



2019 WINNER
GOOD ODDS HARADA

2019-20 ANNUAL REPORT



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CHAIRPERSON'S REPORT

At the completion of my inaugural year as Chairperson of Greyhound Racing NSW (GRNSW), I am pleased to submit to the Minister Responsible for Racing, the Hon. Kevin Anderson, the Annual Report for the period from July 1, 2019 to June 30, 2020.

During FY19-20 the Board consisted of myself, Deputy Chair Helen Moore, Annette Mullen, Matthew Waring, Kevin Gordon, Marissa Cooper and Rebekah Giles. The members of this Board contribute a vast array of skills, with experience in the fields of finance, commerce, law and industry. I want to acknowledge their contribution and thank them for their industrious work and effort in continuing the resurgence of the industry in FY19-20, a year which has not been without its challenges.

The Board worked with the GRNSW executive team throughout FY19-20 to develop numerous strategies and policies to benefit the industry and its stakeholders and oversaw a significant increase in returns to participants. I offer sincere thanks to GRNSW Chief Executive Officer Tony Mestrov and his staff whose drive and focus to keep the industry operational during the COVID-19 pandemic remains exceptional.

Engagement with Clubs and Community were key initiatives in FY19-20, as the State battled droughts, bushfires, floods, and COVID-19. GRNSW was proud to offer financial and emotional support, not only to participants, but the wider community in their time of need. During GRNSW's marquee event, the TAB Million Dollar Chase a prime focus was on regional NSW, which subsequently provided a significant increase in revenue for local economies.

Independent Race Clubs and their employees worked tirelessly through difficult circumstances implementing numerous regulatory changes to sustain the industry. During the 2019-2020 bushfire and flood seasons greyhound clubs opened the tracks to the community as a place to provide shelter, emergency housing and feed a range of animals within their communities. GRNSW was proud of these undertakings and offered financial support,

staffing and resources. Regional communities are a vital part of our industry and any support we can give that benefits these areas is one of our priorities, particularly when they are facing extreme challenges out of their control.

Quarter 4 of FY19-20 was incredibly challenging for the industry due to COVID-19. GRNSW made the difficult decision to segment the State into racing regions for the welfare of its participants, staff and stakeholders, and to maximise the chances of the continuation of racing in NSW. This decision, with the support of participants allowed racing to continue in NSW. The resilience of the industry and particularly the participants has enabled GRNSW to continue to navigate a path through difficult times.

Throughout the COVID-19 pandemic the Greyhound Breeders Owners & Trainers Association (GBOTA) gave their unwavering support to the continuation of the industry through its implementation of innovative COVID safe plans among the racing regions. I would like to thank outgoing Chair Joe Cotroneo for all his support and commitment whilst also congratulating the new GBOTA Chair Bryan Young. I believe that after the turbulent year the industry has had the relationship with GBOTA has never been stronger and look forward to strengthening this relationship as we move forward into the future.

GRNSW worked closely with the Greyhound Welfare & Integrity Commission (GWIC) this year particularly when the industry in NSW was segmented into regions. GWIC implemented a number of regulatory changes and best practice standards in order to sustain the industry during the pandemic while much of the State was shut down. This has enabled many members of the industry to generate income in a challenging economic period and facilitate the upholding of animal welfare standards.

The ways in which each member of our industry has navigated a path through these unprecedented times is an achievement that should be recognised and something these members should be extremely proud of.

I must sincerely thank NSW Premier the Hon. Gladys Berejiklian, the Minister Responsible for Racing the Hon. Kevin Anderson, and the NSW Government whose continued support and advice through such extraordinary times allowed GRNSW to continue to race during this period.

GRNSW's Greyhounds As Pets (GAP) rehoming program reported record rehoming numbers in FY19-20 of 1,337 up 83.4% on FY18-19. GRNSW has spent a significant amount of time raising the public profile of the program and changing the perception of greyhounds as household pets. This has led to a significant increase in fostering and adoption of greyhounds during the COVID-19 pandemic. GRNSW has increased its resourcing of this program through the purchase of a Farmstay in order to rehabilitate, rehome or provide lifelong care to greyhounds.

The Grafton track rebuild is the largest project GRNSW has ever undertaken and is due for completion in March 2021. This is one of numerous projects funded by the NSW Government's Safety & Welfare Capital Grants Program and is one example of GRNSW's commitment to on track safety, sustainability and animal welfare.

GRNSW with the assistance of the University of Technology Sydney (UTS) developed best practise Minimum Standards for Racetrack Design and Construction and Track Safety, along with Minimum Standards for Facilities and Amenities and Training Tracks.

Among the achievements of FY19-20 was \$1.78 billion in wagering, a new benchmark for the industry in NSW. The 2019 TAB Million Dollar Chase Grand Final at Wentworth Park was won by NSW bred, owned and trained Good Odds Harada. This event was a resounding success with \$6.2 million in wagering, and a 56% increase in attendance on 2018. For the first time in Australia there was also dedicated free-to-air television coverage of a greyhound event. GRNSW also recorded a dramatic fall in racetrack injuries, down 45% as a result of the ongoing focus, work and funding invested into track safety.

It again shows a remarkable resurgence of the greyhound industry in NSW and at the completion of the financial year GRNSW delivered a net profit of \$6.963 million.

In summary, FY19-20 was a year filled with challenging times, however the innovation and community spirit shown by members of our industry is remarkable. The ability to adapt and support each other whilst making significant contributions to the wider community whether it be regional or city is one of the qualities imbedded in the industry. It shows the dedication the industry has to building a strong platform around GRNSW's three pillars Responsible, Competitive, Sustainable - from the GRNSW Strategic Plan 2018-2021.

With more innovative initiatives planned for FY20-21, particularly around rehoming and care of greyhounds, GRNSW intends to not only continue to be a welfare leader in Australia, but also socially responsible on track and in the wider community.

Hugh Armenis
Chairperson



CEO REPORT

The resurgence of the NSW greyhound industry was underscored in FY19-20 by the most successful operating performance in GRNSW's history.

The results, commercially and across all of GRNSW's key racing and welfare functions, include the following highlights:

- Prizemoney paid to participants was the highest on record - more than \$33 million (up 15.9% v FY18-19 and an increase of 25.31% on FY17-18).
- Rehoming numbers through Greyhounds As Pets NSW programs were up 83.4% v FY18-19 to be the highest on record, following investments in new programs and micro-chipping and data technology systems implemented by GRNSW.
- Greyhound injuries at racetracks were down 45% v FY18-19 and are the lowest on record as GRNSW continues to implement its Track & Welfare Strategy program.
- Wagering turnover on GRNSW meetings was up \$285 million (19.1%) v FY18-19 and the FY19-20 total of \$1.78 billion is the highest wagering turnover in history as GRNSW's investments in partnerships, digital assets and promotions yield strong results.
- GRNSW's operating surplus for FY19-20 was \$6.963 million and is the best financial performance in the organisation's history.

These significant achievements were made in a year of challenges, including fires, floods and an unprecedented global pandemic.

I congratulate all participants, club officials, volunteers and stakeholders who have contributed to this success and thank the Board, management and staff at GRNSW and GAP NSW for their tireless pursuit of excellence to achieve these results.

GRNSW is delivering its 2018-21 Strategic Plan under the pillars of Responsible, Competitive and Sustainable, and the management team is focused on racing and rehoming targets as part of its commercial and welfare programs.

A major project extensively scoped during FY19-20 was for the acquisition of a property for a world-first Farmstay greyhound sanctuary in the Hunter Valley to facilitate the adoption of greyhounds and ensure their health and wellbeing.

The Farmstay operation is intended to help fast-track GRNSW's target of zero unnecessary euthanasia of greyhounds and further accelerate the rehoming of our wonderful animals as pets into the wider community through the GAP NSW Program.

The GAP NSW program was expanded in FY19-20 at an increased year-on-year cost of \$1,453,418 to a total expenditure of \$3,394,877 as GRNSW continues to support and invest heavily in all welfare and rehoming activities and improvements in on-course veterinary infrastructure and injury reporting requirements.

GRNSW now funds three key pathways for rehoming: GAP NSW Adoption Centres; new GAP NSW Regional Programs; and Rehoming Assistance Schemes.

Through these combined avenues GRNSW was able to report a record 1,337 greyhounds rehomed during FY19-20 and, for the first time, implement a micro-chipping and data base system for speed and accuracy of reporting.

The GAP Prison Program, jointly funded by Corrective Services NSW and GRNSW, continued to be a success in FY19-20. The program, in its 10th year at Dillwynia Correctional Complex, allows inmates to train and care for GAP dogs at purpose-built kennels within the prison, with the greyhounds later then adopted out into the community. GRNSW is exploring an option with Corrective Services NSW to widen the program.

The track safety expenditure in FY19-20 has ensured NSW is leading the way in safety and welfare management, with catastrophic injuries sustained by greyhounds in races (as recorded by the Greyhound Welfare & Integrity Commission) reduced by 45% year-on-year.

More than \$7 million in track and maintenance projects for GRNSW have been approved under the NSW Government's \$30 million Safety & Welfare Capital Grants Program, including the Grafton track

and kennel construction - the largest project ever undertaken by GRNSW.

During FY19-20, GRNSW developed a Track & Welfare Strategy program for the remaining \$23 million to be spent on safety and welfare initiatives over the next three years.

The new Grafton facility will feature a state-of-the-art greyhound race circuit, racing infrastructure and kennel building. The track and kennels will also be the first built to the Minimum Standards for Track Design and Construction and Facilities and Amenities.

In line with GRNSW's 2018-21 Strategic Plan, work also commenced in the second half of 2020 to construct the first straight track in NSW, which will be a 360m straight track located at the Richmond club and feature the latest Safe Chase cable-less lure system.

The FY19-20 period was also the first full year of the GRNSW Racing Injury Rebate Scheme.

This scheme is an important part of GRNSW's ongoing commitment to improving welfare outcomes by preventing unnecessary euthanasia of greyhounds in NSW and providing greyhounds that are physically healthy and behaviourally sound the opportunity to live out their natural life span as a companion animal.

GRNSW spent \$221,890 in FY19-20 on covering veterinary costs of 127 greyhounds in claims processed under the Racing Injury Rebate Scheme.

More welfare education assistance was provided by GRNSW to participants in FY19-20 than in any previous period, including several training schemes such as First Aid courses, Pet Prep courses to help prepare greyhounds for rehoming, the Greenhound assessor course and the Greyhound Racing Industry Core Skill Set Pilot.

On the racing side of the business, GRNSW staged 1,103 race meetings (979 TAB and 124 Non-TAB) with a total of 10,890 races (9,877 TAB and 1,013 Non-TAB) conducted at 28 tracks.

The impacts of COVID-19 in the second half of FY19-20 resulted in GRNSW, with the support of GWIC stewards and other staff, implementing a zoned regional racing program.

The zoned approach was initiated to limit travel and manage racing within regional boundaries for the necessary health and safety protocols, such as social distancing, which were established with assistance from health and government departments.

For several weeks, GRNSW communicated with participants and stakeholders on a daily basis to answer questions and provide guidance to the greyhound industry.

It was a challenging period, however the outcome was that greyhound racing in NSW was able to continue through the pandemic and provide incomes to thousands of participants and third parties who rely on the industry for their livelihoods.

A memorable racing highlight during the year was the second running of the Million Dollar Chase series with new sponsors TAB.

The series, which was run at 14 regional venues and Wentworth Park, was an outstanding success on every measure, with a crowd of 6,380 on hand for the Grand Final at Wentworth Park in October to see Good Odds Harada win \$1 million for owners Frank and Tracey Hurst.

The success of greyhound racing in NSW as a wagering product was evidenced in FY19-20 with a record \$1.78 billion wagered on all GRNSW race meetings – up \$285 million (19.1%) on the previous year – and represents a 41.9% increase in turnover since FY15-16.

This result was assisted by GRNSW's optimisation of the racing calendar, innovation and investment in its digital assets, media and marketing promotion of racing and the industry, and key commercial partnerships with wagering operators.

The growth of revenue from wagering returns for GRNSW is now largely being led by corporate bookmakers and a strong online performance.

CEO REPORT (CONTINUED)

Significantly, the FY19-20 period was the first time that Fixed Odds wagering has passed the \$1 billion turnover mark, completing the year at \$1.23 billion, of which corporate bookmakers captured 64% (\$790 million).

FY19-20 was also the first year on record in which product fees derived from corporate bookmakers have surpassed the TAB contribution to GRNSW.

There are multiple factors driving these returns to GRNSW, and the industry, as GRNSW implements its 2018-21 Strategic Plan and increases its investments in welfare initiatives, such as the Farmstay, welfare and GAP NSW programs, and returns paid to participants through prizemoney and other subsidies.

One factor is the overall restored confidence in the NSW greyhound racing industry.

During FY19-20 GRNSW engaged an independent specialist company to measure the brand health of the NSW greyhound industry.

This measurement – a Net Promoter Score (NPS) – represents how likely people are to recommend greyhound racing to a colleague, family member or friend.

The Million Dollar Chase campaign, which included an industry-first live coverage of the MDC Grand Final night on free-to-air television (Nine Network's GEM), resulted in a +20 point increase in NPS, a shift rarely seen in any sport, according to the independent company.

On this note, I would also like to thank our GAP NSW ambassador, Socceroo legend Tim Cahill, for his promotion of the awareness of our ongoing efforts around rehoming.

Another strategic investment for the future made by GRNSW across FY19-20 was in its digital assets, including thedogs.com.au platform, which was relaunched in May 2020.

The new platform includes enhanced capabilities to deliver live stream video and data across all devices, with the objective of driving future commercial outcomes.

Since the new platform's launch there has been significant growth across key audience and engagement metrics, and GRNSW looks forward to thedogs.com.au supporting future wagering and commercial returns, including through new initiatives and partnerships.

GRNSW consulted widely with various industry stakeholders during the FY19-20 year, including club forums to present plans for the future of the industry and seek feedback from stakeholders.

I would like to acknowledge the collaboration between GRNSW and the many operational teams within GWIC as well as the Greyhound Breeders Owners & Trainers Association (GBOTA), especially during the COVID-19 situation, but also through the day-to-day challenges and opportunities the industry presents.

FY19-20 was the first full year of Mr Hugh Armenis' term as Chairperson of GRNSW and I thank him and fellow members of the Board for their leadership and support during a period of significant achievement.

I would also like to thank the NSW Government and relevant departments and office holders, especially the Minister Responsible for Racing, the Hon. Kevin Anderson, for their interest and shared enthusiasm in the ongoing sustainability and success of the NSW greyhound racing industry.

To the many hard-working people involved in the industry through club committees, participant groups, joint welfare committees, GAP NSW volunteers and associated rehoming organisations, I would like to say your efforts are very much appreciated.

Finally, the outstanding results of FY19-20 are a representation of all the people within greyhound racing and I can assure you all that the resilient team at GRNSW will be working extremely hard to ensure we can continue to thrive as an organisation and an industry, and improve in all areas.

Tony Mestrov
Chief Executive Officer

GREYHOUNDS AS PETS, WELFARE AND EDUCATION



GREYHOUNDS AS PETS

GRNSW continued to increase its investment in expanded GAP programs in FY19-20, which resulted in an 83.4% year-on-year increase in rehomed greyhounds.

The total of 1,337 rehomed greyhounds in FY19-20 was up from 729 reported in FY18-19, with GAP now having three established pathways for rehoming: GAP Adoption Centres, GAP Regional Programs and Rehoming Assistance Schemes.

The success of new GAP regional programs resulted in 155 greyhounds being rehomed through regional pathways, which was an increase of 115 on FY18-19.

The Regional Coordinator (Southern Region) rehomed 108 greyhounds, while the Regional Coordinator (Northern Rivers region) rehomed 47 greyhounds since the program commenced in October 2019. The Regional Programs continue to be well embraced

by participants. A total of 342 greyhounds were successfully rehomed through the GAP adoption centres at Wye and Londonderry in FY19-20.

Rehoming Assistance Schemes included the Owner Incentive and non-participant rehoming schemes, which provide financial assistance to owners and other rehoming groups to rehome greyhounds (including desexing, dental and vaccination assistance). The single Homing Assistance Scheme (HAS), launched in Q4 of FY19-20, combining the individual schemes and with added benefits and a streamlined application process, has brought increased awareness around the assistance available to participants and an increase in scheme uptake.

Greyhounds rehomed directly through GAP NSW facilities, programs and with GRNSW/GAP NSW support in FY19-20 were:

GREYHOUNDS AS PETS NSW (GAP) PROGRAM	GAP ASSISTED GREYHOUND REHOMINGS AS AT 30 JUNE 2020
GAP Adoption Centres (Londonderry/Wyee)	342
GAP Regional Programs (South and Northern Rivers)	155
GAP Rehoming Assistance Schemes	840
Total Individual Greyhounds Assisted (unique microchip numbers)*	1337

*Total adjusted for those greyhounds that may have utilised a Rehoming Assistance Scheme and later been rehomed through a GAP facility.

Other Rehoming Initiatives

The total number of NSW greyhounds rehomed continues to improve year-on-year. Along with the GAP Adoption Centres and Regional Programs funded and run by GRNSW, there are several independent greyhound rehoming organisations in NSW. These groups, along with owners and trainers, play an active role in the rehoming of greyhounds through sustainable pathways suited to each greyhound's and participant's circumstances.

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 of the new Homing Assistance Scheme, which was established to assist owners to rehome greyhounds themselves, were revised to provide better access to the scheme and deliver more comprehensive support for all.

In line with our strategic pillar to be a responsible industry, GRNSW will continue to offer this support for individuals and organisations in 2020-21 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.



Greyhounds As Pets Events

In the latter part of FY19-20, GAP NSW events and adoption days were postponed due to COVID-19 restrictions.

In August 2019, Greyhounds As Pets again had a presence at the Sydney Dog Lovers Show, with thousands of the 30,772 show attendees visiting the GAP NSW stand over the two days of the Show on August 3 and 4.

At the end of September 2019, GAP NSW held another successful adoption day at the Petstock at Belrose with 15 greyhounds finding their "forever homes" on the day.

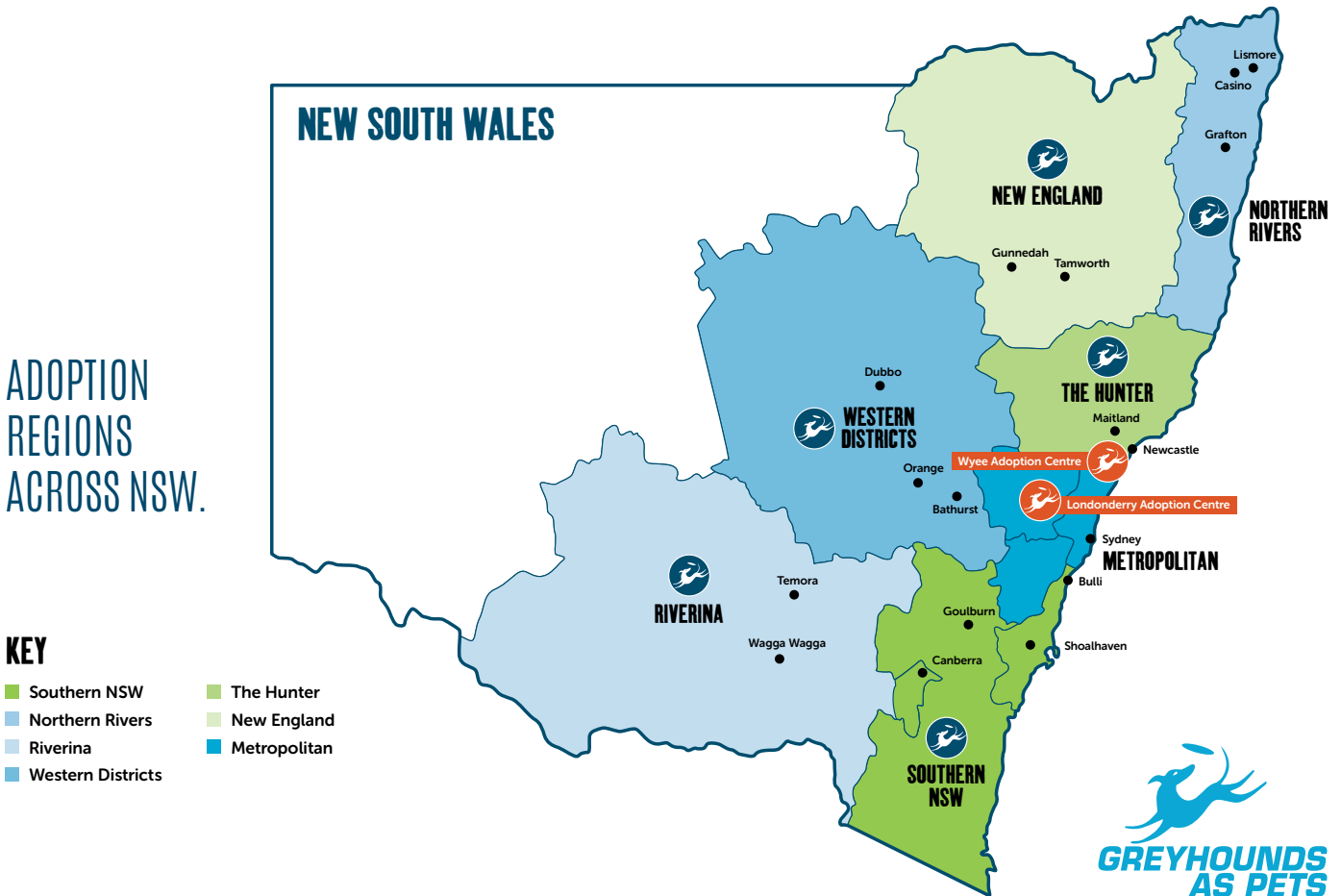
The final adoption day for 2019 was held in December at the GAP Western Sydney site at Londonderry and saw 16 greyhounds taken home to start their new lives as pets.



Regional Expansion

During FY19-20, GRNSW announced an expansion of the Regional Greyhounds As Pets program around the State, with plans for the addition of four extra regions - the Hunter, New England, Western Districts and Riverina - bringing the total to six adoption regions across NSW.

The catalyst for the expansion was to help build an alternative and sustainable rehoming pathway for all greyhounds in those and surrounding regions, particularly as more than 70% of the industry's participants are based outside the metropolitan area, and with the success of the inaugural regional GAP program in Southern NSW, followed by expansion into the Northern Rivers.



GAP Prison Program

The GAP Prison Program continued to be a success in FY19-20 at Dillwynia Correctional Complex.

The program, in its 10th year, sees inmates train and care for GAP dogs, which are then adopted out into the community. The benefits of the program are inmate rehabilitation, animal rehabilitation, animal adoption, education and employment, as the program is part of an inmate's work duties.

A maximum of six dogs reside at the prison kennel facilities during their time in the program. Kennel facilities also include a yard. Occasionally dogs have resided in inmate living quarters (shared housing) at night to expose the dogs to a home living environment in preparation for their future life as a pet.

Corrective Services staff supervise the daily activities of the program with GAP staff visiting the kennels at minimum on a weekly basis, with GAP staff and other inmates teaching program participants how to train the dogs.

The program – funded jointly by Corrective Services and GRNSW - is equally beneficial for the greyhounds and inmates alike and Corrective Services staff have indicated that they have seen communication barriers broken down between them and the inmates working on the program due to a common interest and talking point.

WELFARE

GRNSW continued to keep greyhound welfare as a primary focus in FY19-20 to ensure it is at the forefront of all decision making for the organisation. With the Greyhound Welfare & Integrity Commission (GWIC) continuing operations in FY19-20, the oversight of the welfare function of the NSW greyhound industry continued to be a shared responsibility between GRNSW and GWIC. GWIC remained responsible 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 continued to focus on assisting the industry with the rehoming of greyhounds through several sustainable rehoming pathways. GRNSW's continued investment in welfare training and education for participants and clubs has also enhanced welfare outcomes for greyhounds.

Breeding

Breeding in FY19-20 remained similar to FY18-19 with a slight reduction compared to the previous year reported towards the end of Q3 and in Q4.

GRNSW continued to encourage responsible breeding practices throughout FY19-20. 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.

Breeding Statistics FY19-20

MONTH	WHELPED	BRED
Jul-19	184	30
Aug-19	188	57
Sep-19	216	55
Oct-19	349	78
Nov-19	277	75
Dec-19	509	69
Jan-20	452	81
Feb-20	306	29
Mar-20	408	36
Apr-20	355	31
May-20	220	49
Jun-20	210	45
TOTAL	3,674	635

Racing Injury Rebate Scheme

This scheme is an important part of GRNSW's ongoing commitment to improving welfare outcomes for racing greyhounds by preventing unnecessary euthanasia of greyhounds in NSW and providing greyhounds which are physically healthy and behaviourally sound the opportunity to live out their natural life span as a companion animal. This scheme provides the greyhound owner with financial assistance, if needed, to ensure that a seriously injured greyhound receives appropriate veterinary care and treatment, including surgery, if required.

The scheme also enables participants to obtain an accurate off-track diagnosis/prognosis for their seriously injured greyhound, so that a fully informed decision on appropriate treatment can be made.

Injury Rebate Scheme FY19-20:

- 127 claims approved and processed
- Total claims amount paid \$221,890.15
- Average claim per dog \$1,747.16
- Min claim \$241.46
- Max claim \$9,488.75



EDUCATION

Industry education is one of several industry improvement measures outlined within GRNSW's 2018-2021 Strategic Plan and is included in the Industry Reform Panel Recommendations (issued in February 2017) implemented by NSW Government.

- While there were numerous GRNSW Education events in the first three quarters of FY19-20, they were not run in Q4 due to COVID-19 restrictions.
- The Welfare and Education team has continued to work on course development and implementation including the Greenhound Refresher Course and Greyhound First Aid.
- GAP online Foster and Adoption course enrolments and participation increased in line with the increased applications to foster and adopt through GAP during COVID-19.
- Regular meetings of the Greyhound Industry Participant Education Steering Committee in conjunction with GWIC, the GBOTA, and NSW Agrifood Industry Training Advisory Board, took place to oversee educational requirements for industry participants.

- GRNSW undertook several training courses including a First Aid course, a Pet Prep course to prepare greyhounds for rehoming, a Greenhound assessor course, and a Greyhound Racing Industry Core Skill Set Pilot.

In 2019, GRNSW with the support of GWIC identified an industry training need focusing on improving animal welfare and racing integrity. JobLink Plus, a Tamworth-based registered training organisation (RTO) responded with a training and assessment strategy (TAS) to address this need. The TAS incorporates recognition of prior learning (RPL) for those experienced in the greyhound racing industry and delivery of new units of competency covering greyhound health, welfare and behaviour and racing ethics and integrity.

Training Services NSW funded 20 places for each of the three regions under the *Targeted Priorities Prevocational and Part Qualification Program* and GRNSW funded all enrolments above the 60 funded places.

The Skill Set consisted of seven units of competency from the Certificate II Racing (Greyhound). The Skill Set was developed to meet basic greyhound racing industry skills, ie:

1. Participate in workplace communications
2. Participate in workplace health and safety processes
3. Handle greyhounds
4. Attend greyhounds during and after exercise routines

In addition, for the first time, focussed on areas of industry improvement raised in the Special Commission of Inquiry (2015) regarding animal welfare, canine behaviour and racing ethics as it incorporated three new units of competency developed in the 2017 revision of the national racing training package. These were:

5. Promote and enhance greyhound behaviour
6. Demonstrate greyhound racing industry integrity and ethical practice
7. Promote and enhance greyhound health and welfare.

No other greyhound racing jurisdiction in Australia has undertaken an accredited vocational education program from the revised national racing training package. Within the workshops, industry participants acknowledged that new knowledge incorporating contemporary animal welfare science and husbandry that focuses on achieving industry best practice would benefit their individual job roles and contribute to lifting professional standards in NSW's greyhound racing industry.

Workshops for the Core Skills Pilot were held at Tamworth Greyhound Racing Club, Dapto Ribbonwood Community Centre and Goulburn Greyhound Racing Club, and of 82 enrolments across the three regions, 66 participants successfully completed the skill set and feedback has been overwhelmingly positive.

LOCATION – REGION	ENROLMENTS	COMPLETIONS	COMPLETION RATE
Tamworth – New England	26	22	85%
Goulburn- Southern Tablelands	28	19	68%
Dapto – Illawarra	28	25	89%
ALL	82	66	80%

JobLink Plus has undertaken industry validation of the course content and assessments. GRNSW and JobLink Plus have reviewed and revised the skill set course structure and content, and improvements to delivery options based on feedback on January 30, 2020 will increase flexibility and access. Training Services NSW approved further funding for 60 places

for the *Core Skills Pilot* in the Central Coast and Lower Hunter and these commenced on January 23, 2020 at Gosford GBOTA and February 16, 2020 at Maitland GBOTA respectively. Core Skill Set assessments for the accredited industry education continued under COVID-19 biosecurity protocols in Q4.

MEDIA, COMMERCIAL AND MARKETING

MARKETING

GRNSW's marketing objectives for FY19-20 were to promote GRNSW's commitment to world-class greyhound racing and responsible greyhound lifecycle initiatives. To meet these objectives, two major marketing campaigns were delivered:

- **Poetry In Motion (racing):**

To drive awareness of 2019 TAB Million Dollar Chase (MDC) and change public perceptions of greyhound racing in NSW, a campaign was launched to showcase the grace and athleticism of greyhounds running and racing, titled 'Poetry In Motion'. The campaign featured 2018 MDC champion Mystic Riot and trainers Peter and Jodie Lagogiane.

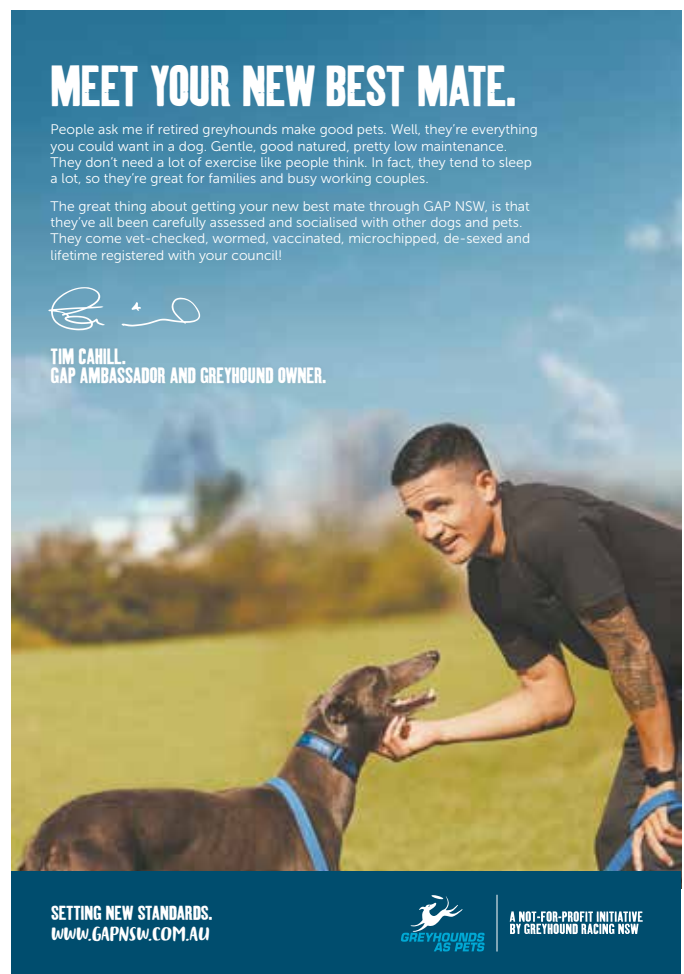


Poetry In Motion (racing)

- **Setting New Standards (lifecycle):**

To educate people about greyhounds and promote the Greyhounds As Pets (GAP) program. GAP ambassador Tim Cahill and his adopted greyhound, Lumo, featured in a campaign titled 'Setting New Standards'.

The result of these two marketing campaigns and other marketing activity in FY19-20 (featured in this report) was a significant increase in the Net Promoter Score (NPS) of greyhound racing in NSW. NPS is an important indicator of the brand health of GRNSW and ongoing sustainability of the industry, as it measures people's propensity to promote, engage and participate in the industry.



Setting New Standards (lifecycle)

CASE STUDY: TAB MILLION DOLLAR CHASE

EXECUTIVE SUMMARY

To build on the success of the inaugural Million Dollar Chase (MDC), there was an increased investment in marketing for the 2019 MDC, including an Australian first national, live, free-to-air broadcast of the race on Nine Gem. This resulted in increases to all comparable metrics, significant spike in Net Promoter Score (NPS) and exposure of the race to a new and more diverse TV audience. Importantly, marketing investment also drove strong wagering outcomes, with a near record \$6.2 million turnover on the 2019 MDC grand final meeting.

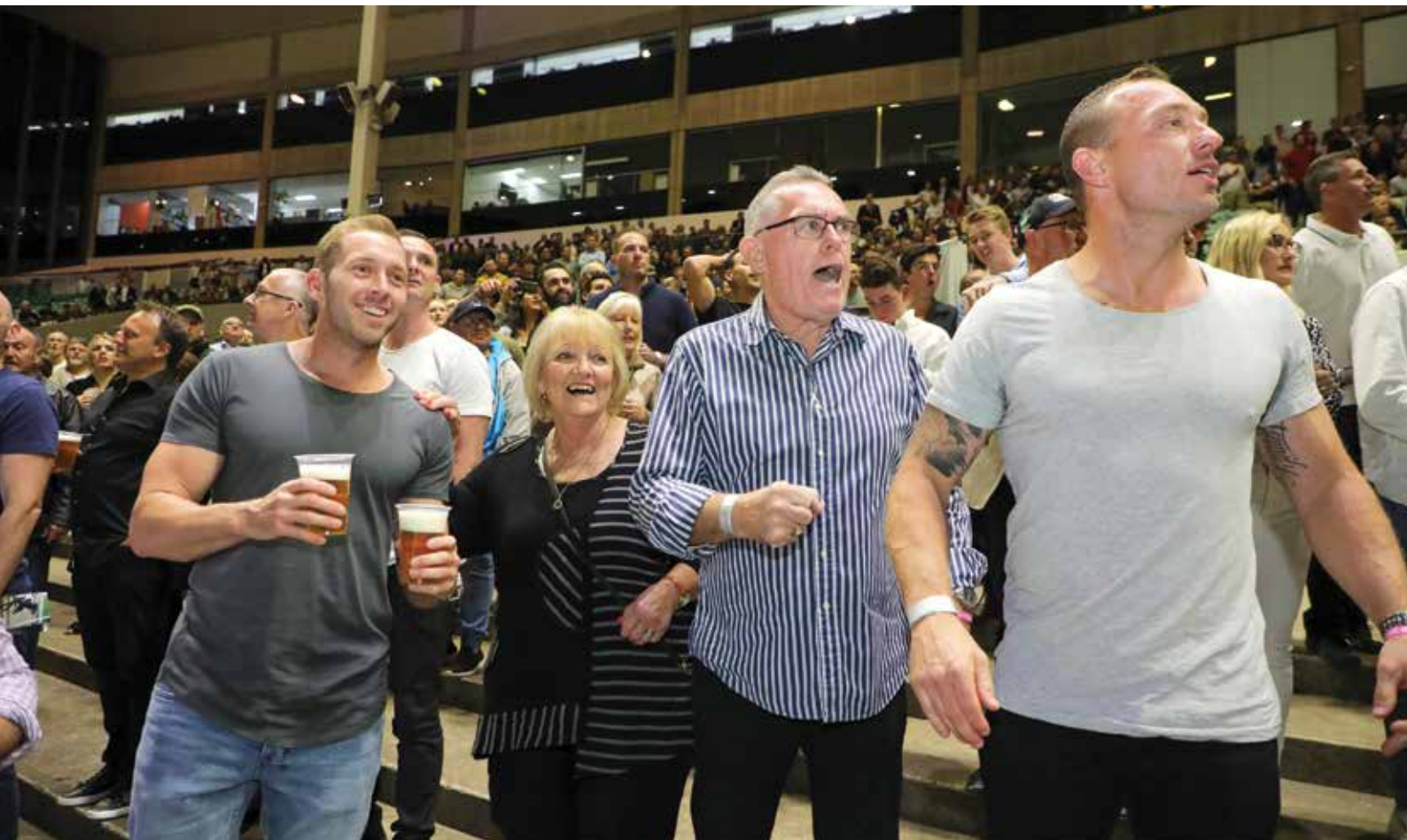
Attendance

To drive awareness of the event and attendance at MDC Final, iconic Australian rock band Hoodoo Gurus (whose hit single 'My Girl' was about a greyhound) performed live at Wentworth Park. Indigenous singer, X-Factor winner and Eurovision contestant, Isaiiah Firebrace sang the national anthem before the Final which was a feature on Nine's live TV broadcast.

Attendance at MDC Grand Final was 6,380 up 56% on 2018's 4,100.

To engage participants, racing fans and attract a new audience, in regional NSW, decorated country music artists Travis Collins and Adam Harvey performed live at Regional Finals in Gunnedah, Bathurst, Bulli, Dubbo and Wagga.

This contributed significantly to a sharp rise of 403% on average revenue (including gate entry, food and bar) at regional MDC events with entertainment, from an average meeting of \$1,496 to an average at those regional MDC venues of \$7,530.



Live broadcast on Nine Gem

For the first time in Australian television history a dedicated greyhound racing broadcast was shown live and nationally on free-to-air on Nine Gem, and sponsored by BetEasy.

The results of the broadcast delivered a new audience of 171,000 Australians, and significantly a more diverse audience of 56% Male and 44% Female compared to a typical Sky Racing audience that skews more heavily to a male audience.

The overall TV audience reach – which incorporates Nine Gem, Sky Racing 1 and the TAB app - was up 488%, from 35,476 in 2018 to 208,767 in 2019.

Marketing & Media

The **'Poetry In Motion'** campaign ran across print, online, outdoor, radio and TV, with the majority of media invested with GRNSW media partners News Corp Australia, Nine and Crocmedia. In addition to advertising, the following editorial integration was achieved as part of the campaign:

- **News Corp Australia**
 - 2 x double page feature articles
 - 4 x feature articles
 - 2 x form previews (MDC Semis and Final)
- **Nine**
 - 3 x segments on Nine News
 - 3 x segments on Sports Sunday
 - 2 x segments on Today Show
- **Crocmedia**
 - Over 100 minutes on weekly Sportsday segments

Social media also formed a major part of MDC promotions, with more than double the content produced compared with 2018 MDC, with a focus on video. This resulted in 2,496 hours of video content being consumed on Facebook and YouTube.

Thedogs.com.au delivered almost five million page views between August 31 and October 21, resulting in total users being up 15% and sessions being up 12%.

Wagering

Year-on-year analysis was challenging due to changes in racing schedule that was further accentuated by impact of Point of Consumption Tax (PoCT) on wagering market and shift of 2019 MDC Final from Saturday (optimal wagering slot) to Friday. However, the fact that the 2019 MDC Grand Final night was on a par with 2018 wagering results at \$6.2 million, demonstrate the value of MDC as a premium wagering product.

Net Promoter Scores

To measure impact of marketing on brand health of GRNSW, Net Promoter Score (NPS) was tracked. NPS represents how likely people are to recommend greyhound racing to a colleague, family member or friend. MDC campaign resulted in a +20 point increase in NPS, a shift rarely seen in sport.

Gala Luncheon

A gala luncheon was hosted by GRNSW at Doltone House, Hyde Park with 320 guests in attendance. The event provided a platform to deliver key messaging around a new culture of greyhound racing and promote the Greyhound As Pets (GAP) program. \$20,000 in donations from the lunch went to GAP. The highlight of the lunch was guest speaker, Mick Colliss, captain of Australia's inaugural Sudoku team.

GAP donation

On top of the \$20,000 donation from the Gala Luncheon, all gate sales to MDC Final were donated to Greyhounds as Pets.



Gala luncheon

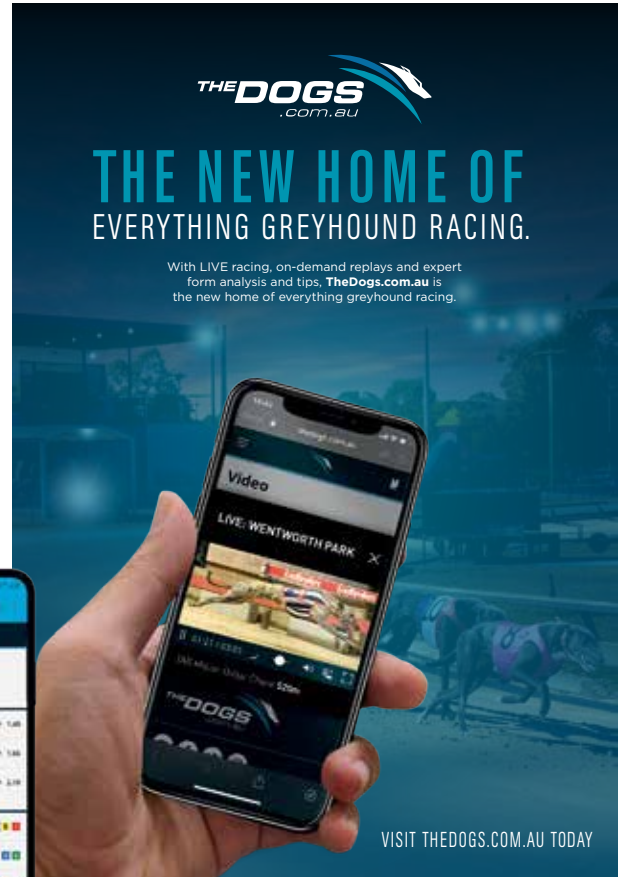


Trophies on display at the gala luncheon



DIGITAL

To consolidate and enhance GRNSW's digital platforms, thedogs.com.au was relaunched in May 2020. The new platform includes enhanced capabilities to deliver live stream video and data across all devices, with the objective of driving future commercial outcomes. Since the relaunch, growth has been achieved across key audience and engagement metrics. GRNSW's corporate website (grnsw.com.au) and Greyhounds As Pets website (gapnsw.com.au) will also migrate to the new digital platform in late 2020.



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MEDIA

In FY19-20 GRNSW continued its strong relationships with its media partners resulting in increased coverage of the sport in metro and regional media, particularly around GAP and MDC.

During COVID-19 a strong focus was placed on rehoming through our opportunities in the Sunday and Daily Telegraph.

The Sunday Telegraph (Print) - 12th April



Surge in Demand to Adopt Greyhounds As Pets

In February this year, Greyhound Racing NSW announced it would be expanding its highly successful regional Greyhounds As Pets program around the state with the addition of four extra regions, bringing the total to six adoption regions across NSW.

The catalyst for the expansion was to help build a better rehoming pathway for all greyhounds in those and surrounding regions, particularly in more than 70 per cent of the sport's participants are based outside the metropolitan area. The success of the inaugural regional GAP program in southern NSW was followed as it fully expanded into the Northern Rivers.

The regional program works quite differently to GAP facilities in Western Sydney and at Wyre on the Central Coast. In the regional program there are no adoption centres as such. The dogs remain with their trainers until they are adopted, and the trainers play a significant part in that process.

"It is a club-based program with the southern NSW one containing four clubs — Nowra, Gosburn, Bulli and Canberra," said Natalie Winter, the Southern Regional GAP co-ordinator.

"I assist them in rehoming their dogs. The way the process works is you apply for a dog. I find the right dog on our books and put you in touch with the trainer.

"You then talk to the trainer and if everyone is happy, the member of public meets the actual trainer and the dog at one of the racetracks.

"This means the greyhounds are matched appropriately to your lifestyle and circumstances and you also get to ask the trainer anything you're interested in about the dog's personality and life before he comes to be homed with you.

"It works really well. The public get to see the participants really love their dogs, too.

"I often get a trainer come up to me quietly at the racetrack and as they are telling me they have to rehoming their dog, they have tears in their eyes. That's the type of trainer I deal with.

"Even if it goes well, we don't hand the dog over on the day. People go home for 24 hours, think about it, let us know if they want to go ahead, then we give them time to get what we call 'pet-ready'. The whole process takes less than a week usually.

"They have to get their dog a bed, a collar and lead, get food, and they are all the time getting excited to get their dog. Too often these days with so many things, people want it today.

"They think 'I'm going to get that dog now', then they wake up tomorrow and there's 34kg of dog in their apartment making a mess and now they don't know what to do."

One of the best things about this program, according to Winter, is the connection between the trainer and new owner. If the owner is concerned about anything, they can ring the trainer for advice.

"Most trainers have had the dogs for up to five years and know their dogs inside and out," Winter said.

"I had one recently... she was a hager. I told the new prospective owners that she will stand off to start with, but when she gets to know you, she'll hug you. She went straight up to the husband of this couple who was crouched down, she put her paws around his neck and nuzzled into him."

During the COVID-19 pandemic, interest in adoption of greyhounds has spiked across the GAP organisation, with significant rises in applications being submitted.

Winter said they are battling to keep up with the demand, but anyone interested should head to the Regional page of the Greyhounds As Pets NSW website at gapnsw.com.au/regional-program.

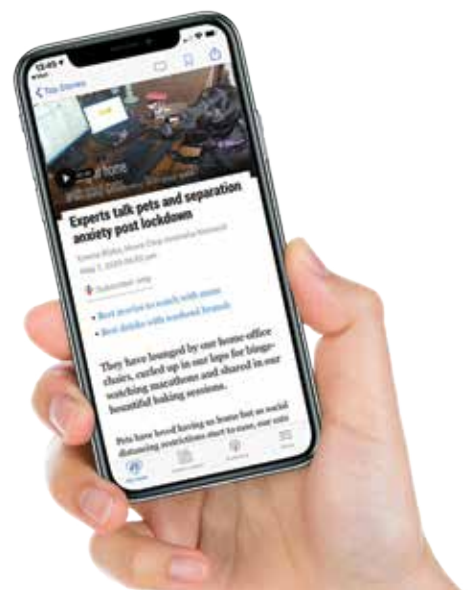
They will not only find out further details, but can view the greyhounds available in the Southern Regional GAP program by going to the Greyhound page and selecting the Southern Region location from the menu. If you see a greyhound you're interested in, use the online form to put in an application to begin the search for your perfect pet.

The Sunday Telegraph (Print) - 19th April



The Daily Telegraph (Digital) - 8th May

Experts talk pets and separation anxiety post lockdown



STAKEHOLDER ENGAGEMENT

In accordance with the requirements of the *Greyhound Racing Act 2017* (NSW) and the Operating Licence granted to GRNSW under the Act, GRNSW developed a Stakeholder Engagement Plan for FY19-20 which has been submitted to the Minister.

The Stakeholder Engagement Plan must outline how GRNSW engages and communicates with its stakeholders, whether by way of stakeholder forums or education workshops, for the purpose of

performing its statutory functions. The Stakeholder Engagement Plan includes a list of stakeholders to be engaged and the timing and nature of each engagement.

As required by the Operating Licence, GRNSW must report against its Stakeholder Engagement Plan as part of this Annual Report. The table below sets out the stakeholder engagement activities for FY19-20.

STAKEHOLDER ENGAGEMENT ACTIVITIES	COMPLETED IN FY19-20 AND OUTCOME ENGAGEMENT
Stakeholder forums	Yes. GRNSW conducted an engagement forum for all TAB and Non-TAB race clubs throughout the year. The forums were complemented by representatives of GRNSW meeting with greyhound racing clubs in the regions on an individual basis.
Business unit meetings (including welfare, regulatory, operations, racing, grading and governance)	Business unit meetings were held regularly within the GRNSW Executive team. All GRNSW business units meet on a regular basis.
Key project sub-committees	Yes. The key project sub-committees meet on an 'as required' basis.
Education workshops	Yes. GRNSW conducted 'Pet prep' seminars educating greyhound racing industry participants throughout the State including in regional areas.
Stakeholder engagement at NSW race meetings	Yes. The Board of GRNSW, senior management and staff regularly attended race meetings across the state.
Stakeholder magazine	No.
Stakeholder survey	Yes. A survey was conducted by GRNSW as part of the grading review.
Media releases	Yes. Media releases are constant and there was ongoing communication with the industry and community.
Annual report	Yes. The Annual Report was provided to the Minister and published on GRNSW's website.
CEO updates	Yes. CEO updates are provided regularly on GRNSW's website as well as by email to greyhound racing participants.
Track curator conference	Yes. A Track Manager Conference was held in December 2019.
Responses to formal inquiries and website inquiries	Yes. Any formal or website inquiries received are addressed as they are received by GRNSW.

GRNSW has submitted its Stakeholder Engagement Plan for 2020-2021 to the Minister and will continue to actively engage with stakeholders through various communication channels and having regard to the strategic initiatives outlined in the current Stakeholder Engagement Plan.

It is of paramount importance to GRNSW that the relationships with various stakeholders are maintained through frequent communication and dialogue and as required as a consequence of changes to industry policies and legislation.



TRACK MAINTENANCE

SAFETY & WELFARE CAPITAL GRANTS PROGRAM

Projects totaling more than \$7 million have been approved under the NSW Government's \$30 million Safety & Welfare Capital Grants Program, since the project funding commenced in 2018. GRNSW has also developed a Track & Welfare Strategy program for approval for the remaining \$23 million in funding to be expended on safety and welfare initiatives over the next three years.

GRNSW's Grafton Track and Kennel Construction is the largest project ever undertaken by GRNSW. The project approved by Government last year is the first new greyhound track to be built by GRNSW in decades and will feature a new state of the art racing circuit, infrastructure and kennel building. The track and kennels will also be the first built to the Minimum Standards for Track Design and Construction, and Minimum Standards for Facilities and Amenities.



SAFETY & WELFARE CAPITAL GRANTS PROJECTS - APPROVED TO 30 JUNE 2020	FUNDS PROVIDED
Gosford track remediation and race infrastructure upgrade – completed 2019	\$762,570
Gunnedah track remediation and infrastructure upgrade – completed 2019	\$678,350
Tamworth track remediation – completed 2019	\$173,720
Wentworth Park track and infrastructure remediation – completed 2019	\$552,895
Taree kennel cooling improvements – completed 2019	\$50,000
Wauchope kennel cooling improvements – completed 2019	\$31,820
Kempsey kennel cooling improvements – completed 2019	\$12,785
Bathurst track irrigation works – completed 2020	\$210,167
Kempsey infrastructure works – completed 2020	\$23,289
Grafton Track & Kennel Construction – commenced 2020	\$4,686,550
TOTAL	\$7,182,146

TRACK STANDARDS

The GRNSW track strategy raises the bar for all racetracks to, over time, meet our new standards and quality controls. The standards will ensure that greyhounds race on safe tracks so injury rates can be substantially reduced.

GRNSW has demonstrated its commitment to track safety and welfare and, in addition to Safety & Welfare Capital Grant Funds, since 2018 has contributed over and above the Capital Grants funding, with an additional \$7 million from its own resources being used for track maintenance, emergency repairs and minor Club projects.

GRNSW has also employed a dedicated team of track professionals to manage its track portfolio, including a General Manager for the State's tracks and infrastructure, four regional co-ordinators, a data analyst and a project manager. A compliance and audit manager and lure drivers are also soon to be added to the team. The track safety expenditure and staff appointments have ensured NSW is leading the way in track safety and welfare management and is already returning dividends with catastrophic injuries sustained by greyhounds in races, reduced by 45% year-on-year.

Two of GRNSW's pillars – Responsible and Sustainable – speak specifically to the greyhound tracks and infrastructure, greyhound safety and greyhound welfare. Animal welfare is a priority and GRNSW is committed to prioritising funds from the Safety & Welfare Capital Grants Program, particularly when and where immediate 'remediation' of animal welfare infrastructure is required. The demand for improved and more consistent racing surfaces, both agronomically and geometrically, has necessitated the reconstruction of many greyhound racetracks in NSW.

To standardise the track design, planning and construction process, GRNSW with the assistance of the University of Technology Sydney (UTS) has recently developed best practice Minimum Standards for Racetrack Design and Construction and Track Safety. The Minimum Standards for Track Design and Construction, Facilities and Amenities, and Training Tracks will be phased in to complete the necessary works to address any deficiencies.



FUTURE PROOFING OUR TRACKS

GRNSW is working towards its goal of making greyhound racing in NSW "Future Proof". GRNSW will continue to seek expert advice from technical consultants for the ongoing improvements of our tracks and infrastructure. GRNSW will continue to consult with select professionals to assess the safety, performance, durability and sustainability of our tracks and racing infrastructure. Our industry is already seeing the benefits of this work with new track designs, safety aids and improved renovation and maintenance procedures being put in place.

When completed, the Grafton track will feature the latest technology including the Safe Chase, cable-less lure system and IsoLynx tracking/timing.

GRNSW has also turned back the clock to enhance its racetrack portfolio. Turf track rebuilds were undertaken on the NSW mid-north Coast, with Taree and Wauchope grass surfaces, race and kennel infrastructure upgraded to facilitate regular TAB racing at these venues.



RACING OPERATIONS

The FY19-20 racing year was one of change and challenges, punctuated by many highlights, the pinnacle being the victory of Good Odds Harada in the TAB Million Dollar Chase Grand Final at Wentworth Park in October 2019, the culmination of a six-week carnival of racing around 14 regional venues, all leading to the city headquarters.

The greatest challenge for the entire industry was the division of the State into seven regions when the COVID-19 pandemic struck. This initiative was undertaken to prevent extensive travel for participants and staff, and also to ensure that should someone be infected, the impact could be contained to a specific region and not bring the entire industry to a halt.

The safety and welfare of all in the industry was paramount at all times, and GRNSW acted continually on the advice of the NSW Government and NSW Health, gradually expanding the regions to benefit participants.

Due to COVID-19 Wentworth Park racing was paused between March 21, 2020 and June 6, 2020, and during this time, city prizemoney was spread throughout the regions. Unfortunately, a decision was also made to cancel the 2020 Ladbrokes Golden Easter Egg Carnival.

Non-TAB racing was also paused from March 22, 2020 until June 3, 2020 due to COVID-19 restrictions.

During FY19-20 the Racing Operations also:

- Provided administration support to the Grafton Greyhound Racing Club (January-February).
- Administered the Muswellbrook Mechanical Coursing Club (July-October).
- Conducted extensive consultation with stakeholders and participants concerning the new grading policy which was introduced in March 2020. The key changes made for the new policy include: Three (3) Classes of Meeting – City / Provincial / Country and Three (3) Distance Categories: 420m; 421m-564m; and 565m +.
- Mid North Coast TAB racing began successfully at Taree, with their first TAB meeting taking place on June 17, 2020.
- TAB meetings were increased year-on-year despite the restrictions of COVID-19, increasing the opportunities for larger returns to owners and trainers.



NSW RACING STATISTICS

Race meetings

	2020	2019	2018	2017	2016
Number of Race Meetings Conducted					
Metropolitan	84	90	104	100	105
TAB	895	795	767	745	758
Non-TAB	124	219	250	251	345
Number of Races Conducted					
Metropolitan	820	893	1,038	997	1,105
TAB	9,057	8,102	7,995	8,095	7,806
Non-TAB	1,013	1,918	2,374	2,504	3,408
Number of Starters					
Metropolitan	5,865	6,521	7,989	7,688	8,392
TAB	65,482	61,501	60,965	62,533	59,670
Non-TAB	6,976	13,260	17,200	18,893	25,482

Abandoned race meetings

REASON FOR ABANDONMENT	TAB	NON-TAB
Bushfires	9	1
Stewards Decision on Safety	0	1
Wet Weather	11	0
Heat Policy	1	0
Track or Racing Infrastructure issue	1	2
Other	0	0
TOTAL	22	4

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 FY19-20 serviceability rate target based on the FY18-19 performance at 2.2%.

In FY19-20 there were a total of 1,129 race meetings scheduled in NSW. There were 1103 Metropolitan, TAB and non-TAB meetings conducted. A total of 26 race meetings were abandoned, including 10 which were abandoned due to severe bushfires in the state during the summer. The remaining 16 race meetings were abandoned due to wet weather, excessive heat or track safety, resulting in a serviceability rate of 2.3%.

There were 32 greyhound racing clubs registered to race in FY19-20.

Following consultation with the race clubs and other industry stakeholders including GWIC, in accordance with the *Greyhound Racing Act 2017* No 13, Section 26 (1) (a) (b) (c); GRNSW completed the Minimum Standards for:

- Racecourse Design and Construction
- Racecourse Facilities and Amenities
- Training Tracks.

All NSW tracks will be measured against the Minimum Standards with safety audits carried out to determine track compliance.

Additionally, in accordance with the *Greyhound Racing Act 2017* No 13 – NSW Legislation, Section 24, GRNSW has developed Track Safety Standards for sand and grass tracks for its licensed racecourses and has produced for tracks, a compliance manual to provide guidance for enforcement of the Track Safety Standards.

There were no suspensions or cancellations by GRNSW of the registration of greyhound racing clubs on commercial grounds, nor any disciplinary action taken by GRNSW against greyhound racing clubs.

GROUP 1 WINNERS

Peter Mosman Opal – Start A Riot



Vic Peters Classic – Feral Franky



Dapto Megastar – Good Odds Harada



National Derby – Oh Mickey



National Futurity – Zipping Veyron



Paws of Thunder – King Cratos



WAGERING

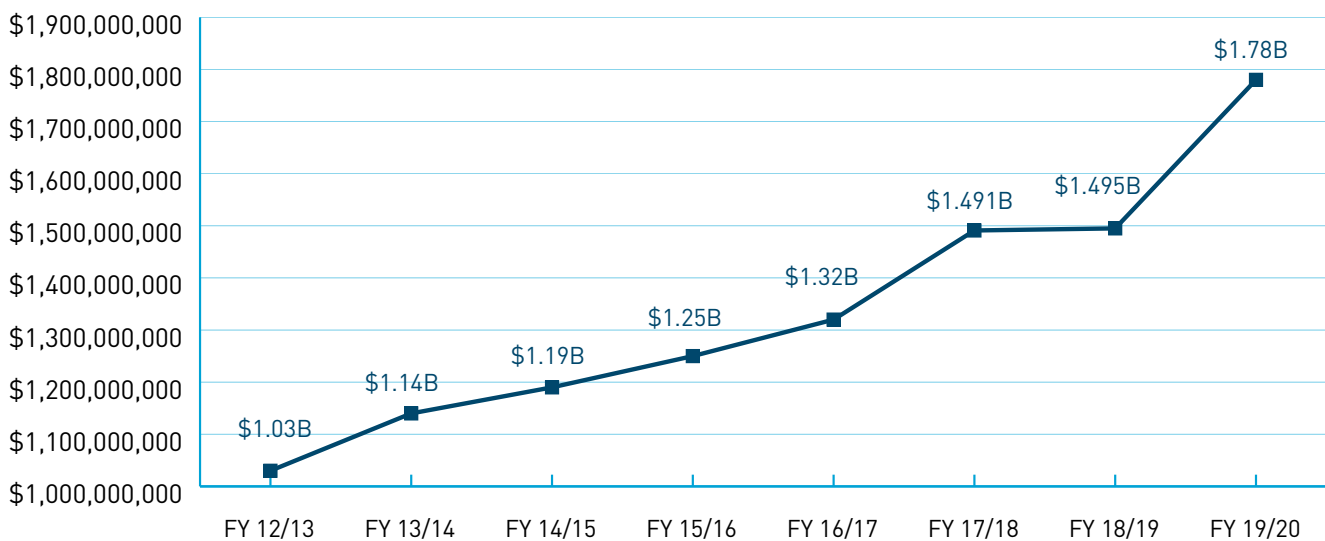
The FY19-20 year produced exceptional wagering outcomes for the NSW greyhound industry, with unprecedented levels of engagement driving a 19.1% rise in Annual Turnover to a record \$1.78 billion. This uplift represents a 41.9% turnover increase since FY15-16, highlighting a resurgence in NSW greyhound racing driven by confidence and enjoyment from an ever-expanding fan base.

NSW Greyhounds continue to gain traction with Wagering Service Providers as the greyhound code provides the wagering content that drives optimal gross margin outcomes for bookmakers. This is

increasingly important in a time of rising product fees and PoCT (Point of Consumption Tax). It explains why Corporate bookmakers are placing greater emphasis on their greyhound racing portfolios, of which NSW contributes a significant slice of the premium wagering product.

Digital channels continue to widen interest amongst the younger demographics, which in turn has stimulated wagering growth. The uncomplicated nature of greyhound racing has seen increasing numbers of younger people enjoy the product as a betting medium.

TOTAL TURNOVER GROWTH: FY 12-13 THROUGH 19-20



Corporate bookmakers continued to increase their market share with State-based TABs losing ground to their online rivals. The market share shift has been accentuated by COVID-19 with the closure of retail outlets but also reflects a longer-term trend

experienced across all Australian racing. This trend will level out as TABCORP place ever-increasing emphasis on their multiple brands digital offerings and the unique opportunities that exist via channels such as digital in venue / venue mode.

GRNSW YEAR-ON-YEAR ANALYSIS	TURNOVER MARKET SHARE		
WAGERING OPTION	FY 19-20	FY 18-19	YOY
State-Based TAB's: Fixed Odds	19.1%	23.8%	-4.7%
State-Based TAB's: Pari-mutuel pools	16.8%	21.6%	-4.8%
Corporates: Fixed Odds	44.4%	37.6%	6.7%
Corporates: Tote Derivatives	14.0%	12.9%	1.1%
Betting Exchanges	5.6%	4.1%	1.5%
Tournament Betting	0.1%	0.0%	0.1%

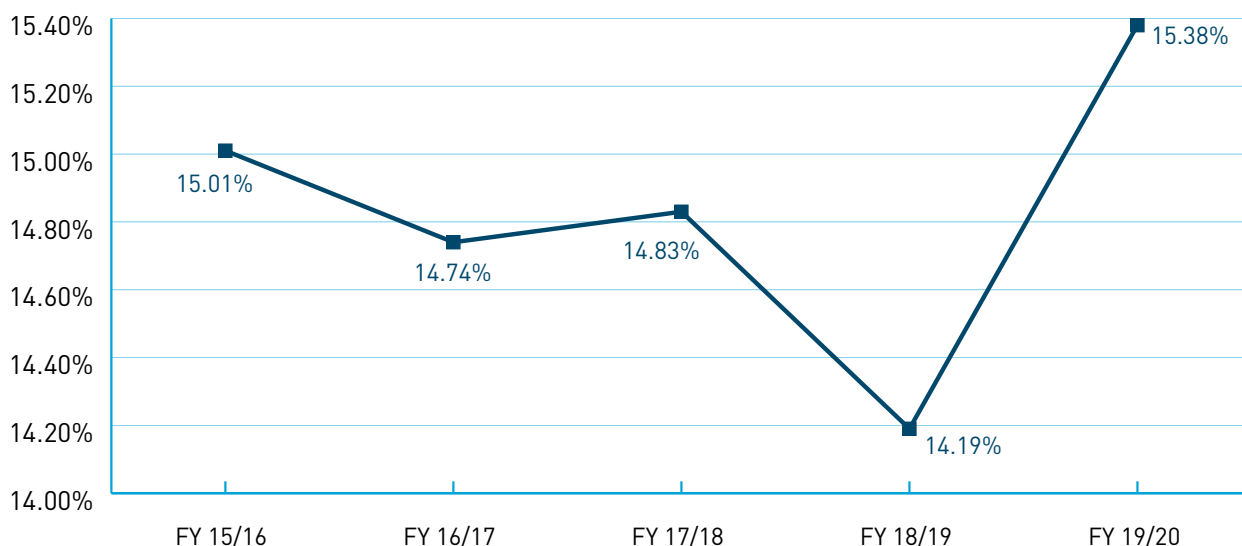
For the first time Fixed Odds wagering passed the \$1 billion threshold, completing the year at \$1.23 billion. Corporates drove 64% of that new high mark with \$790 million in fixed odds turnover, whilst betting exchange Betfair cemented its importance in the NSW greyhounds wagering ecosystem with an aggregate hold of exactly \$100 million for FY19-20.

A primary business objective of GRNSW throughout the financial year was addressing the declines in Average Field Size (AFS) since 2018. Wagering outcomes are optimised by running the highest percentage of full eight-dog fields but a host of mitigating circumstances has placed pressure on the AFS over time, which in turn has made it difficult to maximise wagering. The average for the year was 7.22, up from 7.17 in FY18-19 but still well shy of the target AFS of 7.6 achieved in FY17-18.

In-depth research of metropolitan and regional dog populations provided GRNSW with greater understanding of the challenges faced and how to achieve the best outcomes going forward. The GRNSW Racing schedule was continually refined to target areas with strong racing populations and develop strategies to ensure maximum exposure of the dog population, resulting in the conversion of more non-TAB content into full TAB content.

Yields set new benchmark highs during the year at 15.38%, surpassing the previous five-year average of 14.75%. The strong yield drove significant uplift in Product Fees from bookmakers to above \$36 million as the benefits from GRNSW market-leading hybrid product fee model were fully realised. For the first time in FY19-20 product fees from bookmakers surpassed the TAB contribution to GRNSW. We expect this trend to continue into the future.

GRNSW YIELD: FY 15-6 THROUGH 19-20



LEGAL AND POLICY

STATUTORY REVIEW OF THE GREYHOUND RACING ACT 2017 (NSW)

GRNSW made submissions to the Minister in relation to the mandated statutory review by the Minister of the *Greyhound Racing 2017* (NSW) (**the Act**). The statutory review is intended to assess the provisions of the Act and their suitability in meeting the policy objectives. The submissions made by GRNSW canvassed the following:

- (a) improvements in the welfare of greyhounds since the introduction of the Act;
- (b) the appropriateness of a target for unnecessary euthanasia of greyhounds;
- (c) the adequacy of compliance and enforcement powers in relation to greyhound racing;
- (d) the appropriateness of the terms of an operating licence granted to GRNSW,
- (e) the appropriateness of penalties and offences,
- (f) the funding and efficiency of the Greyhound Welfare & Integrity Commission,
- (g) any impact on the export of greyhounds since the introduction of the Act.

It is anticipated that a report on the outcome of the review which will include submissions made by various stakeholders will be tabled in both Houses of Parliament early 2021.

GRNSW will also make submissions in relation to the upcoming statutory review of the *Betting Tax Amendment (Point of Consumption) Act 2018*.

NEW SOUTH WALES GREYHOUND WELFARE CODE OF PRACTICE

As required by the Act, GRNSW made submissions in relation to the preparation of the NSW Greyhound Welfare Code of Practice (**Code**). The development of the Code was one of the key recommendations made by the Greyhound Industry Reform Panel in an effort to achieve long term improvements in the area of greyhound welfare.

The Code sets out a number of standards in relation to greyhound welfare to be observed by industry participants regardless of whether or not the greyhound is being kept for the purpose of racing.

The Code was reviewed by the NSW Government earlier in the year and subsequently a final Code was adopted. The Code will come into force on January 1, 2021 and the Greyhound Welfare & Integrity Commission will be responsible for the enforcement of the Code.

ACCESS TO INFORMATION AND STATUTORY NOTICES

GRNSW furnished information in FY19-20 in response to several access to information requests under the *Government Information (Public Access) Act 2009* (NSW) and as required by the *Greyhound Racing Act 2017* (NSW). The table titled GIPA Report details the information requests received by GRNSW during the relevant period.

GIPA REPORT

Greyhound Racing NSW is subject to the provisions of the Government Information (Public Access) Act 2009. During the period commencing 1 July 2019 and ending 30 June 2020 GRNSW received 5 formal requests for information under the 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	-	-	1	1	-	-	-	-
Private sector business	-	-	-	-	-	-	-	-
Not for profit organisations or community groups	-	-	-	-	-	-	-	-
Members of the public (application by legal representative)	-	-	-	-	-	-	-	-
Members of the public (other)	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*	1	-	-	1	-	-	-	-
Access applications (other than personal information applications)	-	-	1	2	-	-	-	-
Access applications that are partly personal information applications and partly other	-	-	-	-	-	-	-	-

* 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).

GIPA REPORT (CONTINUED)

TABLE C: INVALID APPLICATIONS

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	-
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	NIL
Invalid applications that subsequently became valid applications	-

TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 TO ACT

	Number of times consideration used*
Overriding secrecy laws	-
Cabinet information	-
Executive Council information	-
Contempt	-
Legal professional privilege	-
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	1
Business interests of agencies and other persons	-
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)	5
Decided after 35 days (by agreement with applicant)	–
Not decided within time (deemed refusal)	–
Total	5

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	–	–	–
Review by Information Commissioner	–	–	–
Internal review following recommendation under section 93 of Act	–	–	–
Review by ADT	–	–	–
Total	NIL	NIL	NIL

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

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

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	–

SUMMARY OF FINANCIAL PERFORMANCE

The FY19-20 financial year delivered a net profit of \$6.963 million for GRNSW, an outstanding result given the vast and varied challenges that the industry has had to overcome. In particular, in the first six months of 2020, racing operations were adversely impacted by bushfires, drought and restrictions associated with the COVID-19 pandemic. Despite these challenges, the initiatives undertaken by management, including the implementation of a Regional Racing Model and targeted cost reductions have provided a solid foundation for GRNSW. GRNSW is well placed to continue building on its strategic objectives including targeted investments in significant animal welfare and industry stimulus initiatives.

EXPENDITURE

Expenditure in FY19-20 increased by \$8.2 million in support of initiatives to make the greyhound industry in NSW more responsible, sustainable and competitive. Key items include:-

- Combined returns to clubs and participants increased to \$42,346,253 an increase of \$4,569,918, driven by an increase in the volume of racing.
- Investment in GAP increased year-on-year with \$3,394,877 spent in FY19-20, up from \$1,941,459 in FY18-19. 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.
- As part of the GRNSW Operating Licence, the contribution by GRNSW towards GWIC's second year operating expenses for FY19-20 was \$8,400,000. This was down on the prior year contribution of \$9,190,000. The FY19-20 year savings reflect cash reserves carried over from the prior year as well as a reduction in some areas of discretionary expenditure.
- Due to an organisational restructure during FY19-20, Racing and Club Infrastructure, Operations and Media & Digital should be viewed as a collective. Expenditure across these areas increased by \$1,303,928, as GRNSW continued to provide support to clubs for track surface preparation, the provision of annual track renovations and other ongoing track safety initiatives. GRNSW also increased its investment in the promotion of the Million Dollar Chase brand, through print, radio and television as its popularity continues to grow and earn national and international recognition.
- The Greyhound Media Services (GMS) business was absorbed into GRNSW during the year adding a further \$2,567,149 to the cost base primarily representing Club Distribution Rights Fees.
- Finance, Legal and Corporate costs decreased by \$1,527,131 in FY19-20 due to targeted cost cutting measures as a result of the COVID-19 Pandemic.

INCOME

The headline items related to income include:

- TAB wagering income decreased by \$563,752, representing a 1.6% decline over the previous year.
- Race Fields Information Use (RFIU) fee income increased by \$10,388,185, representing a year-on-year growth of 41.3%, more than offsetting the TAB decline.
- The increase in the Sponsorship and Commercial Broadcasting Fees was driven by the inclusion of the GMS business in GRNSW for FY19-20.
- GRNSW received \$6,172,810 in Tax Parity Receipts in FY19-20, which was slightly up from the prior year but lower than expectation due to the weaker TAB wagering result.
- GRNSW received \$5,295,452 in relation to the first full year of the Point of Consumption Tax (PoCT). GRNSW receives Tax Parity and PoCT payments on a quarterly basis which has assisted with managing cash flow.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020



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 2020

	Notes	2020 \$	2019 \$
Income			
TAB distributions		33,680,824	34,244,576
Race field information use fees		35,537,137	25,148,952
Tax receipts		11,468,262	7,939,424
Other income		517,323	1,095,663
Marketing & Digital		221,879	421,706
Interest		92,563	198,764
Greyhounds as pets		37,501	57,215
Sponsorship & Rights		4,451,684	300,000
Total income		86,007,173	69,406,300
Expenditure			
Prizemoney & Race Club costs		(42,346,253)	(37,776,335)
Finance, legal & corporate		(7,954,475)	(9,481,606)
Regulatory		(8,403,707)	(9,198,235)
Media & Digital		(6,741,746)	(3,410,701)
Racing & Club infrastructure		(3,008,248)	(3,067,651)
Operations		(908,357)	(2,876,071)
IT costs		(1,036,759)	(1,187,635)
Greyhounds as pets		(3,394,877)	(1,941,459)
Animal welfare		(914,228)	(833,048)
Depreciation	4	(1,220,596)	(541,459)
Finance cost	4	(259,127)	-
Loss on sale of fixed assets		(9,969)	(80,787)
Sponsorship & Rights		(2,567,149)	-
Other expenses		(278,646)	(519,550)
Total expenditure		(79,044,137)	(70,914,537)
Surplus/(loss) for the year		6,963,036	(1,508,237)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		6,963,036	(1,508,237)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Notes	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	11,565,233	5,680,843
Trade and other receivables	6	21,367,735	17,748,274
Financial assets	8	302,354	302,354
Other current assets	9	67,308	201,583
TOTAL CURRENT ASSETS		33,302,630	23,933,054
NON-CURRENT ASSETS			
Property, plant and equipment	7	4,153,608	3,789,790
Financial assets	8	6,497,681	6,497,681
Intangible assets	10	-	-
Right-of-use assets	11	4,317,969	-
TOTAL NON-CURRENT ASSETS		14,969,258	10,287,471
TOTAL ASSETS		48,271,888	34,220,525
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	8,044,272	5,462,028
Provisions	15	742,579	631,218
Lease liabilities	16	491,383	-
TOTAL CURRENT LIABILITIES		9,278,234	6,093,246
NON-CURRENT LIABILITIES			
Provisions	15	5,684	52,987
Lease liabilities	16	3,950,642	-
TOTAL NON-CURRENT LIABILITIES		3,956,326	52,987
TOTAL LIABILITIES		13,234,560	6,146,233
NET ASSETS		35,037,328	28,074,292
EQUITY			
Reserves	13	676,386	676,386
Retained surplus		34,360,942	27,397,906
TOTAL EQUITY		35,037,328	28,074,292

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Reserves	Retained Surplus	Total
	\$	\$	\$
Balance at 1 July 2019	676,386	27,397,906	28,074,292
Surplus for the year	-	6,963,036	6,963,036
Other comprehensive income	-	-	-
Total other comprehensive profit for the year	-	6,963,036	6,963,036
Balance at 30 June 2020	676,386	34,360,942	35,037,328
Balance at 1 July 2018	676,386	28,906,143	29,582,529
Loss for the year	-	(1,508,237)	(1,508,237)
Other comprehensive income	-	-	-
Total other comprehensive loss for the year	-	(1,508,237)	(1,508,237)
Balance at 30 June 2019	676,386	27,397,906	28,074,292

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from operations	82,429,424	67,739,037
Payments to suppliers and employees	(74,908,143)	(71,675,421)
Interest received	92,563	198,764
Interest payment on lease liabilities	(259,127)	-
Net cash provided by / (used in) operating activities	<u>7,354,717</u>	<u>(3,737,620)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property, plant and equipment	268,237	384,168
Payment for property, plant and equipment	(1,180,440)	(826,198)
Net cash used in investing activities	<u>(912,203)</u>	<u>(442,030)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities	(558,124)	(265,281)
Net cash used in financing activities	<u>(558,124)</u>	<u>(265,281)</u>
Net increase / (decrease) in cash and cash equivalents held	5,884,390	(4,444,931)
Cash and cash equivalents at beginning of year	5,680,843	10,125,774
Cash and cash equivalents at end of financial year	5 <u><u>11,565,233</u></u>	<u><u>5,680,843</u></u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

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 26 October, 2020.

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) Income Tax

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

(b) 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2 Summary of Significant Accounting Policies (continued)

(b) Revenue and other income (continued)

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).

(c) 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 Company'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 Company'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.

(d) 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.

(e) 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2 Summary of Significant Accounting Policies (continued)

(e) Trade and other receivables (continued)

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.

(f) 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 losses.

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 Company to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected 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.

Plant and equipment in progress are stated at cost, net of accumulated impairment losses, if any.

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 those assets are transferred to retained surplus.

(g) Intangibles other than goodwill

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2 Summary of Significant Accounting Policies (continued)

(h) 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. 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.

(i) 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.

(j) Financial instruments

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2 Summary of Significant Accounting Policies (continued)

(j) Financial instruments (continued)

(iv) Impairment

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.

(k) 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.

(l) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Motor vehicles: 2-3 years
- Office premises: 2-5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2 Summary of Significant Accounting Policies (continued)

(l) Leases (continued)

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(m) Insurance

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

(n) 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 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 outflows.

(o) Superannuation commitments

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

(p) Changes in accounting policies, disclosures, standards and interpretations

(i) New and amended standards and interpretations

The Company applied AASB 16 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time from 1 July 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

AASB 16 Leases

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in depreciation and amortisation expenses) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2 Summary of Significant Accounting Policies (continued)

(p) Changes in accounting policies, disclosures, standards and interpretations (continued)

Impact of adoption

AASB 16 was adopted using the simplified modified retrospective approach and as such the comparatives have not been restated. The Company has elected to recognise a lease liability and a right-of-use asset of equal value on the initial application for leases, as permitted on adoption of the standard. Therefore there is no impact on opening retained earnings.

(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 2020. 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 the standard and its amendment to the extent relevant to the financial statements of the Company.

(q) Comparative figures

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3 Critical Accounting Estimates and Judgements

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.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates.

Impairment

The entity assessed 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.

Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

4 Surplus for the Year

The result for the year includes the following specific expenses:

	2020	2019
	\$	\$
<i>Depreciation expense</i>		
Depreciation of property, plant and equipment	538,416	541,459
Depreciation of right-of-use assets (note 11)	682,180	-
	<u>1,220,596</u>	<u>541,459</u>
<i>Rental expense on operating leases</i>		
Minimum lease payments	<u>132,652</u>	546,218
<i>Finance costs</i>		
Interest and finance charges on lease liabilities	<u>259,127</u>	-

5 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank	11,565,233	5,680,643
Cash on hand	-	200
	<u>11,565,233</u>	<u>5,680,843</u>

6 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Receivables	21,377,885	17,788,857
Allowance for expected credit losses	(10,150)	(40,583)
	<u>21,367,735</u>	<u>17,748,274</u>

Allowance for expected credit losses

The Company has recognised a loss of \$259,132 (2019: \$40,007) in profit or loss in respect of the expected credit losses for the year ended 30 June 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

7 Property, Plant and Equipment

	2020	2019
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	<u>1,320,770</u>	1,320,770
Buildings		
At cost	1,999,580	1,999,580
Accumulated depreciation	<u>(717,221)</u>	(603,096)
	<u>1,282,359</u>	1,396,484
Total land and buildings	<u>2,603,129</u>	2,717,254
PLANT AND EQUIPMENT		
Furniture and fittings		
At cost	331,794	56,695
Accumulated depreciation	<u>(10,284)</u>	(41,630)
	<u>321,510</u>	15,065
Motor vehicles		
At cost	1,177,467	1,547,334
Accumulated depreciation	<u>(797,917)</u>	(757,741)
	<u>379,550</u>	789,593
Office equipment, computers and software		
At cost	1,150,614	1,540,454
Accumulated depreciation	<u>(301,195)</u>	(1,373,663)
	<u>849,419</u>	166,791
Make good asset		
At cost	-	101,087
	-	101,087
Total plant and equipment	<u>1,550,479</u>	1,072,536
Total property, plant and equipment	<u>4,153,608</u>	3,789,790

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

7 Property, Plant and Equipment (continued)

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	Furniture and fittings	Motor vehicles	Office equipment computers and software	Make good assets	Total
2020	\$	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2019	1,320,770	1,396,484	15,065	789,593	166,791	101,087	3,789,790
Additions	-	-	315,699	-	864,741	-	1,180,440
Disposals	-	-	-	(177,119)	-	(101,087)	(278,206)
Depreciation expense	-	(114,125)	(9,254)	(232,924)	(182,113)	-	(538,416)
Carrying amount at 30 June 2020	1,320,770	1,282,359	321,510	379,550	849,419	-	4,153,608

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

8 Financial Assets

	2020	2019
	\$	\$
CURRENT		
Bank guarantee	302,354	302,354
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) totalling \$6,497,681 (2019: \$6,497,681) which is interest free. The receivable arose as a result of the privatisation of the Totalisator Agency Board.

9 Other Current Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	67,308	201,583

10 Intangible Assets

	2020	2019
	\$	\$
Licence		
Cost	254,100	254,100
Accumulated amortisation	(254,100)	(254,100)
Net carrying value	-	-

11 Right-Of-Use Assets

	2020	2019
	\$	\$
Right-of-use assets - at cost	5,000,149	-
Less: accumulated depreciation	(682,180)	-
	4,317,969	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

11 Right-Of-Use Assets (continued)

Movements in carrying amount of right-of-use assets

	Right-of-use assets \$
Carrying amount at 1 July 2019	-
AASB16 adoption	5,000,149
Additions	-
Depreciation	<u>(682,180)</u>
Balance at end of the year	<u><u>4,317,969</u></u>

12 Trade and Other Payables

	2020 \$	2019 \$
CURRENT		
Accounts payable	5,603,875	4,764,745
Prizemoney	122,066	327,207
Accruals	<u>2,318,331</u>	<u>370,076</u>
	<u><u>8,044,272</u></u>	<u><u>5,462,028</u></u>

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

13 Reserves

General reserve

The general reserve of \$676,386 (2019: \$676,386) records funds set aside for future expansion of Greyhound Racing New South Wales.

14 Operating lease commitments

Non-cancellable operating lease commitments contracted for but not capitalised in the financial statements:

	2020 \$	2019 \$
Property lease payable:		
Not later than one year	-	522,150
Later than one year but not later than five years	<u>-</u>	<u>1,163,204</u>
	<u><u>-</u></u>	<u><u>1,685,354</u></u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

14 Operating lease commitments (continued)

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 for the lease is 5 years with an option to renew for an additional 5 years. Annual rent excluding GST is \$508,260 with a fixed 4% increase per annum.

AASB16 was adopted during the year and the current year figures are nil as a result.

15 Provisions

	2020	2019
	\$	\$
CURRENT		
Make good provision	192,926	123,780
Annual leave	443,228	387,619
Long service leave	106,425	77,840
Other provision	-	41,979
	<u>742,579</u>	<u>631,218</u>
NON-CURRENT		
Long service leave	<u>5,684</u>	<u>52,987</u>

Analysis of provisions

	Make good provision	Annual leave	Long service leave	Other provision	Total
	\$	\$	\$	\$	\$
Opening balance at 1 July 2019	123,780	387,619	130,827	41,979	684,205
Additional provisions	69,146	55,609	34,269	-	159,024
Amounts used	-	-	(52,987)	(41,979)	(94,966)
Balance at 30 June 2020	<u>192,926</u>	<u>443,228</u>	<u>112,109</u>	<u>-</u>	<u>748,263</u>

Based on past experience, the Company 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 Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

16 Leases

	2020	2019
	\$	\$
CURRENT		
Lease liabilities	<u>491,383</u>	-
NON-CURRENT		
Lease liabilities	<u>3,950,642</u>	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

17 Financial Risk Management

The Company'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:

	2020	2019
	\$	\$
Financial Assets		
Cash and cash equivalents	11,565,233	5,680,843
Loans and receivables	28,167,770	24,548,309
Total financial assets	<u>39,733,003</u>	<u>30,229,152</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Trade and other payables	8,044,272	5,462,028
Total financial liabilities	<u>8,044,272</u>	<u>5,462,028</u>

18 Key Management Personnel Disclosures

The total of remuneration paid to key management personnel (KMP) of the Company during the year is as follows:

	2020	2019
	\$	\$
Key management personnel compensation	<u>2,300,973</u>	<u>2,170,781</u>

19 Contingencies

In the opinion of those charged with Governance, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

20 Related Parties

The Company'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 Company are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 18: Key Management Personnel Disclosures.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

20 Related Parties (continued)

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 no receivable from Greyhound Media Services Pty Ltd which arose as a result of media services provided by GRNSW (2019: \$519,334).

21 Events Occurring After the Reporting Date

There are current uncertainties in the economy related to the COVID-19 outbreak that emerged since early 2020. These uncertainties have impacted the Company's operations and may create questions about the impairment or recoveries of certain assets. As the situation is still evolving, the full effect of the outbreak is still uncertain. It is however reasonably possible that COVID-19 will have an adverse impact on the Company's revenues and results for the next reporting year, the extent of which will depend on how long the outbreak lasts.

On 15 October 2020 Greyhound Racing New South Wales acquired from Richard Johnston Investments Pty Limited the legal title to the property situated at 1949 Martindale Road, Denman for a total purchase price of \$1,600,000.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company the results of those operations, or the state of affairs of the Company in future financial years.

22 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 1 to 20
 - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2020 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.



.....
Tony Mestrov

Dated this26th..... day ofOctober..... 2020

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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 2020, the statement of profit or loss and other 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 declaration by those charged with governance.

In our opinion the accompanying financial report presents fairly, in all material respects of the financial position of Greyhound Racing New South Wales as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Regime.

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 ABC Entity in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Greyhound Racing New South Wales's annual report for the year ended 30 June 2020, 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 Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Regime, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

In preparing the financial report, management is responsible for assessing Greyhound Racing New South Wales' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Greyhound Racing New South Wales or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

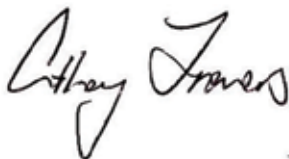
Auditor's Responsibilities for the Audit of the Financial Report

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. This description forms part of our auditor's report.

A stylized, handwritten signature of the RSM firm.

RSM Australia Pty Ltd

A handwritten signature of Anthony Travers.

Anthony Travers
Director

Sydney, NSW
Dated: 26th October 2020



**GREYHOUND
RACING
NSW**

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