the Greyhound Industry Reform Panel immediately prior to that, Morris was resolute in putting animal welfare at the heart of greyhound industry reform and establishing a solid framework to promote a sustainable and prosperous future for all participants prepared to support positive change.

With the implementation of GRNSW's new strategic plan having commenced, and the separation of the regulatory and commercial functions of greyhound racing in NSW now complete, Morris leaves the organisation in a much stronger position than when he started. We wish him all the best in his future endeavours.

One of the highlights and best examples of the revival of our industry in 2018-19 was the inaugural staging of the world's richest greyhound event, the Million Dollar Chase. Thanks to the support of the NSW Government and major sponsor Ladbrokes, Wentworth Park played host in October 2018 to a greyhound race that saw the connections of the Dubbo-reared Mystic Riot collect a first prize of \$1 million, an event that would have seemed highly improbable a year earlier.

The Million Dollar Chase Final, which set new wagering and attendance records for greyhound racing in NSW, was the culmination of a race series staged over two months at 12 NSW racetracks, including 11 in regional areas. It provided a high-profile vehicle to promote GRNSW's Greyhounds As Pets (GAP) rehoming program and delivered a tremendous morale boost to all industry participants as an example of what can be achieved if welfare and integrity standards exceed community standards. At the close of the reporting period, planning was well-advanced for the second staging of the Million Dollar Chase. Congratulations go to everyone involved in successfully delivering this amazing event.

As part of significant structural reform, from 1 July 2018 the responsibility for the regulation of greyhound racing, including the oversight and enforcement of matters relating to animal welfare and integrity, was transferred to the newly created Greyhound Welfare and Integrity Commission (GWIC). The establishment of GWIC was key amongst the 122 recommendations of the Greyhound Industry Reform Panel. Some of the specific functions that transferred to GWIC from GRNSW in the past 12 months include the registration of greyhounds and industry participants, and the employment of race stewards, inspectors and veterinary officers.

In addition to funding its operations, GRNSW has worked closely with GWIC through this major industry transition. There is a lot more work to do, and we look forward to providing further assistance to GWIC for the betterment of the industry and collaborating on key initiatives including whole-of-lifecycle greyhound tracking, rehoming, participant training and education, and track safety.

The Greyhound Racing NSW Strategic Plan 2018-2021 (the 'Plan'), which provides a blueprint for our organisation in the new structural landscape, was publicly released on 18 October 2018. The Plan was informed by engagement with a broad cross-section of the industry and other key stakeholders and sets out a bold vision for greyhound racing in NSW to be embraced as socially responsible, world-leading racing entertainment. It is built around three pillars - *Responsible, Competitive, Sustainable* - underpinned by 11 goals and 21 specific initiatives aimed at achieving the highest standards of animal welfare in racing, delivering commercial growth to support jobs and making a meaningful contribution to the communities in which we operate. Progress related to the goals and initiatives in the Plan are included throughout this report.

New track standards and upgrades were a key focus of GRNSW's safety and welfare activities in 2018-19. With the assistance of research and industry partners including the University of Technology, Sydney (UTS), NSW Greyhound Breeders Owners & Trainers Association (GBOTA) and GWIC, GRNSW developed new minimum safety standards for greyhound racetrack design and construction in NSW. The aim of this work is to reduce the number and severity of greyhound racing injuries and on-track euthanasia incidents, which is critical to maintaining industry and community confidence going forward. While the research and the work on track safety is an ongoing, long-term project, it is an area where GRNSW believe tangible benefits are achievable in the near-term. We thank the NSW Government for its \$30 million commitment over five years to support crucial track safety work, which funded track rebuilds at Gosford and Gunnedah in the reporting period.

One of the most pleasing aspects of the 2018-19 year was the increase in the number of greyhounds rehomed over the previous year under GRNSW's GAP program and through our associated rehoming initiatives. Along with the spotlight on the program provided by the Million Dollar Chase event, other key drivers of improvement included:

- A new Regional GAP program to expand its reach
- Additional GAP NSW adoption days and events
- Enhanced partner schemes with other rehoming organisations
- The appointment of Dr Alicia Fuller as General Manager of GAP NSW in May 2019



- The appointment of Australian sporting star Tim Cahill as GAP NSW ambassador in June 2019.

While the GAP NSW program will continue to be a central focus of GRNSW's commitment to animal welfare across the entire lifecycle of racing greyhounds, the introduction of the Race Injury Rebate Scheme in the past year is also key to improving animal welfare outcomes and preventing unnecessary instances of euthanasia. This scheme provides greyhound owners with the financial support needed to ensure greyhound injuries are treated, including through surgical procedures where required. The Scheme strongly aligns with our pillar to act as a responsible industry.

An Expression of Interest process for the GRNSW Board was conducted late in 2018-19 and resulted in applications from some exceptional candidates with diverse skills and experience. They have since formed a refreshed Board that I am excited to work with in the continued renewal of this important NSW industry. The new board members are Helen Moore, Marissa Cooper and Kevin Gordon, and I look forward to them bringing their combined business and racing industry experience to the organisation. They join Matthew Waring, whom I am delighted will serve another term, and Annette Mullen, who is continuing her current term. And finally, on behalf of the board and executive of GRNSW, I thank outgoing Deputy Chair Yvonne Howie for her tireless commitment to the role over the past two years. We wish Yvonne all the best for the future.

In summary, in 2018-19 GRNSW was the leader for various bold and exciting initiatives that made the world of greyhound racing sit up and take notice of the resurgence of the industry in NSW. I congratulate GRNSW CEO Tony Mestrov and his team for their vision and execution. There remain challenges on the horizon, including the number of racing greyhounds as a result of a downturn in breeding associated with the industry ban in 2016 and changes in the wagering environment that have affected revenue. However, there has never been a better time to be part of the greyhound industry, and I look forward to another year of achievements in 2019-20.

**HUGH ARMENIS**  
CHAIRPERSON

One of the most pleasing aspects of the 2018-19 year was the increase in the number of greyhounds rehomed over the previous year under GRNSW's GAP program and through our associated rehoming initiatives.



# CEO'S REPORT



Following a year of rebuilding and consolidation in 2017-18, I am delighted to report that 2018-19 was punctuated by a series of positive initiatives and targeted activities that continued the revitalisation of greyhound racing in NSW and contributed to major enhancements in key safety and welfare indicators.

Chief amongst these were the following highlights, which were consistent with the three pillars contained in GRNSW's Strategic Plan 2018-21 – Responsible, Competitive and Sustainable:

- The inaugural staging of the Million Dollar Chase series – culminating in the world's richest greyhound race - which was won by NSW greyhound Mystic Riot and attracted record interest and wagering for greyhound racing in NSW
- The introduction of the Race Injury Rebate Scheme to improve welfare outcomes for racing greyhounds by preventing unnecessary euthanasia and providing greyhounds which are physically healthy and behaviourally sound the opportunity to live out their natural life span as a companion animal
- Strong and appropriate increases in returns to industry participants in the form of additional prizemoney and travel subsidies, with a specific focus on regional areas
- Increased investment in the Greyhounds As Pets (GAP) NSW program, which led to an increase in the number of greyhounds adopted, and the announcement of Tim Cahill as the first GAP NSW ambassador
- The commencement of a series of major track rebuilds and upgrades, and other capital works and safety initiatives, in line with world's best-practice safety design and technology
- A healthy increase in Race Fields Information Use (RFIU) fees, which reflected the growing demand for GRNSW's commercial product from the corporate bookmaker sector.

The inaugural GRNSW + Ladbrokes Million Dollar Chase was conceived in response to industry participants stating a desire to be part of a competitive, responsible and sustainable industry. It proved to be a major success on several fronts.

First, the semi-final and grand final nights at Wentworth Park attracted huge spectator and wagering interest, eclipsing previous single meeting wagering records in NSW in consecutive weeks. Second, the event presented a platform to raise awareness of the GAP NSW rehoming program, which was strongly promoted throughout the series. Third, the use of regional tracks as part of the qualifying series helped to boost club revenues through increased visitation and promotion, improving their sustainability. At the close of the reporting period, plans to expand the presence of regional NSW racetracks for the 2019 Million Dollar Chase were well-advanced with an increase from 11 to 14 regional qualifying and finals meetings programmed.

In order to capitalise on the positive sentiment associated with the Million Dollar Chase, a series of further initiatives to boost industry participation and competitiveness occurred in 2018-19. Most notable among these was the largest increase in prizemoney in NSW greyhound racing history which was announced in June 2019. A record \$33 million will be distributed to participants in 2019-20, with most of the \$3.2 million boost targeted to regional NSW participants. Feature Cup events at the Wagga, Bathurst, Grafton, Goulburn and Dubbo tracks going forward will now be worth a record \$25,000, up from \$10,000. And all winners at provincial clubs in regional NSW (excluding maidens) will now receive \$1,500, up from the current level of \$850.

Of course, million-dollar races and record increases in prizemoney are only possible with complementary enhancements in safety and welfare standards. Following the transfer of the regulatory functions of greyhound racing to the Greyhound Welfare and Integrity Commission (GWIC) on 1 July 2018, GRNSW refocused its safety and welfare efforts in three key areas in 2018-19 – (1) track safety to prevent or minimise injuries; (2) the rehoming of greyhounds at the end of their careers; and (3) the establishment and administration of the Race Injury Rebate Scheme. GRNSW also funded significant costs associated with the establishment and transfer of welfare functions to GWIC, which contributed to an overall net financial loss for GRNSW for 2018-19.

Section 26 of the Greyhound Racing Act 2017 requires GRNSW to set minimum standards with respect to racecourse design and construction. In response, throughout the course of 2018-19, GRNSW continued its association with engineers at the University of Technology, Sydney (UTS) and other industry stakeholders to develop new minimum track standards and procedures that all NSW racetracks will be required to comply with in the future. Furthermore, we increased the level of monitoring and inspections of racetracks across NSW, which resulted on a few occasions in tracks being closed and meetings cancelled until necessary maintenance works were carried out. As part of the application of the new track standards across NSW, GRNSW track co-ordinators increased the level of education available to club track curators and managers on track preparation and maintenance across the year.

Several major track upgrades or capital works programs were also undertaken in 2018-19, including a half million-dollar reconstruction and infrastructure upgrade at Wentworth Park in advance of the Million Dollar Chase finals. Other works included allocations totalling \$1.6 million to rebuild or upgrade racetracks at Gosford, Gunnedah and Tamworth, and air-conditioning upgrades to kennels in Kempsey, Taree and Hastings River to enhance animal welfare outcomes.

It was a year of growth for the GAP NSW adoption program and our associated rehoming initiatives, where together we assisted in the rehoming of more than 700 greyhounds. This was a significant increase on the previous year. But there is a need to do more, and we are committed to broadening the reach and effectiveness of our rehoming initiatives. The expansion of the GAP NSW program to regional areas - which is the beating heart of our industry - and the genuine commitment of new ambassador Tim Cahill to raising awareness of the program bodes very well for the future. I congratulate Dr Alicia Fuller on her appointment as General Manager of GAP NSW and look forward to working closely with her on further welfare initiatives.

On behalf of the executive team and employees at GRNSW, I wholeheartedly thank the Hon. Morris Iemma for his passion, commitment and support as the Chairperson of GRNSW over the past two years. He has helped steer GRNSW from its darkest days towards a very bright future, and we wish him well for his future.

I also congratulate our new Chairperson, Mr Hugh Armenis, and look forward to working with him and the new GRNSW Board as we continue to make strides towards growing a responsible, competitive and sustainable NSW greyhound industry.

**TONY MESTROV**  
GRNSW CEO



# SUMMARY OF FINANCIAL PERFORMANCE

The 2018-19 financial year delivered a net loss of \$1,508,237 for GRNSW, a result influenced by a variety of factors including costs associated with the transition of the Regulatory function to the newly established Greyhound Welfare and Integrity Commission (GWIC), a year on year decline in TAB wagering income and targeted investments in significant animal welfare and industry stimulus initiatives.

## EXPENDITURE

Expenditure in 2018-19 increased by \$8.6 million in support of initiatives to make the greyhound industry in NSW more responsible, sustainable and competitive. Key items include:-

- As part of the GRNSW Operating Licence, the contribution by GRNSW towards GWIC's first year operating expenses for 2018-19 was \$9,190,000, which included costs related to clearly communicating GWIC's role to industry participants and stakeholders.
- Investment in the GAP rehoming program increased year-on-year with \$1,941,459 spent in 2018-19, up from \$1,622,284 in 2017-18. GRNSW continues to support and invest heavily in all welfare and rehoming activities through further expansion and promotion of the GAP program, improvements and investment in on-course veterinary infrastructure and detailed injury reporting requirements.
- Racing and Club Infrastructure expenditure held steady in 2018-19, as GRNSW continue to provide support to clubs for track surface preparation through standardising equipment and the provision of annual track renovations. As part of the ongoing track safety initiatives, GRNSW also carried out several critical track and infrastructure upgrades at various tracks throughout the year.
- Combined returns to clubs and participants increased to \$37,776,335, an increase of \$2,939,380, driven by an increase in prizemoney announced in March 2019 and the inaugural running of the Million Dollar Chase series in October 2018.
- Marketing and Media expenditure over the financial year increased by \$1,582,028, driven by the Million Dollar Chase promotional campaign and event costs, the GAP awareness campaign and event costs related to the National Adoption Day in April 2019 and the GAP Adoption Day in June 2019.
- Finance, Legal and Corporate costs increased by \$1,506,778 in 2018-19 due staff redundancies, consultant costs related to legal and advisory matters and financial advisory requirements, and costs related to the relocation of the GRNSW Head Office.

## INCOME

The headline items related to income include:-

- TAB wagering income decreased by \$1,321,044, equating to a 3.7% decline over the previous year.
- Race Fields Information Use (RFIU) fee income increased by \$636,371, representing a year-on-year growth of 2.6%, offsetting some of the TAB decreases.
- GRNSW received \$5,622,095 in Tax Parity Receipts in 2018-19, which was slightly up from the prior year but lower than expectation due to the weaker TAB wagering result.
- As of 1 January 2019, GRNSW received \$2,317,329 in relation to the newly established Point of Consumption Tax (PoCT). GRNSW receives Tax Parity and PoCT payments on a quarterly basis which has assisted with managing cash flow.





# WELFARE AND EDUCATION

## WELFARE

As a consequence of the Greyhound Welfare and Integrity Commission (GWIC) commencing operation on 1 July 2018, the oversight of the Welfare function of the NSW greyhound industry is now a shared responsibility between GRNSW and GWIC. GWIC assumed responsibility for the development of the Code of Practice for the Welfare of Greyhounds, veterinary presence at greyhound racetracks and for the compliance of industry participants with respect to welfare of greyhounds in their care. GRNSW retained responsibility for the rehoming of greyhounds and, training and education of participants and clubs to enhance welfare outcomes for greyhounds.

## GREYHOUNDS AS PETS PROGRAM

Greyhounds As Pets (GAP) NSW assisted in rehoming 729 Greyhounds in 2018-19 through our adoption centres, new Regional GAP program and reinvigorated schemes providing financial assistance to greyhound owners, and other rehoming organisations to transition greyhounds from the racing industry into life as a pet.

Along with increasing public awareness of why greyhounds make great pets and promotion through marketing campaigns, our adoption days and attendance at events meant we were able to achieve a significant increase on adoptions from the previous year.

GAP held eight adoption days across NSW, with National Adoption Day (NAD) in April being the most successful with 38 greyhounds adopted on the day. NAD saw all the states come together to promote Greyhounds as Pets with TV personality Todd McKenney as the official national ambassador of the initiative.

Outside adoption days, GAP took part in many local community events where dogs were a focus, including the Sydney Royal Easter Show and the Great Global Greyhound Walk - continuing to raise awareness of the greyhound as a breed and what a great pet they make after their racing career. GRNSW would like to thank all our volunteers whose great work assists the program to achieve its goals, particularly with their attendance and support at these events.

The end of the financial year saw Australian sporting star, Tim Cahill, join as the ambassador for the Greyhounds As Pets NSW program. His passion for greyhounds and animal welfare more widely, will be a great asset for reaching far into the community and educating people on this breed.

With GRNSW's continued focus on animal welfare and rehoming, a leadership role was created and appointed within Greyhounds As Pets NSW to drive strategy and growth in the program. Dr Alicia Fuller joined in May 2019 as General Manager for

GAP and will enable GRNSW to strive towards our goal of every greyhound finding a suitable home after racing, enhancing our status as a responsible industry.

## OTHER REHOMING INITIATIVES

The total number of NSW greyhounds rehomed continues to improve year-on-year. Along with the GAP program run by GRNSW, there are several independent greyhound rehoming organisations in NSW and these groups, along with owners and trainers, play an active role in the rehoming of greyhounds.

GRNSW continues to provide financial support to independent greyhound rehoming organisations for greyhounds rehomed throughout the year. Following an operational review of existing support schemes, administrative changes were made to improve rehoming outcomes and the welfare of greyhounds being prepared for rehoming. The conditions on the existing Owner Incentive Scheme, which was established to assist owners to rehome greyhounds themselves, were revised to provide better access to the scheme for all owners and trainers.

In line with our strategic pillar to be a responsible industry, GRNSW will continue to offer this support for individuals and organisations in 2019-20 and beyond as part of its long-term commitment to rehoming and in recognition of the important role of independent providers in extending the network of rehoming services.

## BREEDING

GRNSW continued to encourage responsible breeding practices throughout 2018-19. The future of greyhound racing is dependent on the industry providing a socially acceptable racing product and optimal breeding is required to provide enough greyhounds to fill the race calendar while minimising the number of pups whelped.

In July 2018, GWIC assumed responsibility for the controls related to breeding. Restrictions on the number of litters which a breeding female can have remained in place, as well as the rules on the age and frequency at which they can breed. These measures are designed to encourage breeders to make informed and responsible breeding decisions in order to increase the proportion of greyhounds that are suitable for racing.

The long-term goal is to improve utilisation rates for pups whelped to support a sustainable industry. This is recognised in NSW and nationally as requiring extensive research to identify additional breeding controls and industry best practice for management of greyhounds, from whelping to racing and throughout their racing career.

GRNSW will continue to work with GWIC and the greyhound industry to enhance breeding outcomes from a welfare perspective, which accords with our pillars to operate as a responsible and sustainable industry. Details of litters whelped and the number of pups in each litter are published on the GWIC website.

## RACING SAFETY AT NSW GREYHOUND RACING TRACKS

During August and September 2018, GRNSW rolled out 21 new response vehicles to assist track staff to manage on-track injuries. The response vehicles are electric and provide for an injured greyhound to be rapidly transported to the veterinary rooms for treatment. This initiative is not only a positive outcome for greyhound welfare, it also has workplace health and safety benefits for track attendants who would otherwise have to carry a greyhound a considerable distance to the veterinary rooms.

GRNSW continues to provide portable first aid kits for use by track staff to assist with prompt and appropriate management of injuries during racing or trials.

The Race Injury Rebate Scheme introduced by GRNSW in 2018-19 has been well received by participants. The scheme provides funding for the veterinary treatment of serious injuries that occur during racing. The high cost of treatment for serious injuries may have been prohibitive for many participants in the past, which may have contributed to euthanasia rates. Greyhounds treated under the new scheme can now be rehomed as pets, retired as a breeder or in some cases return to racing.

In 2018-19, GRNSW has worked closely with GWIC to identify and implement new initiatives to reduce the risk of greyhounds being injured on or off tracks. GRNSW provides input on veterinary matters and the status of track maintenance to the Race Injury Review Panel established by GWIC, to assist in identifying underlying causative factors, and preventing or reducing injuries going forward.

## EDUCATION

In 2018-19, GRNSW provided a diverse and relevant education and training program for industry participants in accordance with regulatory requirements, with a strong focus on greyhound welfare. In 2016, a first aid course for participants was introduced. Interest in this course has been consistently strong and 466 industry participants had successfully completed the course as of 30 June 2019.

Another program named Pet Prep, which focuses on the preparation of greyhounds for rehoming from the time they are pups, was successfully introduced in 2018. To date, 331 people have attended Pet Prep seminars across NSW.

To provide direction for education activities under the new regulatory structure, the Greyhound Industry Participant Education Steering Committee was established to determine the short, medium and long-term education requirements for participants. The intent is to determine the formal and informal education needs of participants and for GWIC to provide advice on courses and other education materials that will be required for accreditation of participants for registration into the future. To ensure the education activities meet the industry expectations, the Committee includes membership from GRNSW, GWIC, GBOTA and the NSW Agrifood Industry Training Advisory Board.

GRNSW has sought to pursue a nationally recognised training program for participants. This requires the provider to be a Registered Training Organisation (RTO) to have the course accredited under the National Training System.

GRNSW has been working with JobLink Plus, an RTO in NSW, to deliver the core competencies under the Certificate II in Racing (Greyhound). JobLink Plus developed the course which received National accreditation in June 2019. A pilot program for 20 to 30 participants to be trained at three regional locations is scheduled to run in the first half of 2019-20. This will be GRNSW's second form of formal, nationally recognised training, following on from the success of the Greyhound First Aid Course.



# OPERATIONS

Throughout 2018-19, the GRNSW Operations team conducted several industry forums to engage with a wide range of industry stakeholders on a variety of topics, including (but not limited to) grading policy, race programming, prizemoney and breeding.

Feedback gathered from the forums prompted a full review of the GRNSW racing team's approach and the following initiatives were introduced as a starting point to enhance the sustainability of our industry:

- A review of the current Grading Policy was undertaken, resulting in a new Grading Policy to be introduced in the second half of 2019.
- GRNSW assumed complete oversight of race programming for all race meetings and consulted regularly with clubs to provide opportunities for all racing greyhounds.
- Prizemoney was increased at 'C' class TAB race meetings which provided regional racing participants with greater potential income opportunities.
- Racing opportunities for greyhounds bred in NSW were introduced at Wentworth Park across all levels of racing.
- GRNSW, in conjunction with Gold Muzzle Auctions, conducted a puppy auction at Richmond which provided support to industry breeders.
- Canberra Greyhound Racing Club conducted their race meetings at the Goulburn venue.
- The number of registered greyhound racing clubs remained at 33.

## NSW STATISTICS

### Race meetings

	2019	2018	2017	2016	2015
<b>Number of Race Meetings Conducted</b>					
Metropolitan	90	104	100	105	103
TAB	795	767	745	758	810
Non-TAB	219	250	251	345	340
<b>Number of Races Conducted</b>					
Metropolitan	893	1,038	997	1,105	1,029
TAB	8,102	7,995	8,095	7,806	8,090
Non-TAB	1,918	2,374	2,504	3,408	3,303
<b>Number of Starters</b>					
Metropolitan	6,521	7,989	7,688	8,392	7,809
TAB	61,501	60,965	62,533	59,670	61,669
Non-TAB	13,260	17,200	18,893	25,482	24,744

### Abandoned race meetings

Reason for Abandonment	TAB	Non-TAB
Industry Suspension	0	0
NON-TAB Racing Review	0	0
Wet Weather	7	1
Heat Policy	7	5
Track or Racing Infrastructure issue	3	5
Other	1	0
<b>Total</b>	<b>18</b>	<b>11</b>

- Note that there were an additional eight (8) race meetings abandoned due to lack of nominations.
- Racing at Wentworth Park was reduced due to track renovations taking place. These race meetings were held at provincial venues with City prizemoney attached.

### SERVICEABILITY RATE

Pursuant to its Operating Licence, GRNSW is required to propose, in consultation with the Commission, an annual serviceability rate target and report on its performance against that target each year as part of its annual report. The 'serviceability rate' is the proportion of race meetings cancelled due to safety concerns. GRNSW, in consultation with GWIC, set the 2018-19 serviceability rate target based on the 2017-18 performance – which equated to 2.8%.

Based on the data above, the serviceability rate for 2018-19 was 29 abandoned race meetings from a total of 1,104 race meetings in NSW – equating to 2.6%. This assumes that 'safety concerns' includes Wet Weather, Heat Policy, Track or Racing Infrastructure issue and Other categories in the table above.

# TRACK MAINTENANCE

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Continual improvements in safety and welfare outcomes for greyhounds was the key focus of GRNSW's track maintenance operations in 2018-19. A new Track Safety Standards and Procedures manual was developed, to detail the minimum standard tracks in NSW will be required to attain into the future.

Tracks throughout NSW are now monitored and managed by professional regional co-ordinators who work with the club track managers and staff in the north, south, central west and metropolitan regions to ensure track surfaces are monitored more frequently and the tracks, equipment and racing infrastructure are maintained at an optimum level.

All NSW track surfaces and equipment are audited regularly and renovated once or twice annually with deep harrowing carried out and surface material refreshed, blended or renewed. GRNSW Track Co-ordinators manage the scientific testing and identification of compatible sands for each track, blending and rejuvenation of the track profile, utilising professional up-to-date methods and machinery. The staff provide recommendations for each club to undertake in order to maintain and prepare a safe racing surface for each race meeting and trial session.

Education and training were carried out by the tracks and infrastructure team throughout the year with a strong focus on the importance of track monitoring and the need for track curators to make educated maintenance and preparation decisions.

An improved track inspection process has been further developed and implemented during the year with GRNSW continuing to place the emphasis on the need for clubs to monitor their track surfaces more frequently, using technology and the correct implements and tools to achieve the best results.

In accordance with our pillar of acting as a responsible industry, GRNSW is committed to prioritising its track maintenance work in 2019-20 to keep making all tracks safer and reduce track-related injuries.

## INFRASTRUCTURE PROJECTS

During 2018-19, with the assistance of the University of Technology, Sydney (UTS), the Greyhound Racing Welfare and Integrity Commission (GWIC), the NSW Greyhound Breeders Owners & Trainers Association (GBOTA), industry committees and registered race clubs, GRNSW developed the Minimum Safety Standards for the Design and Construction of Racetracks and for Facilities and Amenities. These standards will set the benchmark for future major works, track rebuilds and new track constructions, including tracks and facilities at potential new venues. Plans were also drawn for new straight tracks to be built in accordance with the minimum standards with the very latest safety and technology in place.

Major track rebuild projects were undertaken at Gosford and Gunnedah during the year with major works also carried out at Wentworth Park and Tamworth. Throughout 2018-19 GRNSW funded numerous track maintenance, capital and safety projects across the state and we remain committed to investing in our racetracks and supporting facilities to provide a greater return to the industry and community.

Capital Works, other major projects, track maintenance and renovations and club maintenance funding totalled approximately \$4.7 million, including \$2.26 million in capital works and \$2.4 million in GRNSW funded works for track and venue improvements across the state including Safety Racing Welfare and Maintenance Fund (SRWMF) projects at each of the 32 clubs.

2018-19 GRNSW Safety, Racing and Welfare 'Capital Works' included:

- \$762,570 – Gosford Track Rebuild
- \$678,349 – Gunnedah Track Rebuild
- \$552,894 – Wentworth Park Track reconstruction and infrastructure upgrade
- \$173,720 – Tamworth Track reconstruction and infrastructure upgrade
- \$12,785 – Kempsey Kennel Air Conditioning upgrade
- \$31,820 – Hastings River (Wauchope) Kennel Air Conditioning upgrade
- \$50,000 – Taree Kennel Air Conditioning upgrade



# MEDIA, COMMERCIAL AND MARKETING

## STAKEHOLDER ENGAGEMENT

GRNSW is required to develop a stakeholder engagement plan each financial year. In accordance with this requirement, GRNSW prepared a Stakeholder Engagement Plan 2018-19, which outlines GRNSW's commitment to effective stakeholder engagement with a range of stakeholders including participants, greyhound racing clubs, key stakeholder groups such as Wagering Service Providers and animal

welfare regulators and veterinary industry groups, the NSW Government and media outlets. The plan outlines a number of engagement activities including Stakeholder Forums, Education Workshops, engagement at NSW race meetings, and Stakeholder Magazine.

Pursuant to its Operating Licence, GRNSW's performance against the plan and the outcome of engagement activities is set out in the table below:

Stakeholder engagement activities	Completed in 2018-19	Outcome of engagement
Stakeholder forums	Yes	Stakeholder forums provided GRNSW with an opportunity to work collaboratively with stakeholders, to seek their ideas, feedback and input into GRNSW's policies and new strategic objectives.
Bi-monthly one-on-one meetings	No. This engagement was achieved through the Business unit forums.	
Business unit forums (including welfare, regulatory, operations, racing, grading and governance)	Yes. These forums will be renamed to Business unit meetings and based on stakeholder feedback, will be held on a quarterly basis.	Business unit forums were crucial to further strengthening relationships with key stakeholders during 2018-19 and provided an opportunity for stakeholders to provide input into the reviews of existing policies and processes and to inform development of and new policies and processes.
Key project sub-committees	Yes	GRNSW established and participated in a number of sub-committees, which met regularly throughout 2018-19, including committees related to track safety, WH&S, OzChase, various inter-jurisdictional committees pertaining to welfare, rehoming, regulation and communications, and industry reference and advisory committees related to education. These project sub-committees enabled all relevant stakeholders to be involved in the development, progress and implementation of key projects and to evaluate their effectiveness.
Education workshops	Yes	GRNSW continued to roll out education workshops focused on the reforms and key areas such as injury prevention, first aid, injury rehabilitation, greyhound nutrition and care of breeding greyhounds. The education workshops will continue to provide an opportunity to inform participants about the importance of socialisation, rehoming responsibilities, greyhound welfare and best practice husbandry. Education workshops are a key enabler of positive cultural change within the greyhound industry.
Awards night	No. However other marquee events have been developed (e.g. Million Dollar Chase).	
Stakeholder engagement at NSW race meetings	Yes	GRNSW continued to engage with stakeholders at race meetings across NSW to gain an understanding of what motivates participants, clubs, spectators and wagering operators to maximise participation, competitiveness and wagering outcomes and ensure the future sustainability of the sport.
Stakeholder magazine	Yes	The Chaser is released on a bi-monthly basis and provides an overview of the highlights and successes in the industry and educational pieces to keep the industry informed and engaged.
Stakeholder Survey	Yes	The Stakeholder Survey and the Economic Study enabled GRNSW to gain an understanding of the demographic interested in greyhound racing, perceptions of the greyhound racing industry and how it can be improved. This information was used to inform the development of new strategic priorities and objectives.

Stakeholder engagement activities	Completed in 2018-19	Outcome of engagement
Media releases	Yes	GRNSW made regular media announcements regarding significant regulatory decisions, new policies and changes in the industry. These media releases kept the industry informed of important information and demonstrated GRNSW's ongoing commitment to transparency.
Annual report	Yes	The Annual Report outlines GRNSW's work and activities in accordance with the Greyhound Racing Act 2017 and the Operating Licence.
CEO updates	Yes	Regular CEO updates were distributed to keep the industry informed of changes in the industry due to the reforms, significant decisions and improve culture and morale following the prohibition.
Track curator conference	Yes	GRNSW held the annual track curator conference for TAB and non-TAB tracks. The conference provided curators and other relevant stakeholders with an update on the status of research in relation to track design, information regarding improved track maintenance processes and new technology to assist with reporting and compliance.
Responses to formal inquiries and website inquiries	Yes	GRNSW continued to respond to formal and website inquiries in a professional and courteous manner, providing relevant and objective information in response to queries and concerns, demonstrating GRNSW's ongoing commitment to transparency and customer service.

GRNSW has refreshed its engagement plan for the 2019-20 Financial Year and this focuses on actively engaging with: Corporates (Wagering Service Providers, Bookmakers, Broadcasters and Media Organisations), Participants and Clubs (Committee members and club volunteers, participants, and industry representative associations), the Broader Community (Wagerers and fans of greyhound racing, the NSW community, and animal welfare organisations) and Regulators (GWIC and Government and Members of Parliament).

GRNSW will continue to enhance its relationships with stakeholders and effectively consult on all newly developed policies and initiatives.

## MARKETING

GRNSW's marketing objectives for 2018-19 were to enhance the profile of greyhound racing in NSW, reinforce the three pillars outlined in our Strategic Plan – Responsible, Sustainable and Competitive, and promote and raise awareness of the Greyhounds As Pets program. To achieve these objectives, significant investments in marketing capability were required, including:

1. Engaging professional marketing services to enhance quality of advertising and impact of media
2. Recruiting a high-profile ambassador for Greyhounds As Pets to achieve increased awareness and education of the program
3. Recruiting marketing experts to deliver market leading campaigns

Building on the marketing campaigns delivered in 2018-19 for Million Dollar Chase, Friday Night Lightning and Greyhounds As Pets adoption days, Advertising agency *Banjo* and media agency *Thump Media* have been appointed to deliver major marketing campaigns in 2019-20.

Tim Cahill was announced as Greyhounds As Pets ambassador for the next three years, an announcement in June 2019 coinciding with a Greyhounds As Pets adoption day in Rose Bay, which achieved widespread media coverage across

mainstream TV, radio and press. Tim will feature prominently in all Greyhounds As Pets marketing campaigns in 2019-20.

In 2018-19, GRNSW recruited several leadership roles in marketing and media to enhance capabilities in these areas and will continue to expand internal capabilities in 2019-20. This is consistent with our pillar of operating as a sustainable industry.

## MEDIA PARTNERSHIPS

To further enhance GRNSW's profile beyond traditional media advertising, GRNSW maintained partnerships with News Corp Australia and Fairfax Media to deliver greyhound racing form guides and related editorial content to the NSW public. In 2018-19, a new partnership was established with Crocmedia to connect with audiences in regional NSW via Crocmedia's extensive radio network. GRNSW are focused on establishing strong media partnerships across all platforms to enhance the profile of the industry.

## DIGITAL

In 2018-19 an extensive review of all GRNSW's digital assets was completed. The outcome of this review will be the relaunch of all GRNSW digital platforms in 2019-20, which is expected to significantly boost GRNSW's existing digital audience of over 60,000 users each month and ensure thedogs.com.au continues to be one of Australia's leading greyhound racing websites.

# WAGERING

Greyhound racing in NSW faced wagering challenges on a few key fronts in 2018-19, however turnover grew by \$4.1 million to \$1.496 billion. Given the strong 13.5% overall rise in 2017-18, the growth rate in 2018-19 declined when taking into consideration the delayed flow-on impacts of the racing ban and the introduction of the Point of Consumption Tax (PoCT).

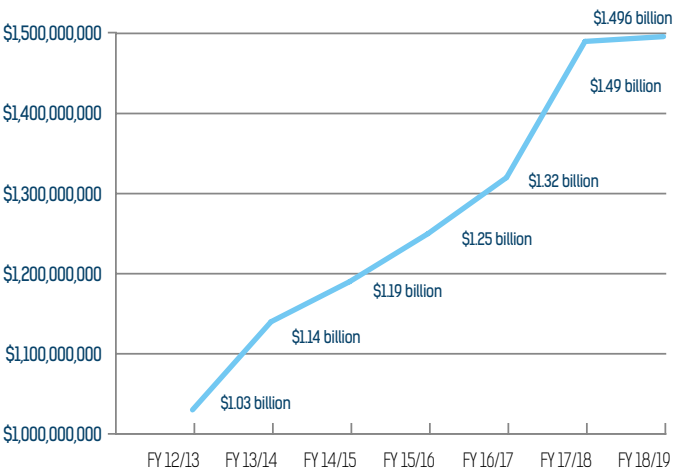
The introduction of PoCT negatively impacted the wagering outcome. The “overrounds” (bookmakers’ margin embedded in the odds offered) have consequently increased, resulting in the tax being passed on to customers. This has stifled turnover as the odds offered are ‘less attractive’.

Another issue related to the PoCT is its distribution across the racing codes. Whilst \$40 million in PoCT revenue was earmarked for distribution to racing, the percentage assigned to NSW Greyhounds is well below its actual market share of racing. A review of the PoCT will be conducted midway through 2020 and GRNSW will again lobby for a more equitable outcome in line with demonstrated market share.

The third major impact on wagering revenue was the relative underperformance of the TAB in 2018-19, which is GRNSW’s major source of industry funding. Racing has traditionally relied on the state-based totalisators for sustainability, but they have been impacted in recent times by an eroding market share and weakening in retail wagering.

Despite these challenges, NSW greyhound racing is proving remarkably robust and these full year numbers should be viewed in a positive light.

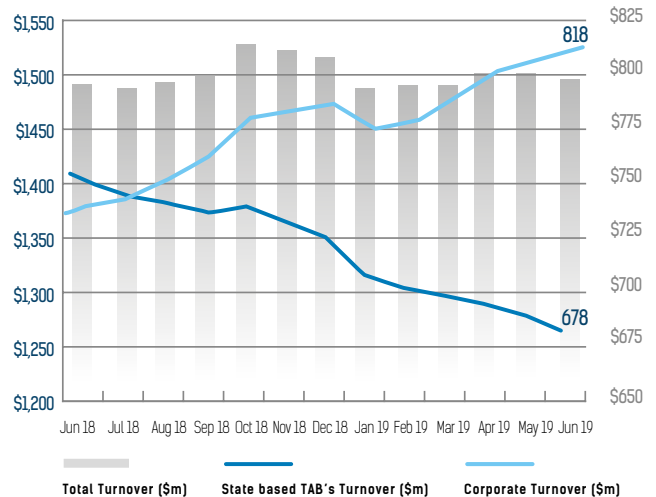
**Total Turnover Growth: 12/13 through 18/19**



## Corporate Bookmakers: Leading the way at growing GRNSW product

Combined Corporate Turnover rose \$77.6 million or 10.5% Year-on-Year. This was on top of a \$171 million gain in 2017-18 (up 30.3%) and a \$92 million gain from the prior year. This trend demonstrates the outlook of the domestic wagering landscape into the future, with the growth of corporate bookmaking expected to continue.

In July 2018, the combined state-based TAB’s Total Turnover *equalled* the combined Corporates Turnover for the first time. Historically, the state-based TAB’s dominated market share, but the trend has now reversed, as shown in the chart below.



12 Month Data	FY Data 17/18	FY Data 18/19	Movement	Y-o-Y Change
Combined State based TAB turnover	\$751.6m	\$678.2m	-\$73.4m	↓ 9.8%
Combined Corporate Turnover (incl. Betfair)	\$740.2m	\$817.8m	+\$77.6m	↑ 10.5%

Corporate bookmakers continue to capitalise on their ability to penetrate the key 18-34 demographic. They have proven to be adept at expanding greyhounds’ popularity via their digital integration channels. Data received from the Corporates suggest it is 15 times easier to convert a sports’ punter into a greyhound follower rather than a thoroughbred wagerer.

GRNSW has positioned itself favourably with the Corporates by implementing a Product Fee structure that has been widely accepted throughout the industry. This in turn creates overall growth as Corporates are incentivised to grow our racing product for a mutually beneficial outcome.



Aggregated margins sat at 13.76% in 2018-19, down from 14.38% in 2017-18, which was largely related to smaller average race fields. Going forward, GRNSW is well-positioned to capitalise on the consistently high yields generated by greyhound racing, along with the competitive nature of the RFIU Product Fees.

## The TAB

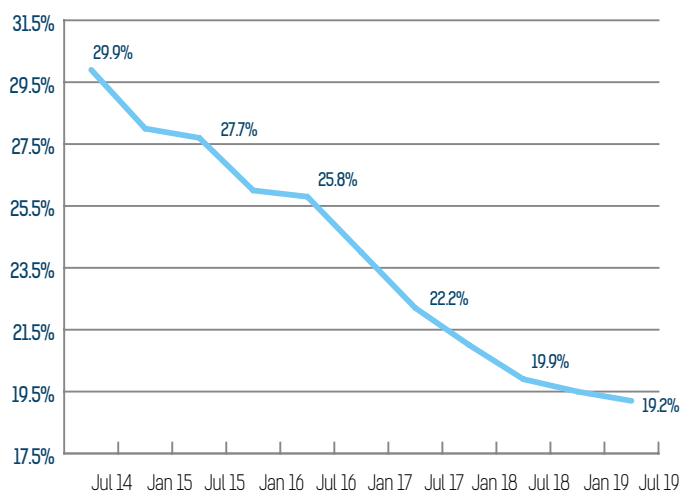
During 2018-19, the NSW TAB's turnover on greyhound racing dropped by 8.7%, following a decline of 0.5% in the previous year. Its Market Share of Turnover has declined from 22.2% in 2016-17 to 19.2% in 2018-19.

While the decline of the pari-mutuel product turnover was anticipated by GRNSW, the extent of the decline, particularly in Fixed Odds Turnover in 2018-19, was greater than expected.

TABCORP acquired the Ubet portfolio of brands covering four state-based monopolies. The Ubet group turnover *declined* 10.5% on the NSW Greyhounds product in 2018-19. Along with declines in the Victorian TAB, which was down 9.2%, there was a \$2.5-\$3.5 million reduction in Product Fee contributions to the NSW greyhound industry for the entire TABCORP group last year. The NSW TAB distributions to GRNSW declined by \$1.3 million in 2018-19 compared to the prior year.

GRNSW have been proactively engaging with the TAB to overcome this trend. Several initiatives are currently under consideration as both GRNSW and the NSW TAB seek to maximise future partnership opportunities.

NSW TAB Total Turnover Market Share: July-14 to July-19



# LEGAL AND POLICY

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## LEGISLATION

GRNSW took part in various conferences and planning meetings with stakeholders in relation to proposed amendment of the *Greyhound Racing Regulation 2019*. These included a series of meetings with the Parliamentary Counsel's Office, the Office of Racing and the Greyhound Welfare and Integrity Commission (GWIC) legal team.

The Regulation implements the next phase of the NSW Government's greyhound racing reforms and introduces key changes to support improved regulation of the industry.

The new regulations that consequently came into effect on 1 September 2019 include:

1. An enhanced registration framework will be introduced. Participants who are currently registered will remain under their existing registration conditions until they renew their registration;
2. The definition of a greyhound racing industry participant will expand to include additional parties involved in the greyhound racing industry.
3. New annual reporting requirements will apply to GWIC and Greyhound Racing NSW;
4. New penalty infringement notices and amounts apply for offences under the Act and the Regulation; and
5. GWIC will be able to share information in its registers with specified agencies.

Successful implementation of these measures will reinforce GRNSW's three operating pillars – Responsible, Sustainable and Competitive.

## EXPORTS INQUIRY

The inquiry into the unauthorised export of greyhounds to countries that do not comply with Australian animal welfare standards (Exports Inquiry) remains ongoing. Throughout the reporting period the Exports Inquiry has been stewarded by Adrian Anderson.

In 2018-19, the Exports Inquiry issued charges against greyhound racing industry participants as part of the ongoing inquiry concerning the unauthorised exports of greyhounds to China and Macau. The following decisions were handed down:

- On 1 August 2019, the Steward handed down a decision disqualifying a greyhound racing industry participant, together with a fine of \$17,000, in respect of the export of 36 greyhounds to China.
- On 1 August 2019, the Steward imposed a "warning off" on a participant pending compliance with directions to cooperate with the provision of information. The Steward also fined the participant for associated offences concerning the unauthorised export of greyhounds to China and Macau under the Greyhound Racing Rules.

Several individuals were also charged for their failure to lodge documentation pursuant to Rule 117 of the *Greyhound Racing Rules*.

## ACCESS TO INFORMATION AND STATUTORY NOTICES

During 2018-19 GRNSW provided information in response to several access to information requests under *Government Information (Public Access) Act 2009*. Please see the table at Appendix A for a breakdown of the types of information requests received by GRNSW during 2018-2019.



# GIPA REPORT

Greyhound Racing NSW is subject to the provisions of the *Government Information (Public Access) Act 2009*. During 2018-19 GRNSW received 10 formal requests for information under this Act:

**Table A: Number of applications by type of applicant and outcome**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	-	-	-	-	-	-	-	-
Members of Parliament	2	1	-	-	-	-	-	-
Private sector business	-	-	-	-	-	-	-	-
Not for profit organisations or community groups	-	-	-	-	-	-	-	-
Members of the public (application by legal representative)	-	-	-	-	-	-	-	-
Members of the public (other)	2	2	1	2	-	-	-	-

\* More than one decision can be made in respect of a particular access application. If so, a recording is made in relation to each such decision. This also applies to Table B.

**Table B: Number of applications by type of application and outcome**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	-	-	-	-	-	-	-	-
Access applications (other than personal information applications)	4	3	1	1	-	-	-	-
Access applications that are partly personal information applications and partly other	-	-	-	1	-	-	-	-

\* A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**Table C: Invalid applications**

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	1
Application is for excluded information of the agency (section 43 of the Act)	-
Application contravenes restraint order (section 110 of the Act)	-
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	1

**Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act.**

	Number of times consideration used*
Overriding secrecy laws	-
Cabinet information	-
Executive Council information	-
Contempt	-
Legal professional privilege	1
Excluded information	-
Documents affecting law enforcement and public safety	-
Transport safety	-
Adoption	-
Care and protection of children	-
Ministerial code of conduct	-
Aboriginal and environmental heritage	-

\* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act**

	Number of occasions when application not successful
Responsible and effective government	-
Law enforcement and security	-
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	-
Secrecy provisions	-
Exempt documents under interstate Freedom of Information legislation	-

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	10
Decided after 35 days (by agreement with applicant)	-
Not decided within time (deemed refusal)	-
Total	10

**Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)**

	Decision varied	Decision upheld	Total
Internal review	-	1	1
Review by Information Commissioner	-	-	-
Internal review following recommendation under section 93 of Act	-	-	-
Review by ADT	-	-	-
Total	-	1	1

**Table H: Applications for review under Part 5 of the Act (by type of applicant)**

	Number of applications for review
Applications by access applicants	-
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	-

**Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)**

	Number of applications transferred
Agency-initiated transfers	-
Applicant-initiated transfers	-

# FINANCIAL STATEMENTS

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**FOR THE YEAR ENDED 30 JUNE 2019**

## GREYHOUND RACING NEW SOUTH WALES

ABN 61 018 166 136

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

Income		
	2019	2018
	\$	\$
TAB distributions	34,244,576	35,565,620
Race field information use fees	25,148,952	24,512,581
Tax receipts	7,939,424	5,149,482
Other income	1,095,663	1,026,444
Marketing & Digital	421,706	445,574
Interest	198,764	191,508
Greyhounds as Pets	57,215	149,838
Sponsorship	300,000	-
<b>Total income</b>	<b>69,406,300</b>	<b>67,041,047</b>

Expenditure		
	2019	2018
	\$	\$
Prizemoney & Race Club costs	(37,776,335)	(34,836,955)
Finance, legal & corporate	(9,481,606)	(7,974,828)
Regulatory	(9,198,235)	(7,676,074)
Media & Digital	(3,410,701)	(1,828,673)
Racing & Club infrastructure	(3,067,651)	(3,016,932)
Operations	(2,876,071)	(1,773,842)
IT costs	(1,187,635)	(1,484,063)
Greyhounds as Pets	(1,941,459)	(1,622,284)
Animal welfare	(833,048)	(832,279)
Depreciation	(541,459)	(473,132)
Loss on sale of fixed assets	(80,787)	(10,980)
Other expenses	(519,550)	(748,522)
<b>Total expenditure</b>	<b>(70,914,537)</b>	<b>(62,278,564)</b>
<b>(Loss) / surplus for the year</b>	<b>(1,508,237)</b>	<b>4,762,483</b>
Other comprehensive income	-	-
<b>Total comprehensive (loss) / income for the year</b>	<b>(1,508,237)</b>	<b>4,762,483</b>

# FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES  
ABN 61 018 166 136

## Statement of Financial Position 30 June 2019

		2019	2018
	Note	\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	5,680,843	10,125,774
Trade and other receivables	6	17,748,274	16,370,671
Financial assets	8	302,354	377,674
Other current assets	9	201,583	25,825
<b>TOTAL CURRENT ASSETS</b>		<b>23,933,054</b>	26,899,944
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	-	9,542
Property, plant and equipment	7	3,789,790	3,868,919
Financial assets	8	6,497,681	6,497,681
Intangible assets	10	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>10,287,471</b>	10,376,142
<b>TOTAL ASSETS</b>		<b>34,220,525</b>	37,276,086
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	5,462,028	6,402,520
Provisions	15	631,218	909,892
Borrowings	12	-	253,591
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,093,246</b>	7,566,003
<b>NON-CURRENT LIABILITIES</b>			
Provisions	15	52,987	115,864
Borrowings	12	-	11,690
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>52,987</b>	127,554
<b>TOTAL LIABILITIES</b>		<b>6,146,233</b>	7,693,557
<b>NET ASSETS</b>		<b>28,074,292</b>	29,582,529
<b>EQUITY</b>			
Reserves	13	676,386	676,386
Retained surplus		27,397,906	28,906,143
<b>TOTAL EQUITY</b>		<b>28,074,292</b>	29,582,529



# FINANCIAL STATEMENTS

**GREYHOUND RACING NEW SOUTH WALES**  
ABN 61 018 166 136

## Statement of Changes in Equity For the Year Ended 30 June 2019

	Reserves	Retained Surplus	Total
	\$	\$	\$
<b>Balance at 1 July 2018</b>	<b>676,386</b>	<b>28,906,143</b>	<b>29,582,529</b>
Surplus for the year	-	<b>(1,508,237)</b>	<b>(1,508,237)</b>
Other comprehensive income	-	-	-
<b>Total other comprehensive income for the year</b>	-	<b>(1,508,237)</b>	<b>(1,508,237)</b>
<b>Balance at 30 June 2019</b>	<b>676,386</b>	<b>27,397,906</b>	<b>28,074,292</b>
<b>Balance at 1 July 2017</b>	676,386	24,143,660	24,820,046
Surplus for the year	-	4,762,483	4,762,483
Other comprehensive income	-	-	-
<b>Total other comprehensive income for the year</b>	-	4,762,483	4,762,483
<b>Balance at 30 June 2018</b>	676,386	28,906,143	29,582,529

## Statement of Cash Flows For the Year Ended 30 June 2019

		2019	2018
	Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from operations		<b>67,739,037</b>	66,492,586
Payments to suppliers and employees		<b>(71,675,421)</b>	(60,453,248)
Interest received		<b>198,764</b>	191,508
<b>Net cash provided by operating activities</b>		<b>(3,737,620)</b>	6,230,846
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sale of property, plant and equipment		<b>384,168</b>	19,091
Payment for property, plant and equipment		<b>(826,198)</b>	(757,836)
<b>Net cash used by investing activities</b>		<b>(442,030)</b>	(738,745)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Payments of lease liability /finance lease		<b>(265,281)</b>	(131,338)
<b>Net cash used by financing activities</b>		<b>(265,281)</b>	(131,338)
<b>Net increase in cash and cash equivalents held</b>		<b>(4,444,931)</b>	5,360,763
Cash and cash equivalents at beginning of year		<b>10,125,774</b>	4,765,011
<b>Cash and cash equivalents at end of financial year</b>	5	<b>5,680,843</b>	10,125,774

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2019

Greyhound Racing New South Wales (GRNSW) is a reporting entity.

GRNSW is an independent body corporate established under the Greyhound Racing Act 2017 to represent, fund and control the commercial operations of the greyhound racing industry in New South Wales. It commenced operations on 10 February 2003.

The financial report was authorised by those charged with governance of Greyhound Racing New South Wales on 29 October 2019.

### 1 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board. GRNSW is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

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.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar, and are presented in Australian dollars.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

##### Property

Freehold land and buildings are carried at cost, less accumulated depreciation for buildings.

##### Plant and equipment

Plant and equipment are carried at cost less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the entity to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the accepted net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

##### Depreciation

Property, plant and equipment including capitalised lease assets are depreciated on a straight line basis over their useful lives to GRNSW, commencing from the time the asset is held ready for use. Fixed asset purchases of items below \$5,000 are written off to expense in the year of acquisition.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate %
Office equipment	40
Computer equipment	40
Furniture fittings	15
Motor vehicles	22.5
Leasehold improvements	12.5
Buildings	5

The asset's residual values and useful lives are reviewed and adjusted if appropriate at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained surplus.

#### (b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as an expense in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(c) Insurance**

Insurance policies are held to cover all material risks. The insurance coverage is reviewed annually to ensure adequate cover for all risk areas.

**(d) Financial instruments**

**(i) Classification**

From 1 July 2018, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**(ii) Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

**(iii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**(iv) Impairment**

From 1 July 2018, the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(v) Accounting policies applied until 30 June 2018 Initial recognition and measurement**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

**Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payment and amortisation.

**Impairment**

At each reporting date, the entity assesses where there is objective evidence that a financial instrument has been impaired. Losses are recognised in the statement of comprehensive income.

**Derecognition**

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(e) Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**(f) Employee benefits**

**Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

**Other long-term employee benefits**

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at 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

# FINANCIAL STATEMENTS

**GREYHOUND RACING NEW SOUTH WALES**  
 ABN 61 018 166 136

of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash out flows.

## (g) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

## (h) Superannuation commitments

Superannuation contributions made on behalf of employees are charged as expenses when incurred.

## (i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

For the statement of cash flows presentation purposes, cash and cash equivalents comprises the above.

## (j) Revenue and other income

The Company recognises revenue as follows:

### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

### Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. This includes Race field information use fees and Greyhounds as Pets fees.

## Rendering of services

Revenue from a contract to provide services including TAB distributions is recognised over time as the services are rendered based on a fixed percentage of funds collected by TABCORP.

## Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

## Government grants

A number of the Company's track upgrade programs and point of consumption Tax receipts are supported by grants received from the state government.

If conditions are attached to a grant which must be satisfied before the Company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

All revenue is stated net of the amount of goods and services tax (GST).

## (k) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## (l) Accounts payable and other payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by GRNSW during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### (m) Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

### (n) Intangibles other than good will

Licence costs are capitalised only when it can be established that the licence will deliver future economic benefits and these benefits can be measured reliably.

Capitalised licence costs are amortised on a systematic basis matched to the future economic benefits over the useful life of the licence.

### (o) Changes in accounting policies, disclosures, standards and interpretations

#### (i) *New and amended standards and interpretations*

The Company applied *AASB 15 Revenue from Contracts with Customers* and *AASB 9 Financial Instruments* for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the financial statements of the Company.

#### AASB 15 Revenue from Contracts with Customers

AASB 15 supersedes AASB 118 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods and services to a customer.

AASB 15 required entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the models to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard required extensive disclosures.

The Company adopted AASB 15 using the modified retrospective method of adoption. There was no significant impact on recognition or measurement in the statement of profit or loss and other comprehensive income, statement of financial position or the statement of cash flows as a result of the adoptions but there has been a change in the required disclosures to reflect the requirements of the new accounting standard.

#### AASB 9 Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company adopted AASB 9 using the modified retrospective method of adoption, with the initial application date of 1 July 2018.

#### (ii) *Accounting standards and interpretations issued but not yet effective*

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the annual reporting year ended 30 June 2019. The directors have not early adopted any of these new amended standards and interpretations. The directors are in the process of assessing the impact of the applications of *AASB 16 Leases* (effective 1 July 2019) and its amendment to the extent relevant to the financial statement of the Company.

#### (p) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

#### (q) Comparative figures

Comparative figures in the current year's financial statements have been reclassified on the statement of profit or loss and other comprehensive income to ensure consistency with the presentation for both periods.

# FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES  
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## 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Board evaluates estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

### Impairment

The entity assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

### Loan Receivable

Included within financial assets is a receivable of \$6,497,681 due from Wentworth Park Sporting Complex Land Manager (WPSCLM) (formerly Wentworth Park Trust). In assessing the accounting treatment of the receivable GRNSW has sought the assistance of its legal consultant to gather evidence to support its view that the loan is a debt instrument within the relevant laws and regulation that affect GRNSW and the WPSCLM. Based on the fact that the loan is recorded in various government documents, including the NSW Gazette No. 100 26 June 1998, as being a 'repayable loan', the Board of Directors have exercised their judgement and determined for financial reporting purposes that the loan is contractual in nature, and it has been treated as a financial asset in accordance with AASB 9 at amortised cost. Whilst GRNSW has determined, at this stage, not to call on the loan until cessation of racing at Wentworth Park, it reserves its right to do so. GRNSW have also assessed the expected credit loss (ECL) of the receivable, and based on the credit worthiness of the counterparty they consider the ECL to be nil.

# FINANCIAL STATEMENTS

**GREYHOUND RACING NEW SOUTH WALES**  
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	2019	2018
	\$	\$
<b>4 Surplus for the Year</b>		
The result for the year includes the following specific expenses:		
Rental expense on operating leases	<b>546,218</b>	570,619
<b>5 Cash and Cash Equivalents</b>		
Cash at bank	<b>5,680,643</b>	10,124,424
Cash on hand	<b>200</b>	1,350
	<b>5,680,843</b>	10,125,774
<b>6 Trade and Other Receivables</b>		
CURRENT		
Receivables	<b>17,788,857</b>	16,431,712
Allowance for expected credit losses (2018: Provision for impairment of receivables)	<b>(40,583)</b>	(61,041)
	<b>17,748,274</b>	16,370,671
NON-CURRENT		
Receivables	-	9,542
	-	9,542
<b>Allowance for expected credit losses</b>		
The Company has recognised a loss of \$40,007 (2018: \$60,975) in profit or loss in respect of the expected credit losses for the year ended 30 June 2019.		

# FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES  
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	2019	2018
	\$	\$
<b>7 Property, Plant and Equipment</b>		
<b>LAND AND BUILDINGS</b>		
Freehold land At cost	1,320,770	1,320,770
Buildings At cost	1,999,580	1,746,535
Accumulated depreciation	(603,096)	(558,745)
	<b>1,396,484</b>	1,187,790
<b>Total land and buildings</b>	<b>2,717,254</b>	2,508,560
<b>PLANT AND EQUIPMENT</b>		
Furniture and fittings At cost	56,695	40,609
Accumulated depreciation	(41,630)	(40,609)
	<b>15,065</b>	-
Motor vehicles At cost	1,547,334	1,785,694
Accumulated depreciation	(757,741)	(623,271)
	<b>789,593</b>	1,162,423
Office equipment and computers At cost	857,048	824,174
Accumulated depreciation	(727,106)	(694,257)
	<b>129,942</b>	129,917
Website development and software At cost	683,406	683,406
Accumulated depreciation	(646,557)	(625,641)
	<b>36,849</b>	57,765
Make good asset At cost	101,087	10,254
<b>Total plant and equipment</b>	<b>1,072,536</b>	1,360,359
<b>Total property, plant and equipment</b>	<b>3,789,790</b>	3,868,919

## Movements in Carrying Amounts

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

	Freehold Land	Buildings	Office equipment and computers	Furniture and fittings	Motor vehicles	Website development and software	Make good assets	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>2019</b>								
<b>Year ended 30 June 2018</b>								
Carrying amount at 1 July 2018	1,320,770	1,187,790	129,917	-	1,162,423	57,765	10,254	3,868,919
Additions	-	337,545	32,874	16,086	245,690	-	113,465	745,660
Disposals	-	(11,159)	-	-	(249,539)	-	(22,632)	(283,330)
Depreciation expense	-	(117,692)	(32,849)	(1,021)	(368,981)	(20,916)	-	(541,459)
<b>Carrying amount at 30 June 2019</b>	<b>1,320,770</b>	<b>1,396,484</b>	<b>129,942</b>	<b>15,065</b>	<b>789,593</b>	<b>36,849</b>	<b>101,087</b>	<b>3,789,790</b>



# FINANCIAL STATEMENTS

**GREYHOUND RACING NEW SOUTH WALES**  
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	2019	2018
	\$	\$
<b>8 Financial Assets</b>		
CURRENT		
Bank Guarantee	302,354	377,674
NON-CURRENT		
Wentworth Park Sporting Complex Land Manager (WPSCLM) (formerly Wentworth Park Trust)	6,497,681	6,497,681
GRNSW has a receivable from Wentworth Park Sporting Complex Land Manager (WPSCLM) (formerly Wentworth Park Trust) totaling \$6,497,681 (2018: \$6,497,681) which is interest free. The receivable arose as a result of the privatisation of the Totalizater Agency Board.		
<b>9 Other Current Assets</b>		
Prepayments	201,583	25,825
<b>10 Intangible Assets</b>		
Licence Cost	254,100	254,100
Accumulated amortisation	(254,100)	(254,100)
<b>Net carrying value</b>	-	-
<b>11 Trade and Other Payables</b>		
CURRENT		
Accounts payables	4,764,745	5,405,092
Prize money	327,207	311,021
Accruals	370,076	686,407
	<b>5,462,028</b>	<b>6,402,520</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

<b>12 Borrowings</b>		
CURRENT		
Lease liability	-	253,591
NON-CURRENT		
Lease liability	-	11,690
<b>13 Reserves</b>		
GENERAL RESERVE		
The general reserve of \$676,386 (2018: \$676,386) records funds set aside for future expansion of Greyhound Racing New South Wales.		

# FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES  
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	2019	2018
	\$	\$
<b>14 Operating lease commitments</b>		
Non-cancelable operating lease commitments contracted for but not capitalised in the financial statements:		
<b>Property lease payable:</b>		
No later than one year	522,150	294,990
Later than one year but not later than five years	1,163,204	-
	<b>1,685,354</b>	294,990

From 1 August 2018, Greyhound Racing New South Wales entered into a lease agreement for premises located at 1 Oxford Street, Darlinghurst, NSW, 2010. The term of the lease is 5 years with an option to renew of an additional 5 years. Annual rent excluding GST is \$508,260 with a fixed 4% increase per annum.

<b>15 Provisions</b>					
CURRENT					
Make good provision		123,780			102,544
Annual leave		387,619			687,826
Long service leave		77,840			110,565
Other provision		41,979			8,957
		<b>631,218</b>			909,892
NON-CURRENT					
Long service leave		52,987			115,864
<b>Analysis of provisions</b>	<b>Make good provision</b>	<b>Annual leave</b>	<b>Long service leave</b>	<b>Other provision</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Balance at 30 June 2019</b>	<b>123,780</b>	<b>387,619</b>	<b>130,827</b>	<b>41,979</b>	<b>684,205</b>

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, the entity expects the full amount of annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

## 16 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

<b>Financial Assets</b>		
Cash and cash equivalents	5,680,843	10,125,774
Loans and receivables	24,548,309	23,255,568
<b>Total financial assets</b>	<b>30,229,152</b>	33,381,342
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
Trade and other payables	5,462,028	6,402,520
<b>Total financial liabilities</b>	<b>5,462,028</b>	6,402,520

**17 Key Management Personnel Disclosures**

The totals of remuneration paid to key management personnel (KMP) of the entity during the year are as follows:

	2019	2018
	\$	\$
Key management personnel compensation	<b>2,170,781</b>	2,124,311

**18 Contingencies**

In the opinion of those charged with Governance, the entity did not have any contingencies at 30 June 2019 (30 June 2018: None).

**19 Related Parties**

**The entity's main related parties are as follows:**

*(i) Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including those charged with Governance (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 17: Key Management Personnel Disclosures.

Other transactions with KMP and their related entities are shown below.

**Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

GRNSW has a receivable from Greyhound Media Services Pty Ltd totaling \$519,334 which arose as a result of media services provided by GRNSW.

**20 Events Occurring After the Reporting Date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

**21 Company Details**

The registered office and principal place of business of the company is:

Greyhound Racing New South Wales  
 Level 23  
 1 Oxford Street  
 Darlinghurst NSW 2010

# DECLARATION BY THOSE CHARGED WITH GOVERNANCE

Those charged with governance of Greyhound Racing New South Wales declare that:

1. The financial statements and notes, as set out on pages 22 to 35
  - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the entity.
2. In the opinion of those charged with Governance, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of those charged with governance of Greyhounds Racing New South Wales.



Dated this 29th day of October 2019

# AUDITOR'S INDEPENDENCE DECLARATION

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As lead auditor for the audit of the financial report of Greyhound Racing NSW for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Accounting and Professional Ethics Standards Board in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PARTNERS**



**DAVID TALBOT**

Director

Sydney, NSW

Dated: 29 October 2019

## FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES  
ABN 61 018 166 136

# INDEPENDENT AUDITOR'S REPORT To the Members of Greyhound Racing New South Wales

## OPINION

We have audited the financial report of Greyhound Racing New South Wales (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, 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 2019 and of its financial performance for the year then ended; 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.

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019, 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 accordingly 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 have 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**DAVID TALBOT**

Director

**RSM Australia Pty Ltd**

Sydney, 29 October 2019







# NOTES

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**AUDITORS**

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Level 13  
60 Castlereagh Street  
Sydney NSW 2000

**Bankers**

Commonwealth Bank of Australia  
1-3 Auburn Road  
Auburn NSW 2144

The 2019 GRNSW Annual Report is also available online at [www.grnsw.com.au](http://www.grnsw.com.au)



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