



GREYHOUND RACING VICTORIA

ANNUAL REPORT 2020-2021



ACCESSIBILITY

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VICTORIAN GREYHOUND RACING SNAPSHOT



**\$52.4
MILLION**

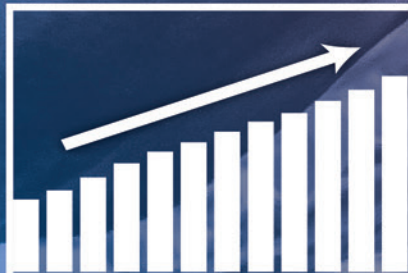
annual prizemoney and
other returns to
participants



\$

**\$550
MILLION**

in annual taxes
(across all Victorian racing codes)



**\$540
MILLION**

annual economic
contribution

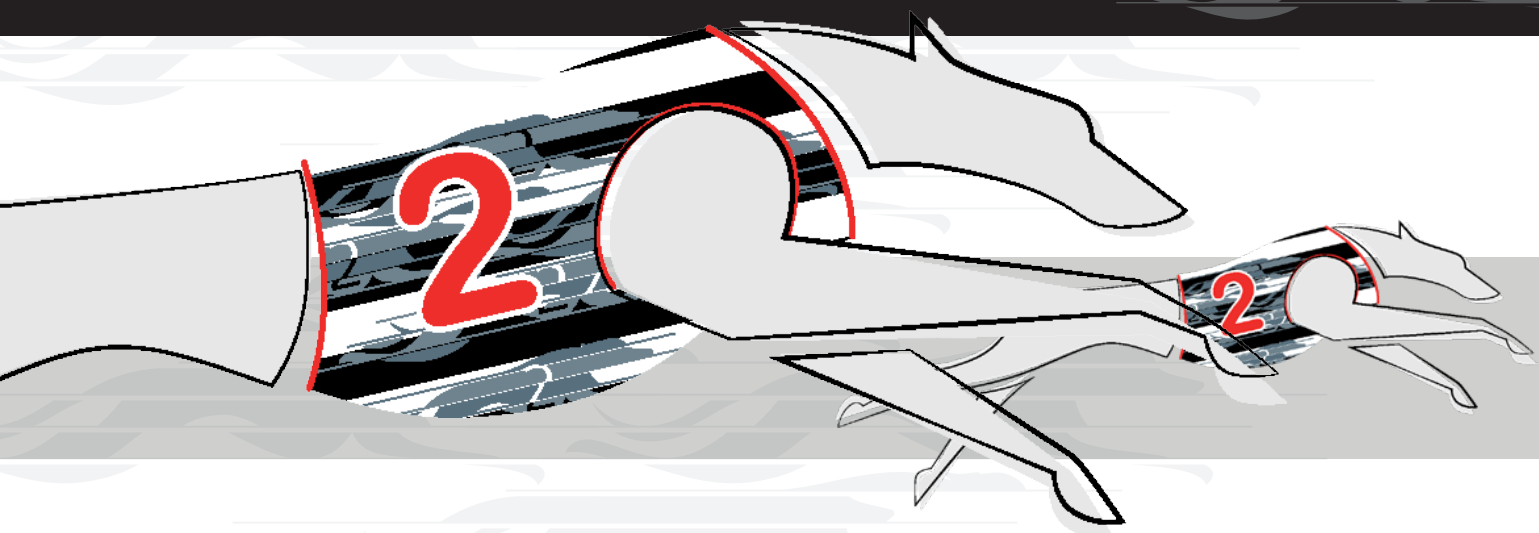


**\$3.35
BILLION**

in annual national
wagering turnover



CHAIR FOREWORD



In my second year as the Chair of the Greyhound Racing Victoria (GRV) Board we have been immersed in all things pandemic. With the strength of our collective efforts as an industry and sport, the participants, clubs, and staff have shown great determination and tenacity in continuing to race. For many of us this experience has not been easy. All of us have had to adjust our working and personal lives to push through and make sure we have been able to maintain the sport to high standards. All this has occurred while continuing to deliver on our Five-Year Strategic Plan.

Implementing the second year of our cost containment strategy across the organisation and stepping up our targeted promotion has enabled us to expand the racing calendar without serious interruption even during lockdowns and other restrictions. This has ensured the livelihood of participants and the welfare of the greyhounds has not been compromised, which is a credit to all involved.

Over the year, as part of GRV's 'Innovation to Drive Revenue' strategic priority, the racing program grew by three new meetings to 26 a week, making Victorian greyhound racing the world's single biggest racing code in terms of annual races held. This expansion took place at all levels across the racing schedule, from developing the Saturday morning racing program, to Tier 3 meetings, to introducing new marquee events such as the VIC BRED Pink Diamond series.

This meant the Board was able to introduce additional prizemoney and other returns to participants, reaching a record \$52.4 million for the year and we committed to a minimum of \$58 million for participants in 2021-22. GRV also invested in more participant support initiatives, including delivering a new \$1 million free trials program, expanding the Greyhound Recovery Initiative, and maintaining the waiving of fees for a wide range of participant and greyhound registration and application services. Once again, we have worked very closely with Victoria's 13 racing clubs, coursing clubs and Greyhound Clubs Victoria (GCV). Collaborative efforts targeted track safety, infrastructure, operating and governance frameworks, and health and safety issues.

Increasing prizemoney and other returns to participants will remain a key priority in the new year and beyond as GRV continues to build the provincial racing prizemoney pool while also bolstering and maintaining our national lead in metropolitan racing prizemoney. GRV will undertake a major review at the end of 2021 to identify more opportunities to increase returns to participants.

We will continue to develop our digital marketing and engagement presence and further expand into international markets through Sky Racing World. As part of this expansion GRV is working with Tabcorp and Victoria's other racing codes to secure co-mingling arrangements that will allow US customers to bet directly into Tabcorp's Australian pools.

GRV will also continue to build a fit for purpose organisation that delivers more services through automation and digital platforms. We aim to make it easier for participants to do business while reducing administrative costs and further improving integrity and greyhound welfare outcomes.

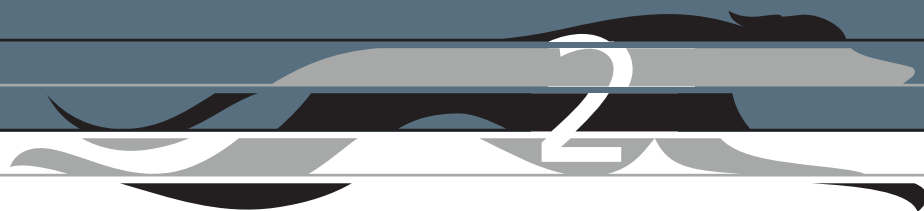
I would like to thank GRV's Racing Ambassador, Brent Harvey, the Greyhound Adoption Program's (GAP) Welfare Ambassador, Kate Stevenson, and the National Adoption Ambassador, Todd McKenney for their great work over the year. I also welcome onboard two new GRV Board directors, Bill Buccilli and Daniel Nugent, both appointed in May 2021 and thank my Deputy Chairs, Emmett Dunne and Greg Miller, and my fellow Board directors for their commitment and hard work during another challenging year. I would like to acknowledge the support of the Victorian Minister for Racing, Martin Pakula, the Victorian Greyhound Owners, Trainers and Breeders Association and GRV's wagering and media partners.

Most importantly I thank Victoria's greyhound racing community: the thousands of passionate and dedicated participants, volunteers, and clubs and GRV staff, who have delivered such an exceptional year for our sport. Hoping to see you all back at the track very soon. Stay Safe and Stay Racing.



A stylized, handwritten signature of Peita Duncan in white ink, written in a cursive script.

Peita Duncan



CEO'S REPORT



During 2020-21, there was significant uncertainty around GRV's ability to continue its planned racing pro-gram. Therefore, GRV took an extremely conservative position and implemented a comprehensive response to limit the risk of the spread of COVID-19. The Victorian Government's COVID-19 protocols were fully implemented across all racing sites. These protocols included barrier controls to test temperatures and to ascertain the health status of individuals. Also implemented was social distancing, wearing of masks and limiting attendance to only those who were directly involved in racing at all tracks across the state.

GRV's presence at race meetings was also increased to ensure compliance with all COVID-19 protocols. GRV also stepped-up support for staff working from home and placed strict requirements on the movement of field staff. In this context, Victoria was able to maintain its planned race program. I wish to give special heartfelt thanks to all participants, club staff and GRV staff who enabled the race program to continue as planned.

GRV's investment in the 2020-21 racing program focused on providing more opportunities for greyhounds of all ages and capabilities, and on growing the year's pool of prizemoney and other returns to participants. A calendar of 1321 meetings and 15,621 races was delivered, up ten and nine percent respectively over 2019-20. Starter numbers also rose nearly nine percent over the year. This expanded program, combined with Victorian greyhound racing's ability to keep racing during

lockdown, saw total national turnover on Victorian greyhound racing up by 29 percent over the year to reach \$3.35 billion.

Greyhound welfare and integrity continued as GRV's overarching priorities in 2020-21. The year saw some very significant and positive outcomes in key areas. A record 2983 greyhounds were rehomed, up nearly 70 percent from five years ago. More participants than ever directly rehomed greyhounds. The Greyhound Adoption Program (GAP) directly rehomed 951 greyhounds, which was a real achievement given it operated through nearly eight months of lockdowns. I thank all participants, the GAP staff, volunteers, and foster carers for their great work under such challenging circumstances.

Euthanasia rates fell to a record low of 409 over the year, down nearly 90 percent from five years ago. Many factors drove this sustained and dramatic reduction, including stronger reporting requirements under the Local Rules of Racing, the recently implemented Code of Practice and improved assessment and rehoming processes. GRV's Safe Racing Program, covered in more detail later, also continued to improve racing safety outcomes in 2020-21. Total race injuries were down by more than 19 percent over five years and race fatalities were down by 52 percent over the same period. Compared to 2019-20, race injures were down by more than 10%, and race fatalities were down by more than 30%, in 2020-2021. GRV is determined to further improve safety outcomes for next year and beyond.

GRV's 2020-21 revenue budget/forecast of \$98.6 million was based on the estimated impact of COVID-19 on the wagering and general economic environment. However, the final financial position at 30 June 2021 was much stronger than we anticipated. Total income was up 24 percent on the previous year to \$132.1 million, due in large part to a 33 percent increase in Racefield Fees and Point of Consumption Tax revenues. Total expenses were up by 13.9 percent to \$121.6 million. The increase was driven by Board decisions to increase prizemoney and other participant returns in the context of better-than-forecast revenue. There were also increased operational costs directly associated with the expanded racing program. Another unanticipated expense was the implementation of pandemic processes and protocols to support the continuation of greyhound racing during lockdowns and other restrictions. GRV finished the year with a net profit from transactions of \$10.5 million and liquidity levels remained strong.

Looking ahead, greyhound welfare, especially in safe racing, will continue as a key priority, as will a focus on new and upgraded infrastructure investment. GRV's own operations will also be reviewed and restructured over 2021-22 to increase engagement with and improve service delivery to participants.

I'd like to thank the GRV Board, the members of GRV's consultation and reference groups, Victoria's greyhound racing and coursing clubs and GCV for their dedication and hard work over the year. I also thank the Victorian Government, Tabcorp

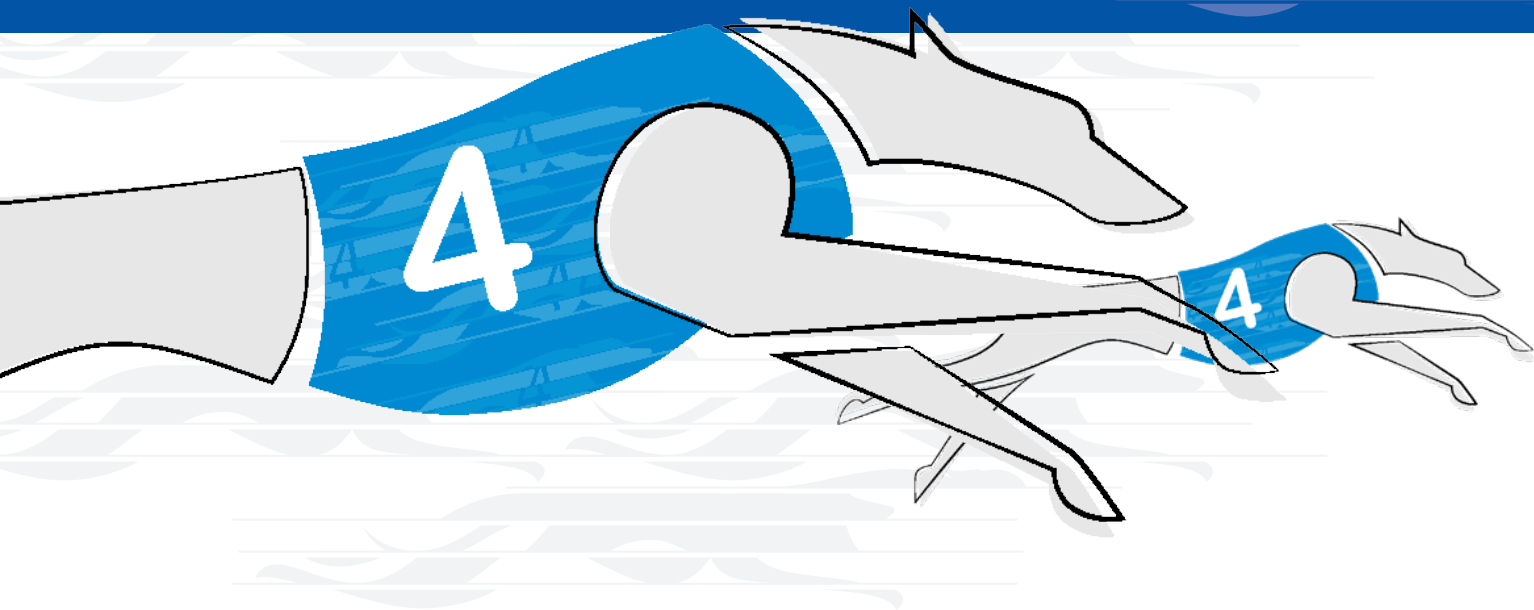


and our wagering and media partners and key stakeholders such as RSPCA Victoria for their support. Finally, I want to join with our Chair in thanking the clubs and GRV staff and volunteers and, most of all, the participants, for what has been achieved on the track in 2020-21 despite lockdowns and other challenges. This has been the biggest year yet for Victorian greyhound racing and I am confident that the best is still to come.

A handwritten signature in black ink, appearing to read 'Alan Clayton'. The signature is fluid and cursive, written over a light grey background.

Alan Clayton PSM

STRATEGIC FRAMEWORK



Our Vision		Our Mission			Our Values	
Victorian Greyhound Racing is a vibrant, entertaining and thriving sport with animal welfare at its heart		To professionally regulate, conduct and promote greyhound racing and welfare in Victoria with integrity and care, and to ensure an engaging, ethical, and sustainable sport			Integrity, Transparency, Collaboration, Respect, Safety, Responsiveness and Progressiveness	
Our Strategic Pillars						
Greyhound Welfare	Integrity	People, Culture & Financial Sustainability	Community Engagement	Club Development	Sports & Customer Development	Participant Engagement & Support
Our Core & Ongoing Business						
Greyhound Racing Program, Registration & Participant Support	Legal, Regulation, Compliance & Risk-based Integrity	Greyhound Welfare, GAP & Third Party Rehoming	Wagering, Customer & Commercial Development	Participants, Clubs & Infrastructure Projects	Industry Support, Communications, Marketing & Media	Corporate, Shared Services & Organisational Support
Our Strategic Directions						
Innovation to Drive Revenue	Racing Safety & Greyhound Welfare			One Industry		
Sustainable revenue growth through product innovation, leveraging digital technology and deeper consumer engagement	Evidence-based safer racing, breeding quality and sustainability, population optimisation training practices, participant support and rehoming			Improved GRV capability and culture, Club Governance, Professionalism & Performance, Shared Industry Vision and National Approach		

PROGRESS ON STRATEGIC DIRECTIONS: YEAR TWO

GRV's 2019-24 Strategic Plan sets out a clear long-term vision for the sustainable future of Victorian greyhound racing. The plan is broadly focused on commercial growth, maintaining strong greyhound care and integrity outcomes, and partnering with participants, clubs and the wider community. The Plan's progress is reviewed every six months by the GRV Board when targeted goals and key performance indicators are re-freshed and updated as needed to achieve the overarching vision.

This year GRV achieved record breaking results within six of its 12 key performance indicators across our three strategic directions, as follows:

INNOVATION TO DRIVE REVENUE

Sustainable revenue growth through product innovation, leveraging digital technology and deeper consumer engagement.

Targeted Outcomes:

- Revenue Growth
- Customer Acquisition and Retention
- Full Race Fields

Achievements during 2020-21:

- Wagering and customer growth reached record levels
- Increased and better targeted media/promotional coverage through broadcast and social media channels
- Continued expansion into offshore markets including the US and Europe
- Worked with Victorian Racing Industry partners on the Department of Treasury and Finance Point of Consumption Tax Review
- Expanded and optimised race program to drive wagering revenue and increase racing opportunities for participants while also accommodating the greyhound population and local demands

RACING SAFETY & GREYHOUND WELFARE

Evidence-based safer racing, breeding quality and sustainability, population optimisation, training practices, participant support and rehoming.

Targeted Outcomes:

- Safer Racing
- Getting Dogs to the Track
- Full Rehoming
- Improved Participant Engagement

Achievements during 2020-21:

- Significant reductions in both racing injuries and fatalities.
- Traralgon track redevelopment, with independent quality assurance, remained on schedule despite lock-downs.
- Lowest number of euthanasia events on record.
- Highest rehoming numbers on record.

ONE INDUSTRY

Improved GRV capability and culture, Club Governance, Professionalism & Performance, Shared Industry Vision and National Approach.

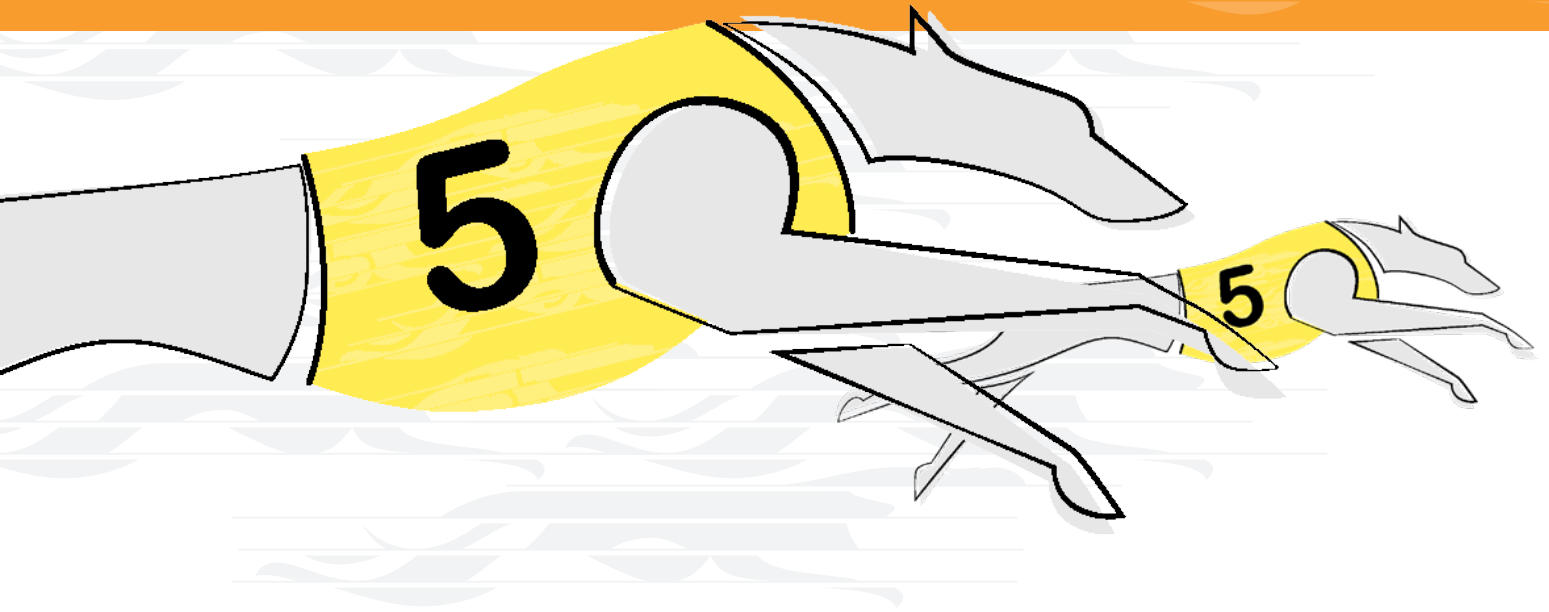
Targeted Outcomes:

- Optimised Participant Returns
- Club Growth
- Improved Community Attitude
- Enhanced GRV Capability

Achievements during 2020-21:

- Increased prizemoney to highest level on record
- Equitable Funding, Compliance and Performance reporting processes in place for all clubs
- Promoted greyhound welfare and integrity through multi-channel approach utilising online and broadcast media
- Uplift in community attitude
- GRV's operating model adapted to facilitate working from home efficiently and collaboratively, and to safely manage field and racing operations during lockdowns and restrictions.

REPORT ON OPERATIONS



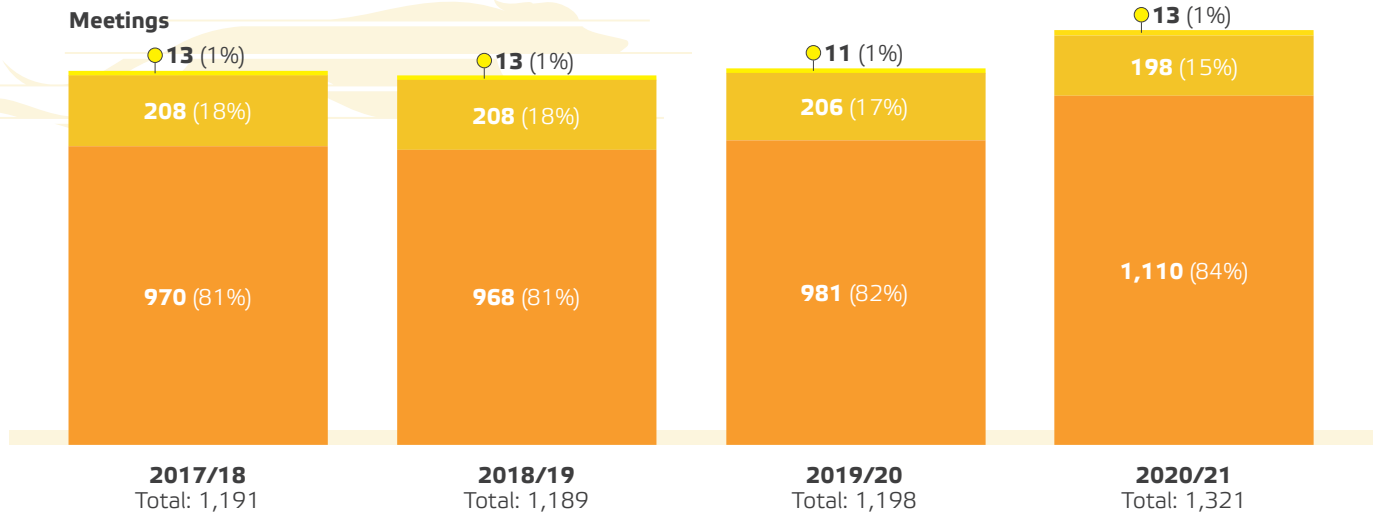
RACING

This year GRV delivered its largest racing program on record, with more meetings and more races providing more starting opportunities for our greyhounds.

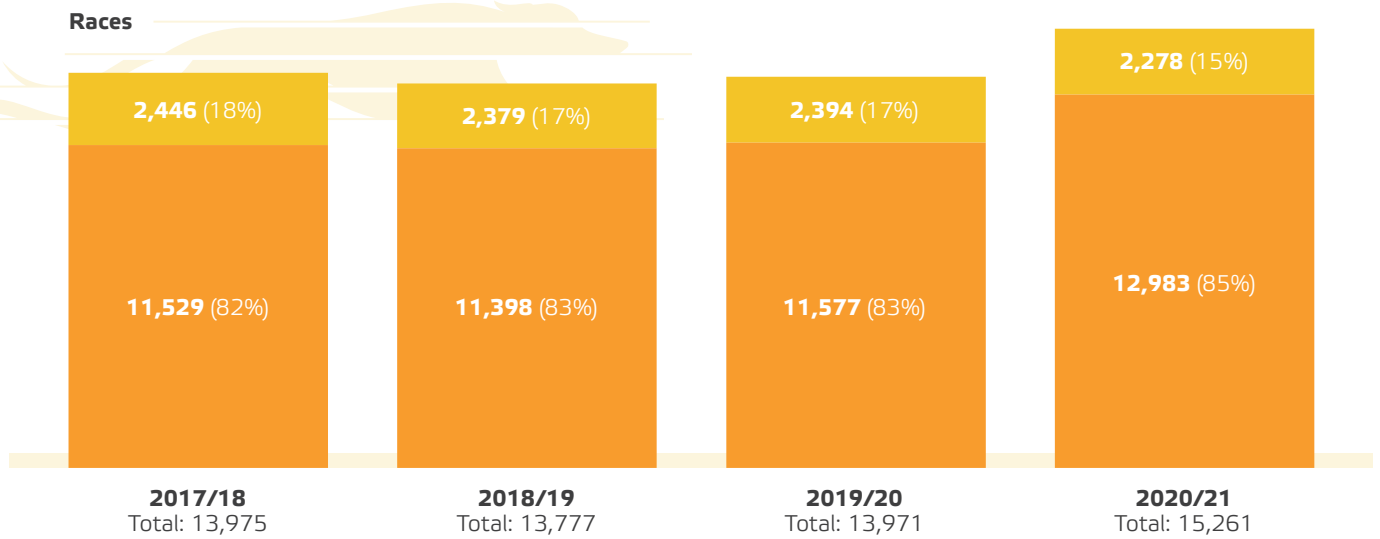
INDUSTRY PERFORMANCE INDICATORS

Legend: ■ Provincial ■ Metro ■ Coursing

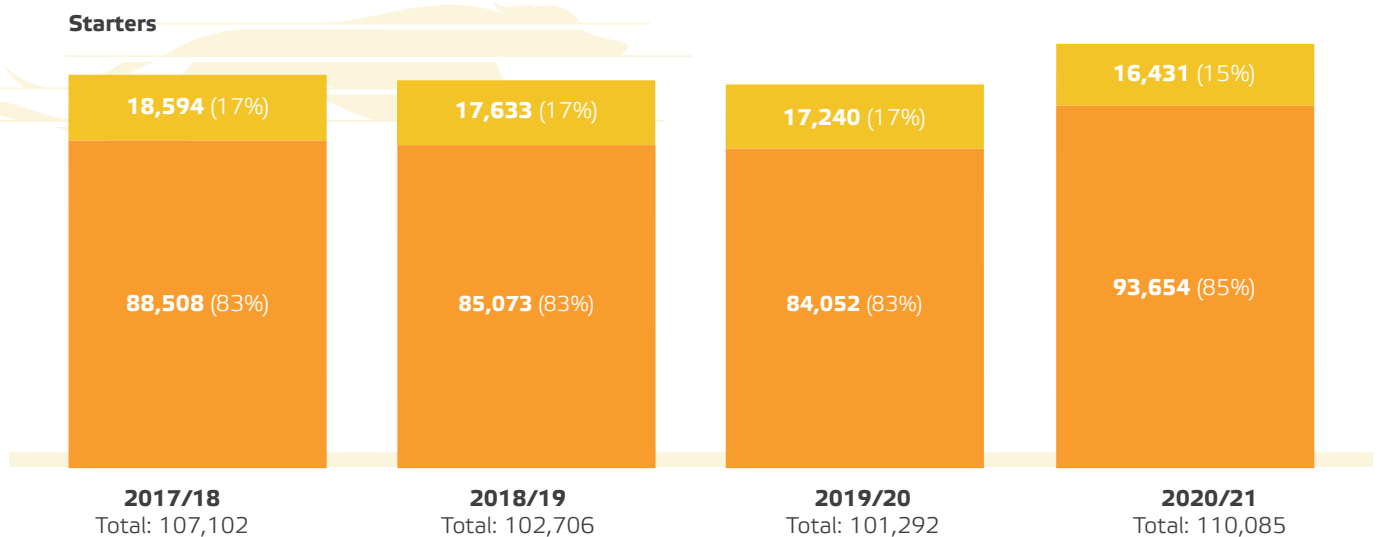
Meetings



Races



Starters



VICTORIAN GREYHOUND AWARDS

GRV virtually presented the 2020 Victorian Greyhound Awards on 30 August 2020.




- **Greyhound of the Year:** Whiskey Riot
- **Sprinter of the Year:** Whiskey Riot
- **Stayer of the Year:** True Detective
- **GRV Board Welfare Award:** Dr Rebecca Goode
- **GRV Board Leadership Award:** Victoria's greyhound racing community
- **Metropolitan and Provincial Trainer of the Year:** Andrea Daily

The Ken Carr Medal, the Ned Bryant 'Silver Fox' Award and Hall of Fame Awards were not presented in 2020 due to COVID-19 pandemic issues.

PARTICIPANT RETURNS AND SUPPORT

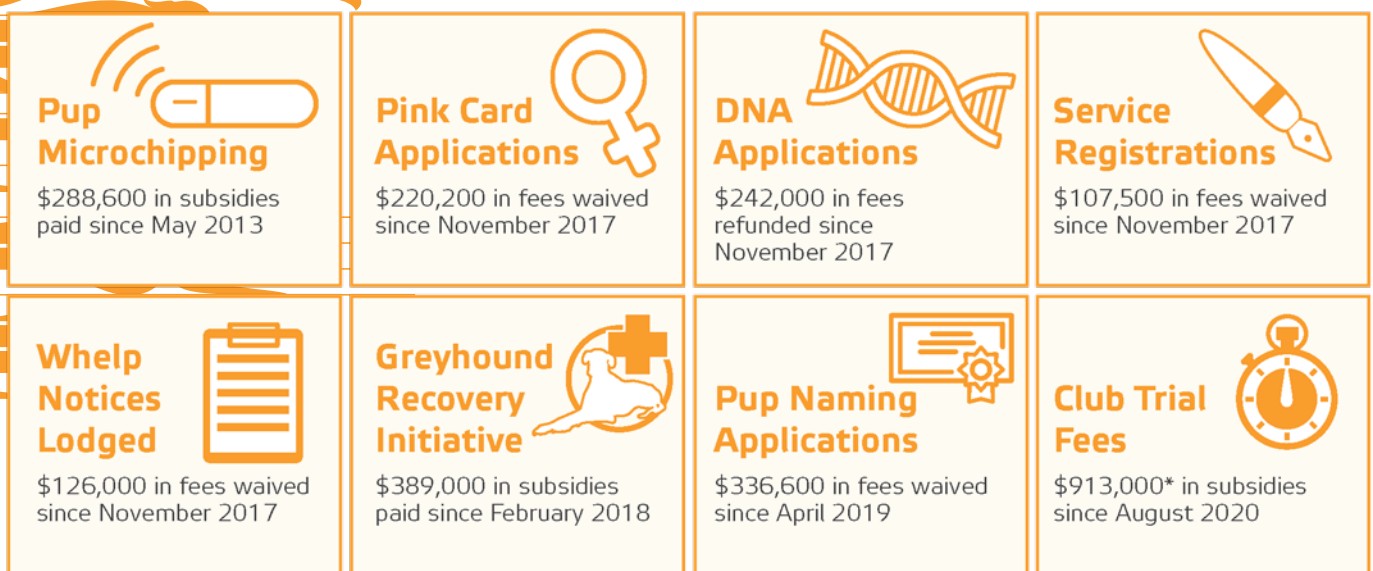
RETURNS

Prizemoney, Bonuses, Travel & Starters (\$)

				
TOTAL	\$45,076,365	\$46,491,197	\$45,676,610	\$52,417,460
	2017/18	2018/19	2019/20	2020/21
Prizemoney & Bonuses	38,187,770	39,439,908	38,752,997	44,732,123
VicGreys & Bonuses	615,075	1,064,425	1,049,500	1,154,400
Travel & Starters	6,113,460	5,834,700	5,725,570	6,340,420
Coursing	160,060	152,164	148,543	190,517

Participant returns reached an all-time high in 2020-21, up 14.7 percent over the previous year.

A package of initiatives has also been introduced by GRV in recent years to cut business costs for participants and subsidise greyhound welfare and racing expenses.



SUPPORT

Across the State, about 15,000 Victorians are directly involved in the sport as trainers, owners, breeders, handlers, staff at clubs, race days and the GAP, and as volunteers. Many of them have a family involvement in the sport spanning several generations.

At 30 June 2021, GRV had registered: 2181 trainers; 1037 breeders; 8387 owners (including trainers); and 5581 owners not registered as trainers. Women in the sport accounted for 25 percent of all registered trainers, 18 percent of all registered owners and 21 percent of all active registered participants.

GRV provides a range of services to support participants, delivered mainly through its Racing Services and Registrations Department (RSSD), which is usually the first point of contact given the relationship its team has built over the years with participants and key stakeholders.

Services include registration of participants, racing and breeding greyhounds, and tailored reminders regarding racing engagements, litter vaccine reminders, registration renewals and other time sensitive communications.

The RSSD also records race nominations, withdrawals and scratchings, implements GRV's Hot Weather Policy and supports GRV's Greyhound Welfare and Rehoming Department by managing the GAP assessment bookings. It also oversees registration of authorised persons and clinics in the Frozen Semen Insemination program in conjunction with Greyhounds Australasia.

GRV's Participant Support Line, established in May 2020, provides enhanced ongoing support to participants, by phone and email, in a way that fits with participants' day to day routines and needs. Participants can contact the Participant Support Line to seek general information, guidance or assistance on a wide variety of greyhound racing and welfare-related matters, and on topical issues such as COVID-19. Participants also received welfare and/or wellbeing check-ins in the event of personal injury, illness or crisis.

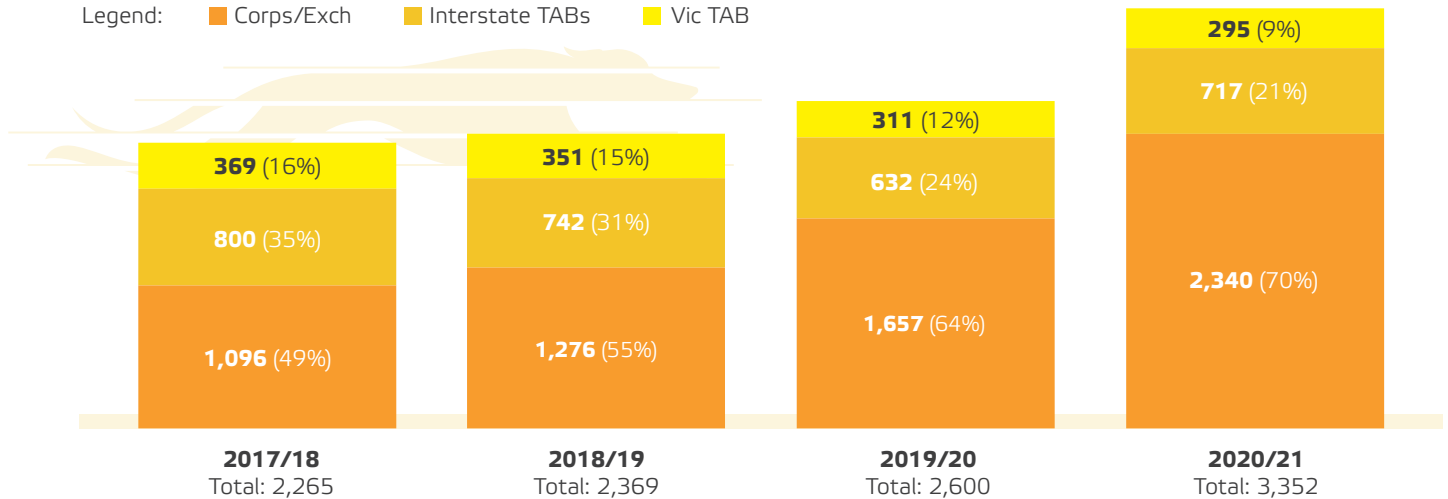
GRV also provides an independent dedicated and confidential Greyhound Participant Support service that provides specialist counselling, financial and wellbeing coaching, introductory legal advice and 24-hour phone support for participants and their families.

WAGERING

NATIONAL TURNOVER ON VIC GREYHOUNDS

(\$ million)

Legend: ■ Corps/Exch ■ Interstate TABs ■ Vic TAB



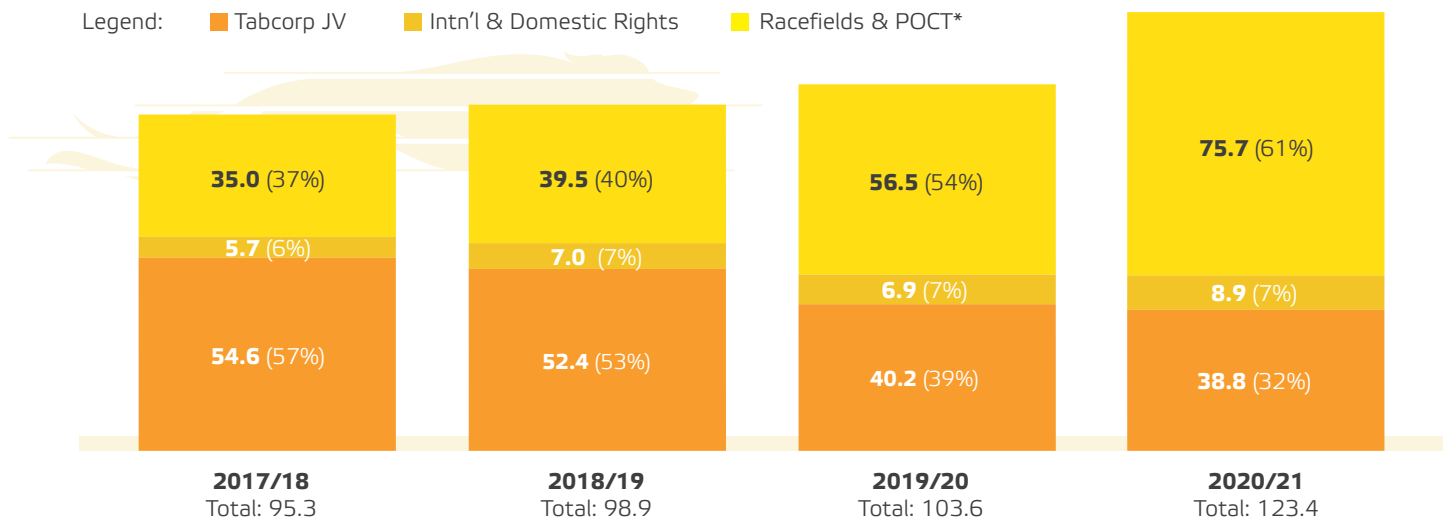
The turnover growth for 2020-21 has come predominantly from non-parimutuel betting as the parimutuel platform was heavily impacted by ongoing COVID-19 restrictions imposed on TAB retail venues across Australia at various stages throughout the year. While parimutuel turnover grew by 3.8 percent to \$460 million in 2020-21, it represented only 15.9 percent of total turnover, down from 20.8 percent in the prior year.

Corporate bookmakers and Betfair produced most of the turnover growth, increasing \$683 million to \$2.34 billion, with that sector now representing 70 percent of total national turnover on Victorian greyhound races. Interstate TABs also managed a return to growth, despite COVID-19 interruptions to achieve impressive year-on-year growth of 13 percent. The Victorian TAB was significantly hampered by COVID-19 measures due to the closure and restrictions on retail outlets during much of the year, declining five percent.

GRV WAGERING REVENUE

(\$ million)

Legend: ■ Tabcorp JV ■ Intn'l & Domestic Rights ■ Racefields & POCT*



*Racefield Fees paid by VIC TAB are included with all Racefield Fees from 2019-20. They were included in Tabcorp JV Revenue in prior years.

The Victorian Racing Industry receives a share of Point of Consumption Tax (POCT) Revenue collected by the Victorian Government from Wagering Operators at the rate of eight percent of Net Wagering Revenue from Victorian residents. GRV's share of POCT revenue in 2020-21 totalled \$6.2 million, up \$1.9 million on the prior year. The POCT rate will increase from eight to 10 percent of net wagering revenue from 1 July

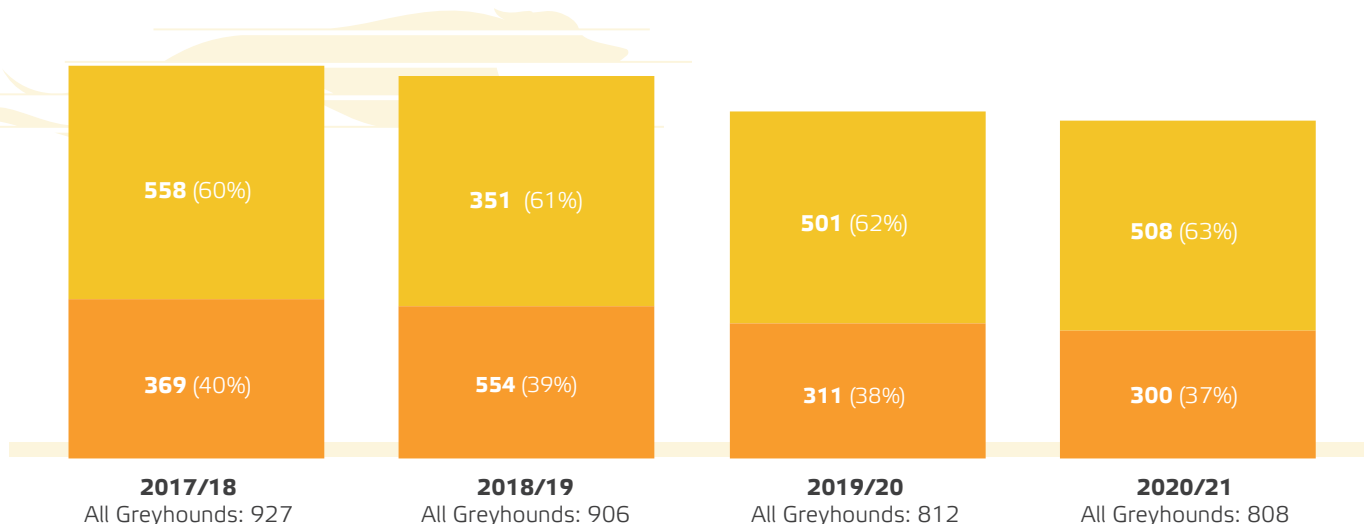
2021, bringing Victoria into line with the rate that applies in New South Wales. Western Australia, South Australia, Queensland and Tasmania have implemented a 15 percent rate.

The new POCT rate will enable the Government to lift the amount of net wagering revenue that is returned to the Victorian Racing Industry (VRI) from 1.5 percent to 3.5 percent.

VIC TAB GREYHOUNDS TURNOVER

(\$ million)

Legend: ■ Vic Greyhounds ■ Other Greyhounds



Previous GRV annual reports provided a breakdown of Victorian TAB turnover market shares by racing code. For 2020-21, this has been replaced with national wagering market share on all Victorian racing product, including all Wagering Service Providers (WSPs). This is a more contemporary measure as it focusses on the national performance of Victorian greyhound racing as compared with other Victorian racing codes.

During 2020-21 Victorian greyhound racing increased its share of national wagering turnover on all Victorian racing codes from 24.8% to 25.7% during a year when national turnover on all Victorian racing reached a record \$13 billion.

NATIONAL MARKET SHARES FOR VICTORIAN RACING CODES

National Turnover (% shares)	2017/18	2018/19	2019/20	2020/21
Thoroughbred	67.3%	68.6%	67.4%	66.6%
Harness	8.9%	8.2%	7.8%	7.7%
Greyhounds	23.8%	23.2%	24.8%	25.7%

Revenue from SKY International and Domestic vision rights also provided a significant uplift increasing to \$8.9 million, up \$2.0 million on the prior year. This increase resulted from expanded international vision distribution and new arrangements between SKY and Sportsbet facilitating live streaming of racing vision on the Sportsbet digital platforms.

FINANCIAL PLANNING AND BUDGETARY ENVIRONMENT

Each year GRV management submits its draft budget to the Board for its consideration in March prior to the forthcoming financial year. The draft budget is formulated on previous experience and reflects trends in wagering revenue during the current year. The initial draft revenue budget for 2020-21 was based on an expectation that racing may be interrupted and was estimated at \$98.6 million. This reflected an expected decrease in revenue from 2019-20.

However, by early in the financial year, wagering revenue had exceeded expectations. In this context the Board approved increases to prizemoney and the initial prizemoney budget was increased from \$46.1 million to \$52.4 million. From a management perspective, the financial environment was unprecedented. Importantly, the wagering revenue normally earned in the second half of the financial year is always less than the revenue earned in the first half of the financial year. However, in the COVID-19 environment revenue trends are now completely different and extraordinarily difficult to estimate.

The budget planning which occurred in February/March of 2020-21 was undertaken in an extremely uncertain environment and the financial outcomes for 2020-21 were difficult to predict during the year. In particular, the Pink Diamond had an extremely positive and unexpected impact on wagering revenue. This has enabled the Board to revise prizemoney considering the extra revenue earned in the latter part of 2020-21.

MARKETING AND MEDIA

GRV delivered a range of marketing and engagement initiatives and channels while further leveraging digital delivery to reach more people than ever before. This included creating new Festival events which brought together groups of clubs by region to host a series of races spread over separate meetings and promoting new events such as the Pink Diamond series. A third series of Thrill of the Chase was screened on 7mate over the year and Saturday morning live racing on Sky continued to attract strong audiences. GRV's Watchdog was also upgraded and strongly promoted over the year

GRV continued to strengthen its social media capabilities to promote both the sport and greyhounds as pets. Social media engagement during the year was boosted by 20 percent over 2019-20, supported by improved traffic analysis to better manage the timing and placement of content and more use of videos, live streaming and graphics. This included post reaches on GRV's Facebook page achieving an all-time high of 9.1 million, up 188 percent on the previous year. The number of new followers for the Watchdog Racing twitter feed reached nearly 8000, up more than 1750 per cent over 2019-2020.

- The Thrill of the Chase TV show returned for a third season in 2020-21. Seven episodes of Thrill of the Chase were screened between 15 November 2020 and 27 February 2021 on Channel 7, including a live broadcast from the 2021 Australian Cup Carnival, attracting a total broadcast and stream audience of more than 470,000.
- Sky Racing continued to support greyhound racing in Victoria by broadcasting new Saturday morning meetings throughout the year and airing three additional Victorian meetings per week on Sky Racing.
- SEN Radio continued throughout 2020-21 to host a regular weekly interview with GRV CEO Alan Clayton.

**Facebook**

	Posts	Impressions	Reach
GRV	1860	14.75 million	9.11 million
Watchdog Racing	3358	1.58 million	488,353
GAP	501	21.72 million	18.98 million
Gap Cafe	38	43,639	29,675

**Twitter**

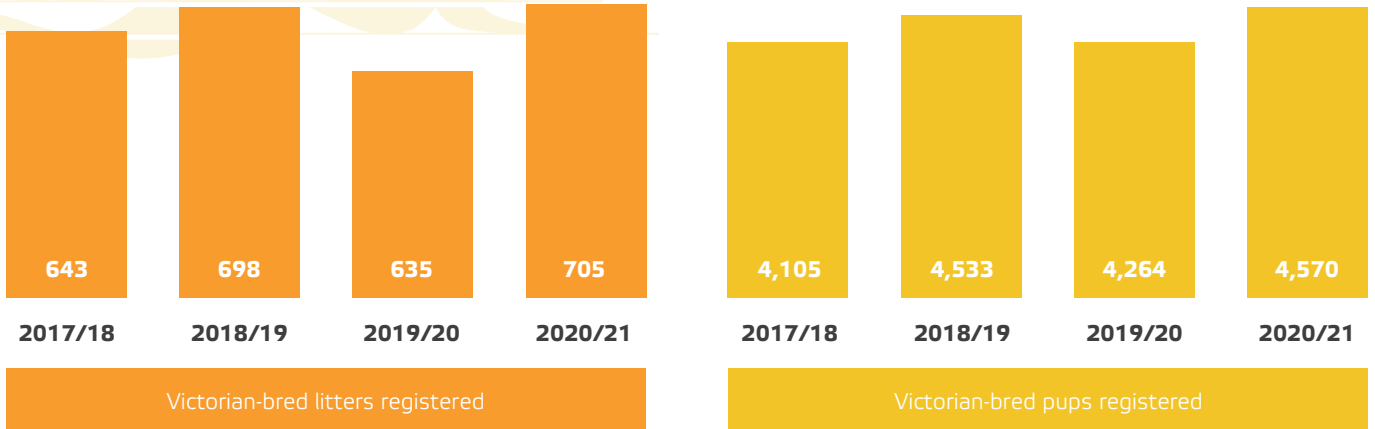
	Tweets	Impressions	Clicks
GRV News	2819	1.88 million	6,373
Watchdog Racing	3743	2.91 million	4,199

**Instagram**

	Posts	Impressions	Reach
GAP	532	4.8 million	2.15 million
GAP Cafe	22	55,379	28,646

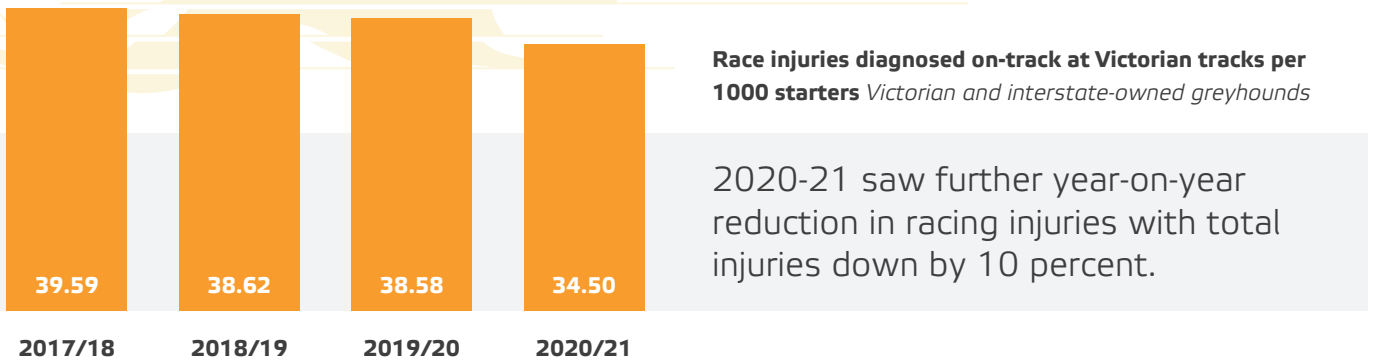
GREYHOUND WELFARE

BREEDING



Victorian greyhound breeding is carefully monitored and aligns well with the number of greyhounds required to sustain the race program. This is influenced by the size of the race program and the average career length of those greyhounds that race.

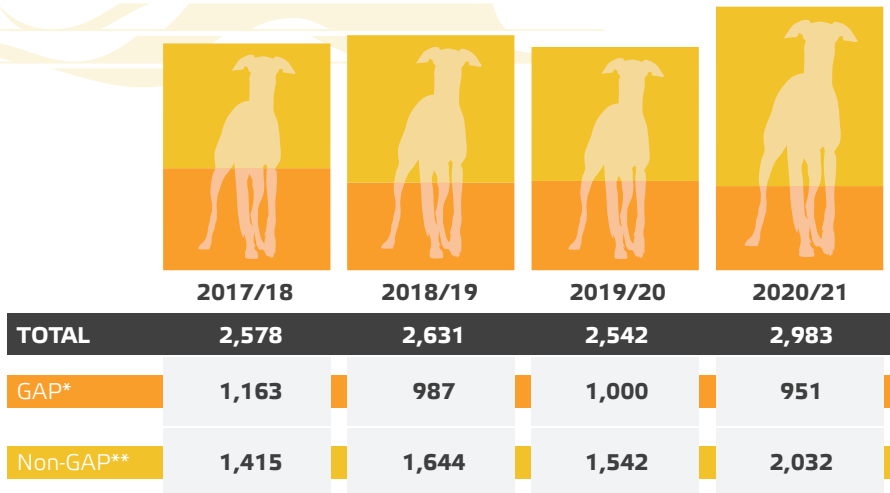
RACING INJURIES AND FATALITIES



Race fatalities on-track at Victorian tracks Victorian and interstate-owned greyhounds



REHOMING



The year saw a significant increase in greyhounds rehomed, strongly supported by our participants and third party rehoming groups, up 17 percent to a record high.

* Includes both Victorian and interstate-owned greyhounds.

** Victorian-owned greyhounds rehomed directly by participants and through third-party rehoming organisations, and those retained as pets by participants.

The Non-GAP figure includes 273 greyhounds (252 Victorian-owned) rehomed by GRV-supported re-homing groups.



GRV's GAP directly rehomed 951 greyhounds during 2020-21. During lockdowns in late 2020 and mid-2021, GAP staff traveled more than 23,000kms to deliver 712 greyhounds to their new homes and to and from foster carers. GAP's work over the year was supported by more than 700 volunteers in the three key areas of Community Engagement, Greyhound Enrichment and Foster Care.

GAP placed 570 greyhounds with foster carers to help prepare them for new homes in 2020-21. These carers included the award-winning Prison Pet Partnership with Tarrengower Prison, now in its twelfth year and on track to receive its 500th greyhound in early 2021-22. Other highlights for the year included the GAP's participation in the National Adoption Day on 18 April 2021, when 50 greyhounds were adopted at its Seymour facility.

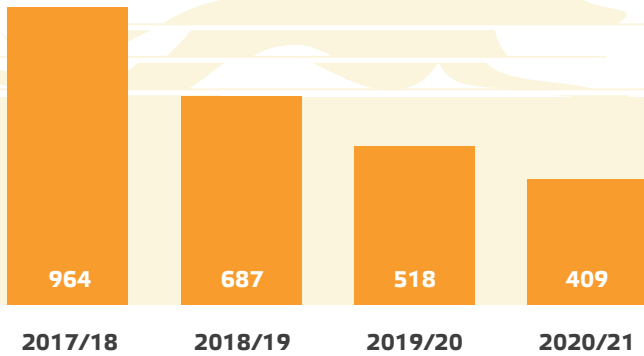
GAP also continued to promote the breed as pets through its social media channels including a Facebook page, which received nearly 22 million impressions over the year, and an Instagram page which enjoyed 4.8 million impressions.

The GAP Cafe

The GAP Cafe at 477 King St, West Melbourne continued to play a valuable role over the year in promoting and supporting greyhound ownership. The venue, purpose-designed to be as dog-friendly as possible, provides greyhound adoption and care information, hosts greyhound walking groups, sells greyhound accessories and has an active social media presence.

EUTHANASIA

Euthanasia* of Victorian-owned greyhounds



* Includes on-track euthanasia in Victoria - also counted in race fatalities.

2020-21 saw the lowest industry euthanasia figure on record in recent times, down 21 percent from the previous year.

GRV reviews the reported euthanasia of all Victorian-owned greyhounds to ensure that they are only carried out for serious medical and behavioural reasons by a qualified veterinarian. Reported deaths of Victorian-owned greyhounds are also reviewed by GRV to determine compliance with GRV's Rules of Racing.

GRV investigates every Victorian-owned greyhound if its owner has not reported on it for a pre-determined period based on the greyhound's and owner's histories and other factors.

INTEGRITY

GRV's Greyhound Racing Integrity Unit (GRIU) continued to deliver a fully integrated approach to education, compliance, investigation, and enforcement in 2020-21. This included making the first use of its powers under the *Prevention of Cruelty to Animals Act 1986* (POCTAA) and *Domestic Animals Act 1994* (DAA), granted in early 2020, to investigate and resolve several significant greyhound welfare issues. GRIU's Authorised Officers work closely with the RSPCA Victoria, Victoria Police, internal GRV departments and other key stakeholders to investigate any matters of animal cruelty.

The GRIU also worked with participants to ensure compliance with the Victorian Government's *Code of Practice for the Keeping of Racing Greyhounds* which has been operational since 1 January 2020. Over the year, GRIU again played a key role in ensuring that only essential people attended meetings during lock-downs, that club entry health screenings were in place when required, and in enforcing the use of face masks and strict social distancing protocols based on advice from Victoria's Chief Health Officer.

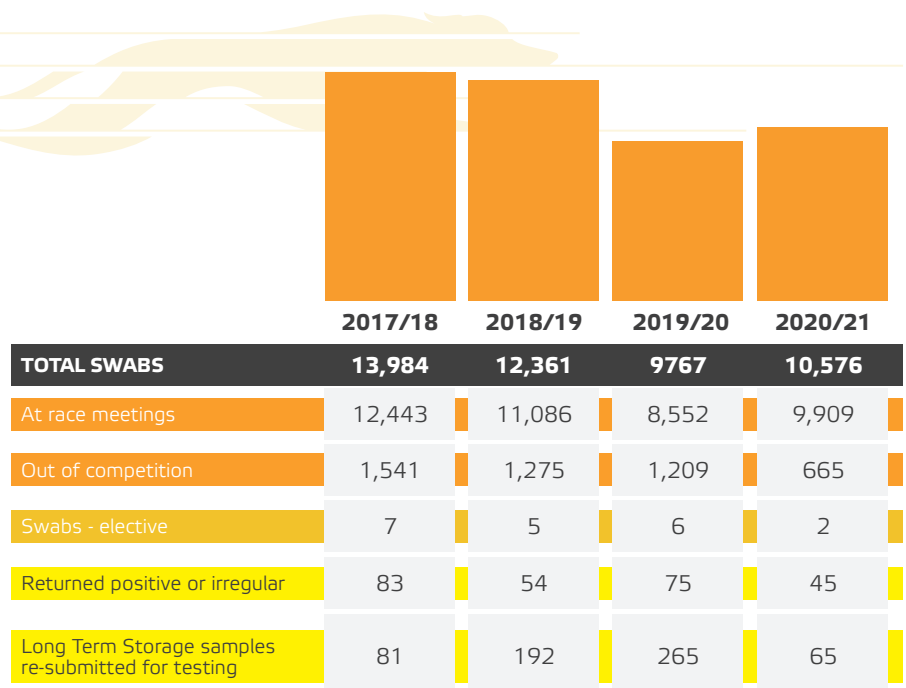
GRV's phone and online hotline service for reporting suspicious activity continued as a valuable resource for the GRIU. In 2020-21, GRIU received 125 contacts, some of which played a significant role in investigations and successful prosecutions. Hotline details can be found at www.grv.org.au

Year	2019/20	2020/21
Completed information reports	273	289
Briefs	25	33
Completed investigations	218	173
Active investigations	86	22

Prosecutions Overview	2019/20	2020/21
Racing Appeals and Disciplinary Board (RADB)	5	0
Victorian Civil and Administrative Tribunal A	4	5
Supreme Court of Victoria	1	0
Victorian Racing Tribunal (VRT) - commenced operations on 1/08/2019, replacing RADB.	55	74
Animal Welfare	7	9
Prohibited Substances	47	57
Misconduct	11	8
Stewards Briefs Awaiting Legal Review	N/A	4
Investigator Briefs Awaiting Legal Review	N/A	14
Referred to VRT and awaiting hearing date (or decision on liability/penalty)	N/A	7

SWABBING

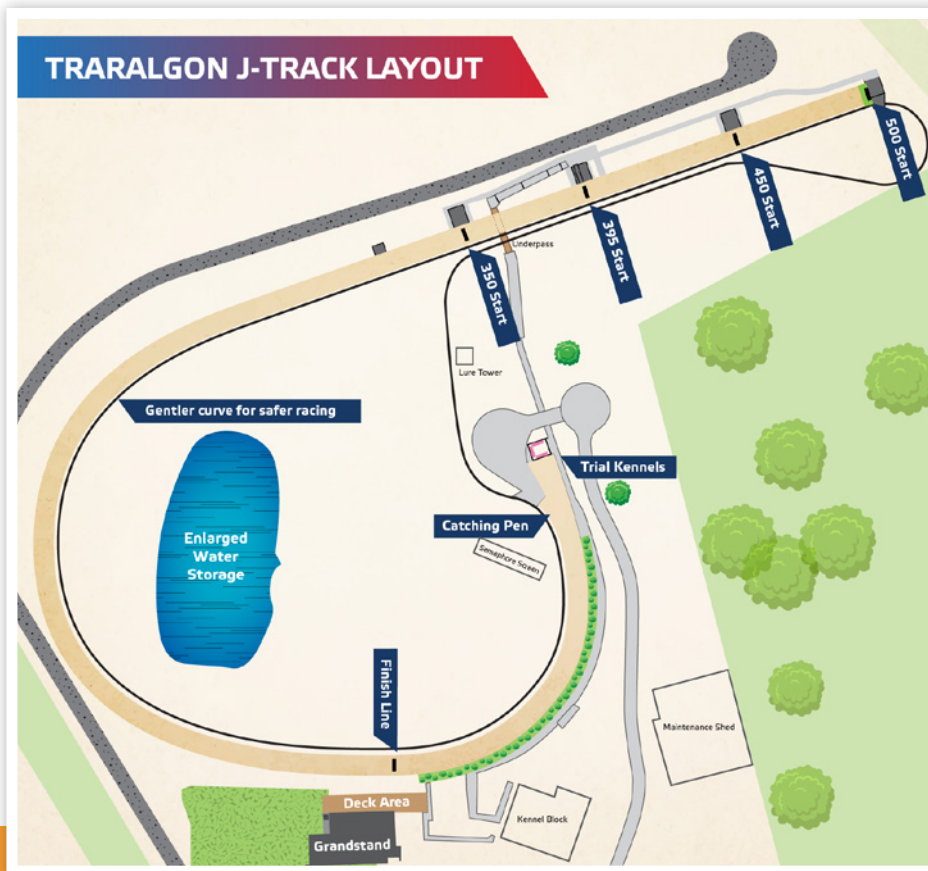
The GRIU continued with its risk-based approach in 2020-21, delivering a targeted swabbing program that included both race day and out of competition testing. The number of swabs returned as positive or irregular fell to 0.41 percent of all swabs taken in 2020-21, down from 0.76 percent in the previous year. This decline can be attributed to factors including better hygiene practices by participants to prevent cross contamination and a GRV campaign in 2020 to alert participants to the risks of using knacker meat that may contain trace levels of contaminants.



SAFE RACING

GRV's Safe Racing Program is investing more than \$10 million in initiatives to reduce race injuries and fatalities. The Program is underpinned by regular and rigorous injury data collection and analysis from all Victorian greyhound racing tracks to identify and improve safety outcomes, both in aggregate and track by track. GRV works with GCV on overarching safe racing projects and provides support to each club as they take responsibility for improvements tailored to their needs and circumstances.

2020-21 SAFE RACING PROGRAM HIGHLIGHTS



Traralgon Greyhound Racing Club Redevelopment

This \$6 million project will deliver Australia's first single-turn greyhound J racetrack designed to optimise racing safety from the ground up. It features a 280-metre straight that transitions into a single turn, automated technology that positions starting boxes to reduce greyhound interference, purpose-engineered LED lighting and a new electric lure system that eliminates the need for cables along the rail.

The "J" track design was developed following research and extensive modelling by the University of Technology Sydney's Professor of Risk Management and Injury Prevention, Professor David Eager, who also worked on the design of the Horsham Greyhound Racing Club's track redevelopment. Key safety features of the new track include carefully calculated track cambers from 3 degrees to 8 degrees and a large-radius bend to reduce physical stress on greyhounds during the turn. The track will also have an integrated purpose-designed water control system to provide a safer surface through consistent moisture under all conditions.

The project also includes a pedestrian underpass path for trainers, stewards and other participants, new outdoor decking, a large semaphore screen and improved broadcast facilities. Over the year, all planned major construction work was completed on time and the new track remains on schedule to open for racing in late 2021.

Summer Infrastructure Package

This \$1.2 million GRV package was rolled out from late 2020 to help clubs maintain track irrigation all year round. The package funded new tractors and water carts, other irrigation upgrades and power harrows across the 13 clubs.

Free Trials Program

On 1 August 2020, GRV introduced a Free Trials Program. This initiative provided free opportunities to enable greyhounds to maintain racing condition and familiarise themselves with tracks across the State. The Program, which covered pen, arm, and post-race trials, also helped ease financial pressures faced by participants and provided more employment opportunities for club staff. It was developed in collaboration with GCV and supported by \$1 million in GRV reimbursements to clubs. GRV is now reviewing the Program so that a decision can be made in 2021-22 on whether it should be made permanent.

Greyhound Recovery initiative

During 2020-21, 202 greyhounds that suffered injuries on track received financial assistance through GRV's Greyhound Recovery Initiative (GRI). Introduced in February 2018, the GRI provides funding towards the off-track veterinary diagnosis, treatment, and recovery of a greyhound suffering from a GRI-eligible injury or medical condition during a Victorian race or coursing meeting, or post-race or qualifying trials. In December 2020, funding was increased to \$2000 for off-track veterinary costs for each greyhound and new rehabilitation grants of up to \$500 per greyhound paid directly to the participant to support injury recovery were introduced.

Track preparation and maintenance

GRV worked with GCV to develop new training initiatives for track staff at the clubs and begin the development of a best practice guide for track management and maintenance during race and trial days, which will be in place for 2021-22.

CLUBS OVERVIEW

Victoria's two metro greyhound clubs and 11 regional clubs hold race meetings every day of the year except Christmas Day and Good Friday. As well as hosting a diverse feature racing program including Group and Listed events, each club also has an annual Club Cup meeting and provides trialling and education sessions for greyhounds.

Clubs are independent, member-based incorporated associations, or companies and are each administered directly by their own locally elected committees and manage their own day-to-day business and racing operations, and community engagement. Stewards, judges, lure drivers and on-track veterinarians officiating at race meetings are directly employed by GRV.

Victoria is also home to six coursing clubs, run by local volunteer committees and overseen by the National Coursing Association of Victoria, which works closely with GRV to promote and develop this popular style of greyhound racing.

In 2020-21, club funding and registration arrangements were uplifted with the support of GCV and all Clubs, to improve transparency and accountability across key areas such as governance, facilities maintenance and health and safety frameworks backed by compliance and performance KPIs.

GRV also supported the clubs in upgrading their communications infrastructure including fibre upgrades and segregated networks that can be administered remotely. This work is improving WiFi speeds, particularly on non-race days and providing greater confidence in connectivity for race day and promotional activities and keeping participants informed.

In many ways the Clubs have been the frontline for the sport during COVID-19, working alongside GRV and the participants to make sure all covid-safe protocols were in place at all times. This has been a team effort and has been acknowledged as best practice.

While hosting no guests for major events, the clubs have been agile in still showcasing their feature events with the support of the Strategic Communication and Marketing Team. The innovation of the Facebook live shows from feature meetings allowed those not able to attend to still enjoy all the action from the tracks. This innovation can also be heard on club-based radio programs such as Sale Sundays and Mid-Week Meadow's on SEN Track.

The clubs have been focused on growing their local area community partnerships and in despite the COVID-19 pandemic, they have been able to support a range of organisations within the local community.

IN THE COMMUNITY

GRV has maintained its platinum status with the Victorian Chamber of Commerce and Industry (VCCI). This membership ensures we have access to high quality training as well as networking opportunities with Victoria's largest and most diverse business community. GRV's most significant community support and charity initiatives in 2020-21 included:

THE GREAT CHASE

Since 2003 Greyhound Racing Victoria has donated close to \$700,000 to community organisations who support intellectually or physically disabled people through the Great Chase Community Days, co-sponsored with TAB since 2008.

This year, the usual program of Community Days at each club where the groups' clients can enjoy a day at the races was suspended because of COVID-19 restrictions. However, the TAB Great Chase Grand Final on 21 October 2020 at The Meadows was watched virtually by community groups across Victoria. Eight groups went into the draw to be assigned a runner in the final for a chance to share \$24,000 in prizemoney, including \$10,000 to the group with the winning greyhound.

CHASE FOR CHARITY

Each weekend for 40 weeks during 2020 'Off The Bench' hosts Craig Hutchison (supporting Ronald McDonald House) and Liam Pickering (supporting the Men's Shed Association) placed \$500 each on a greyhound, with all winnings being raised for their respective charities. A weekly \$500 bet was also placed on a greyhound on behalf of the Maddie Riewoldt's Vision charity. The final standings at the end of November 2020 were:

- 1st Ronald McDonald House: \$23,292.64.
- 2nd Victorian Men's Shed Association: \$22,052.50
- 3rd Maddie Riewoldt's Vision: \$19,749.50.

GOOD FRIDAY APPEAL


GRV again took part in the annual 3AW Neil's Wheel fundraising initiative to raise funds for the Royal Children's Hospital's Good Friday Appeal. On 12 March 2021, GRV's Chair, Peita Duncan, CEO Alan Clayton and General Manager, Marketing and Strategic Communication Louise Martin, raised more than \$17,000 for this very worthy cause. This was well above the \$5000 target, placing GRV seventh of 21 on the Neil's Wheel's Leaderboard. Over the past three years GRV has now raised more than \$64,000 for the Good Friday Appeal.

CONSULTATION SUMMARY



CONSULTATION SUMMARY

Under the *Racing Act 1958*, GRV is required to both consult with greyhound racing industry participants and to encourage and support consultation within the Industry.

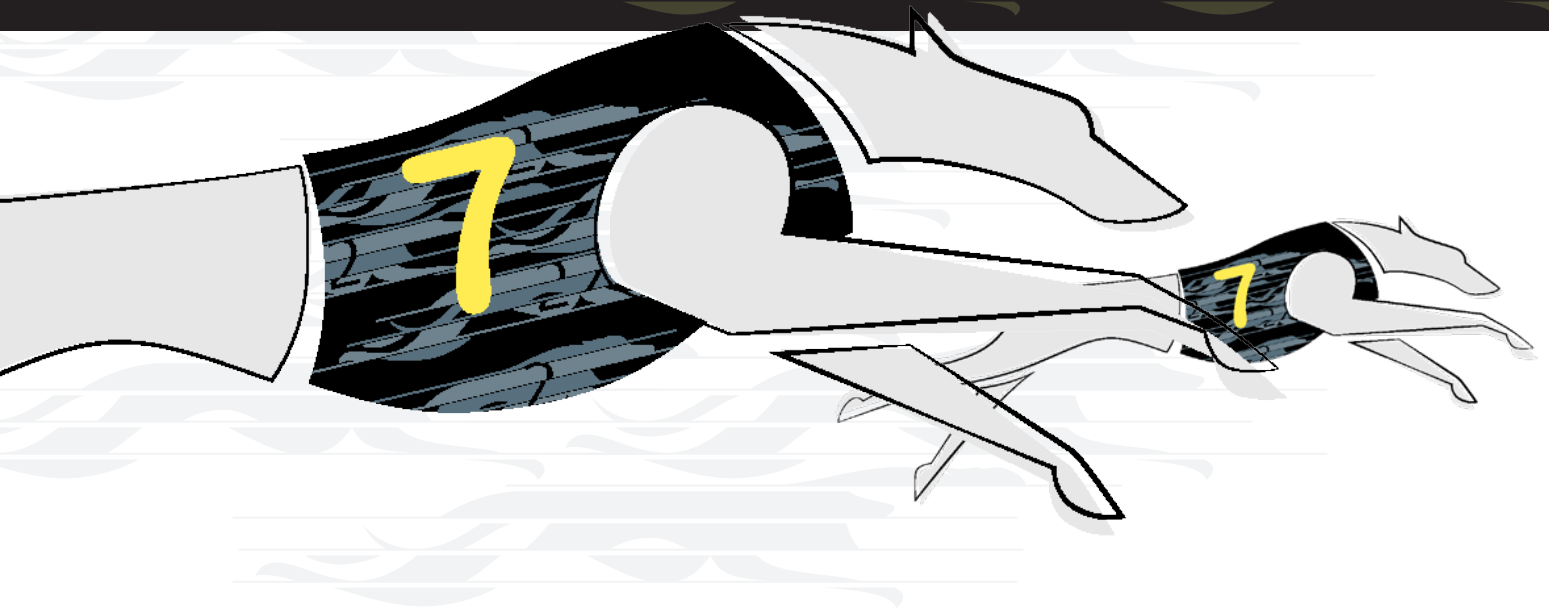


GRV's Industry Consultative Group provided broad-based input into GRV's planning and gave the industry a clearer insight into GRV's decision-making process. The group included regional and metropolitan owners, trainers, breeders, greyhound clubs and a greyhound veterinarian.

During 2020-21, GRV consulted with Animals Australia, Animal Welfare Victoria, the Australian Greyhound, Working and Sporting Dog Veterinarians Association, the Department of Jobs, Precincts and Regions, Dogs Victoria, the Greyhound Owners Trainers and Breeders Association Victoria, Greyhound Clubs Australia, Greyhound Clubs Victoria, Greyhound Safety Net, the Maddie Riewoldt Foundation, Racing Analytical Services Laboratories, RSPCA Victoria, Victoria Police, Victorian Chamber of Commerce, local government bodies and the general participant and wider community.

GRV's social media resources also play an important part in how GRV engages with participants, communities, and other stakeholders to provide information and encourage consultation on issues including rules and policy changes and codes of practice. In 2020-21, GRV's Facebook page had 637,867 engaged users.

GRV BOARD



Peita Duncan – Chair

Peita Duncan is an experienced professional with skills in sales and management. She is a former director of the Melbourne Greyhound Racing Association (MGRA), which runs The Meadows facility. Ms Duncan has previously been involved in the industry as a greyhound owner. She has worked for a number of law firms in business development and management roles and has extensive experience in human resources, business development, business operations and recruitment support. Ms Duncan was formerly a Non-Executive Director of the Metropolitan Fire Brigade, and formerly a Non-Executive Director of the Emergency Services Telecommunications. She is also an administrator to the Whittlesea Council until 2024.

Ms Duncan was appointed to the Board in October 2015 and served as Deputy Chair and Acting Chair before being elevated to the position of Chair in October 2019.



Emmett Dunne APM – Deputy Chair

Emmett Dunne brings significant experience to the GRV Board after serving as a police officer for almost 40 years before retiring in 2015. During his policing career, Mr Dunne was the Assistant Commissioner of Professional Standards Command between 2010 and 2013, and the Assistant Commissioner of the East Policing Region until 2015. He also served as the Chair of the Australian New Zealand Policing Advisory Agency Integrity Forum and was awarded the Australia Police Medal in 2011 for his significant contribution and involvement in the force's Operational Safety and Tactics Training Unit.

Mr Dunne is a former VFL footballer, having played 115 games for Richmond between 1976 and 1983 and was a member of the Tigers' 1980 premiership side.

Mr Dunne was appointed to the Board in September 2016 and appointed Deputy Chair in May 2021.



Ray Bartolo – Board Director

One of Victoria’s most respected greyhound breeders, trainers and owners, Ray has held positions on the animal welfare committees of Greyhound Clubs Australia and GRV, as well as serving on GRV’s Welfare Sub Committee. He has also been a director of the Geelong Greyhound Racing Club and the Melbourne Greyhound Racing Association.

Mr Bartolo was appointed to the Board in October 2019 and stepped down in October 2020.



Rob Greenall – Board Director

Rob Greenall is a registered veterinarian who has worked for over 30 years in private practice, higher education/research and the public sector in animal welfare and agricultural and veterinary chemicals regulatory roles and in consulting to animal industries. Mr Greenall has a Masters degree in Veterinary Studies, is a Graduate of the Australian Institute of Company Directors and is highly experienced in strategic project leadership, management and evaluation. Mr Greenall is currently the Managing Director of AgVet Projects Pty Ltd.

Mr Greenall was appointed to the Board in October 2015.



Marika McMahon – Board Director

Marika McMahon is a director of Bendigo legal firm, O’Farrell Robertson McMahon, where she has been a partner for almost two decades. The firm provides legal services to clients across central and northern Victoria. Ms McMahon has a Bachelor of Laws and a Bachelor and Arts from Monash University. She was accredited as a Family Law Specialist by the Law Institute of Victoria in 2001. As well as her legal work, Ms Mahon is active in the Bendigo community. She is the chair of Be.Bendigo, an organisation that works to bring industry together with community and government. Ms McMahon is also a director of Coliban Water and a member of the Bendigo Jockey Club.

Ms McMahon was appointed to the Board in September 2018.



Greg Miller – Deputy Chair

Greg Miller served as a Board Member and Football Director at the Richmond Football Club and then as CEO and Board Member at the North Melbourne Football Club before joining Sandown Greyhound Racing Club as General Manager in 2010. During his decade at Sandown, he drove major initiatives including the Speed Star series, the Launching Pad sweepstakes, the National Greyhound Draft and helped establish Greyhound Clubs Australia.

Mr Miller was appointed as Deputy Chair in December 2019 and stepped down in March 2021.



Daniel Nugent – Board Director

Daniel Nugent has extensive commercial and corporate experience including senior roles at EnergyAustralia and KPMG. He has been actively involved in the greyhound racing industry, including as founding Director of greyhound syndicator, The Golden Paw. Daniel is also a former member of GRV's Industry Consultative Group subcommittee.

Mr Nugent was appointed to the Board in May 2021.



Lisa Tripodi – Board Director

Lisa Tripodi is a Certified Practising Accountant and as a former Partner at Oakton (now NTT), has extensive experience in the provision of assurance, risk management, governance and probity services. Lisa is an Independent Chair and Member of eight local government Audit and Risk Committees across Victoria and several State agencies. Previous clients have included the Victorian Department of Justice and the Victorian Planning Authority. As a partner, responsible for accounting and assurance services at Oakton Consulting (now NTT), she had internal audit and Audit Committee experience with GRV and a strong understanding of the greyhound racing industry.

Ms Tripodi was appointed to the Board in May 2020.



Bill Buccilli – Board Director

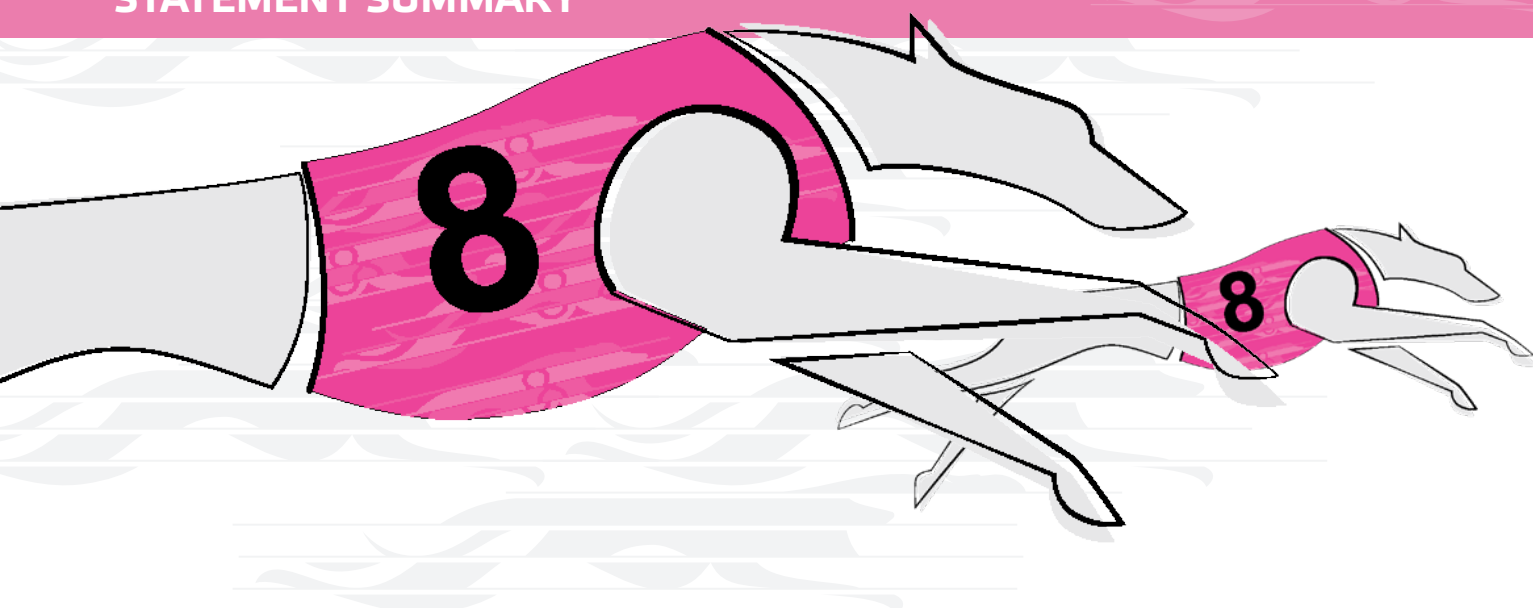
As a greyhound owner and breeder, Bill Buccilli has partnered with his cousin in racing syndicates which have produced greyhounds such as the 2013 Melbourne Cup winner Black Magic Opal and Black Opium which won the 2020 Sapphire Crown and the Brisbane Cup. Mr Buccilli has worked for 30 years as a real estate agent and auctioneer and is currently Managing Director of real estate company Barry Plant Sunshine.

Mr Buccilli was appointed to the Board in May 2021.

BOARD MEETING AND COMMITTEE ATTENDANCE

BOARD & COMMITTEE MEETING ATTENDANCE	Peita Duncan	Emmett Dunne	Ray Bartolo	Bill Buccilli	Robert Greenall	Marika McMahon	Greg Miller	Daniel Nugent	Lisa Tripodi
<i>commencement date if not full year</i>				26/5/21				26/5/2	
BOARD									
Scheduled monthly meetings	10	11	3	1	11	11	7	1	11
Additional meetings	7	7	2	1	8	8	4	1	7
Board Total	17	18	5	2	19	19	11	2	18
COMMITTEES									
Audit & Risk	8	7							8
Welfare		3			4				
People & Culture	6				6	6			
Commercial & Marketing	5					5	3		
Industry Consultative Group	2						4		
Committee Total	21	10			10	11	7		8

FIVE YEAR COMPREHENSIVE OPERATING STATEMENT SUMMARY



SUMMARY OF COMPREHENSIVE OPERATING STATEMENT FOR FIVE YEARS (\$'million)

	2016-17	2017-18	2018-19	2019-20	2020-21	Var	Var %
INCOME FROM TRANSACTIONS							
Tabcorp Income*	60.8	60.4	59.4	47.0	47.7	0.7	1.5%
Race fields Income	30.2	35.0	37.5	52.2	69.5	17.3	33.1%
Other Income**	3.4	3.5	6.7	7.4	15.0	7.6	102.7%
Total Income	94.3	98.8	103.6	106.6	132.1	25.5	24%
EXPENSES FROM TRANSACTIONS							
Prizemoney/Travel and Starter Fees/Breeders Schemes	42.8	45.1	46.5	45.7	52.4	6.7	14.7%
Expenses (excluding infrastructure)	50.3	50.7	53.6	56.7	60.1	3.4	5.9%
Infrastructure Expenses	7.1	7.8	5.5	4.5	9.2	4.7	104.2%
Total expenses from transactions	100.2	103.6	105.6	106.9	121.7	14.8	13.8%
Net result from Transactions (Net Operating Balance)	(5.9)	(4.9)	(1.9)	(0.2)	10.5	10.7	4293%
Other economic flows	0.0	0.5	0.0	(0.9)	(0.9)	N/A	N/A
Net Result	(5.9)	(5.4)	(1.9)	0.7	11.4	10.7	1588%

As this is a summary only, figures have been rounded to the first decimal point. Fully reconciled income and expenses transactions for each year are presented in the Annual Report for that year.

* Tabcorp income includes Tabcorp JV and International and Domestic Rights Revenue.

** Point of Consumption Tax Receipts are included in Other Income

The combined impact of an expanded race program to 26 meetings a week, a strengthened marketing and commercial focus and the continuity of racing during COVID-19 restrictions in 2020-21, contributed to an unprecedented growth in wagering revenue. Wagering revenue in 2020-21 grew significantly to \$123.4 million, representing a 19.1 per cent increase over \$103.5 million the previous year. National wagering turnover on Victorian greyhound racing reached \$3.35 billion in 2020-21, a 29 percent increase on \$2.6 billion the prior year.

While interstate TABs managed turnover growth in the latter part of the year despite COVID-19 interruptions - achieving year-on-year growth of 13 percent - the Victorian TAB was significantly hampered because of the closure and restrictions on retail outlets due to COVID-19 throughout the year, with turnover declining by five per cent year-on-year. Corporate Bookmakers and Betfair accounted for the vast majority of the turnover growth, increasing from \$683 million to \$2.34 billion, with that sector now representing 70 percent of total national turnover.

As a result of the increased program and other racing initiatives implemented throughout the year, prizemoney and other returns to participants increased significantly to \$52.4 million in 2020-21. Prizemoney increases included Level 2 and 3 racing, distance racing and the Pink Diamond Series. A program of 1321 meetings and 15,621 races were delivered, up 10 percent and 9 percent respectively from 2019/20. This strong performance also allowed GRV to deliver other benefits for participants including the new free trials program, expanding the Greyhound Recovery Initiative and maintain the commitment to waiving fees for a wide range of registration and application services.

As Australia emerges from COVID-19 lockdowns and restrictions, together with the rise in vaccination rates expected to achieve a reopening of events and activities, the retention rate and growth of wagering revenue in the future is less certain and more challenging. GRV will monitor activities and performance closely throughout 2021-22 with a particular focus on the second half of the year as the economy reopens.

To ensure continuity of racing in 2020-21 during COVID-19, additional Race Day related costs were necessarily incurred including the engagement of EventAid and additional staff on track to ensure compliance with COVID-19 rules. Regulation and Integrity expenses rose marginally during the year including the employment of additional Race Day Stewards, additional veterinarians for improved workforce management and preparation for the increased racing program, Investigative Stewards supporting the COVID response and the continuity of racing and staff to support increases in GAP operations.

To help achieve GRV's safe racing strategic direction - 'Racing safety and greyhound welfare', GRV reinstated infrastructure projects deferred from the previous year. One of the most significant investments in safe racing in 2020-21 was the Traralgon Greyhound Club track redevelopment that has been designed to optimise greyhound racing safety. This \$6 million project, partly funded through a \$3 million investment from the State Government's Victorian Racing Industry Fund, is generating approximately 200 jobs during construction and more directly at the Club when the track reopens for racing in late 2021.





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4. Key assets available to support output delivery
5. Other assets & liabilities
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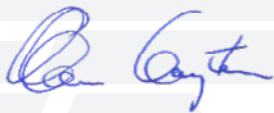
Declaration in the Financial Statements

In accordance with a resolution of the Board of Greyhound Racing Victoria, we declare that the attached financial statements for Greyhound Racing Victoria have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of Greyhound Racing Victoria at 30 June 2021.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 14 September 2021.



.....
Alan Clayton
Accountable Officer
PSM
Date: 14 September 2021



.....
Jacquetta Griggs
Chief Finance and Accounting Officer
FCPA
Date: 14 September 2021



.....
Peita Duncan
Chair
Date: 14 September 2021

Independent Auditor's Report

To the Board of Greyhound Racing Victoria

Opinion	<p>I have audited the financial report of Greyhound Racing Victoria (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2021 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statement. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
16 September 2021



Simone Bohan
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT

For the Financial Year Ended 30 June 2021

Continuing Operations		(\$ thousand)	
REVENUE AND INCOME FROM TRANSACTIONS	Notes	2021	2020
TABCORP Income	2.2.1	47,685	47,032
Racefields Fees Income	2.2.2	69,462	52,178
Income from other sources	2.3	15,002	7,374
Total Revenue and Income from Transactions		132,149	106,584
EXPENSES FROM TRANSACTIONS			
Integrity, Welfare and Racing Expenses	3.2	(19,547)	(18,935)
Stakemoney, Travel & Starters Fees	3.3	(52,417)	(45,677)
Clubs Expenses, Infrastructure and Maintenance	3.4	(25,874)	(20,344)
Industry Expenses	3.5	(5,209)	(5,155)
Administrative Expenses	3.6	(16,069)	(14,370)
Depreciation Expense	4.1.1	(1,621)	(1,472)
Amortisation of Intangible Assets	4.3	(929)	(899)
Total Expenses From Transactions		(121,666)	(106,852)
NET RESULT FROM TRANSACTIONS (NET OPERATING BALANCE)		10,483	(268)
OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT			
Net Gain on Revaluation of Investment Property	4.2	41	632
Reversal of previous Asset revaluation decrements recognised through Comprehensive Operating Statement		880	294
Total Other Economic Flows Included In Net Result		921	926
NET RESULT		11,404	658
OTHER ECONOMIC FLOWS - OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net result			
Net Gain on Revaluation of Non-Financial Assets	8.1.2	167	1,392
Changes to fair value of Investment in Radio 3UZ unit trust	8.1.3	88	-
Total Other Economic Flows - Other Comprehensive Income		255	1,392
COMPREHENSIVE RESULT		11,659	2,050

The accompanying notes form part of these financial statements.

BALANCE SHEET

As at 30 June 2021

Assets		(\$ thousand)	
FINANCIAL ASSETS	Notes	2021	2020
Cash and Deposits	6.2	8,989	16,500
Receivables	5.1	13,432	10,085
Investments and Other Financial Assets	4.4	25,545	9,502
Prepayments		485	208
Total Financial Assets		48,451	36,295
NON-FINANCIAL ASSETS			
Property, Plant and Equipment	4.1	14,729	14,260
Intangible Assets	4.3	4,798	5,269
Investment Property	4.2	5,400	5,359
Total Non-Financial Assets		24,927	24,888
Total Assets		73,378	61,183
LIABILITIES			
Payables	5.2	8,102	4,308
Lease Liabilities	6.1	737	1,237
Provisions	3.1.2	5,039	4,250
Other Liabilities	5.3	172	3,719
TOTAL LIABILITIES		14,050	13,514
NET ASSETS		59,328	47,669
EQUITY			
Reserves	8.1	15,475	15,220
Contributed Capital	8.1.4	1,924	1,924
Accumulated Surplus		41,929	30,525
TOTAL EQUITY		59,328	47,669

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

For the Financial Year Ended 30 June 2021

		(\$ thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2021	2020
Receipts			
Receipts in the Course of Operations		137,365	119,978
Interest Received		96	165
Total Receipts		137,461	120,143
Payments			
Payments to Suppliers, Employees and Industry		(117,353)	(107,141)
Net GST paid to the ATO		(7,987)	(5,460)
Total Payments		(125,340)	(112,601)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	6.2.1	12,121	7,542
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from Redemption of Investments		16,000	32,000
Net Proceeds from Club Loans		45	(250)
Payment for Property, Plant and Equipment		(2,600)	(2,447)
Payments for Purchase of Investments		(32,000)	(23,000)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		(18,555)	6,303
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(1,077)	(958)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		(1,077)	(958)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(7,511)	12,887
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		16,500	3,613
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	6.2	8,989	16,500

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2021

		(\$ thousand)					
	Notes	Distribution Reserve Fund	Physical Asset Revaluation Surplus	Financial Asset Revaluation Reserve	Accumulated Surplus	Contributed Capital	Total
Balance at 1 July 2019		7,500	6,252	76	29,867	1,924	45,619
Net result for the year		-	-	-	658	-	658
Other comprehensive income	8.1	-	1,392	-	-	-	1,392
Balance at 30 June 2020		7,500	7,644	76	30,525	1,924	47,669
Net result for the year		-	-	-	11,404	-	11,404
Other comprehensive income	8.1	-	167	88	-	-	255
Balance at 30 June 2021		7,500	7,811	164	41,929	1,924	59,328

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2021

1. ABOUT THIS REPORT

GRV is a statutory body and was established under the Racing Act 1958 as the 'Greyhound Racing Control Board'. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

Reporting Entity

These financial statements cover GRV as an individual reporting entity. GRV is a non-financial statutory body that reports to the Minister for Racing.

Its principal address is:
Greyhound Racing Victoria
46-50 Chetwynd Street
West Melbourne
Victoria 3003

Basis of Preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes and include the following:

- The fair value of land, buildings, plant and equipment (refer to Note 7.3.2);
- The fair value of financial assets measured at fair value (refer Note 7.3.1)
- Defined benefit superannuation expense (refer to Note 3.1.3); and
- Employee benefit provisions are based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.1.2 Employee Benefits in the Balance Sheet)

Rounding

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA), and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

GRV's overall objectives are to:

- To control and promote the sport of greyhound racing;
- To carry out research into aspects of greyhound racing and to assist in planning future development;
- To promote and improve animal welfare within the sport of greyhound racing;
- To promote and monitor compliance with the rules;
- To conduct greyhound races;
- To register greyhounds for greyhound racing or for stud or other purposes and to regulate the breeding, kennelling and verification of lineage of greyhounds for greyhound racing or for stud or other purposes;
- To consult with greyhound racing industry participants and facilitate consultation amongst greyhound racing industry participants;
- To exercise such powers, functions and duties as are conferred on the Board by or under this or any other Act.

GRV is funded by TABCORP distributions as part of an agreement entered into between the Racing Codes in 2012 and also racefield fees and uses those funds to achieve the above stated objectives.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Revenue from contracts with customers
- 2.3 Income from other sources

2.1 Summary of revenue and income that funds the delivery of our services

		(\$ thousand)	
	Notes	2021	2020
TABCORP Income	2.2.1	47,685	47,032
Racefields Fees Income	2.2.2	69,462	52,178
Income from other sources	2.3	15,002	7,374
Total Revenue and Income from Transactions		132,149	106,584

Revenue and income that fund delivery of GRV's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. Revenue is recognised when, or as, the performance obligations for the provision of services to the customer are satisfied. Income from the rendering of services is recognised at a point in time when the performance obligation is satisfied, i.e. when the service is completed. Consideration received in advance of recognising the associated revenue from the customer is recorded as deferred revenue (Note 5.3).

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

2. FUNDING DELIVERY OF OUR SERVICES continued...

2.2 Revenue from contracts with customers

2.2.1 TABCORP Income

	(\$ thousand)	
	2021	2020
Racing Products Program Fee	12,540	12,757
Racing Products Fees	12,223	12,285
Vic Racing Industry Benefit (VRIB)	6,885	7,279
Vic Racing Joint Venture Profit	7,150	7,851
International Income	8,887	6,860
Total TABCORP Income	47,685	47,032

GRV has a clear contractual obligation to provide racing products with Vic Racing Pty and Racing Products Pty Ltd, and therefore has determined TABCORP income to be classified as revenue from contracts with customers in accordance with AASB 15.

GRV receive its portion of the income earned on a monthly basis, and recognises it in the period that those performance obligations are met.

2.2.2 Racefields Fees Income

	2021	2020
Racefields Fees Income	69,462	52,178

GRV charges Interstate TABs and Corporate Bookmakers for the use of GRV racefields, and has determined racefields income to be classified as revenue from contracts with customers in accordance with AASB 15. These fees are recognised in the period that the performance obligations are met.

2.3 Income from other sources

	(\$ thousand)	
	2021	2020
Infrastructure VRIF Contribution	2,785	106
Other VRIF Contributions	4,841	1,631
Point of Consumption Tax (POCT)	6,209	4,343
Registration Fees	202	202
Interest Received	124	238
Fines	75	62
Sundry Income	592	609
Rent Received	174	183
Total Other Income	15,002	7,374

Victorian Racing Industry Fund (VRIF) contributions are received for programs and works approved by the Government. GRV is required to enter into a contractual / grants agreement. These contributions are recognised in the operating statement in the reporting period in which the performance obligations under the grant arrangements are completed.

Point of Consumption Tax (POCT) applies at a rate of 8 per cent of the net wagering revenue derived from all wagering and betting activity by customers located in Victoria. POCT revenue is recognised in the period that the amounts are received.

Interest income includes interest received on bank term deposits and other investments. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

3. THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by GRV in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and, in this note, the cost is associated with provision of services recorded.

Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Integrity, welfare and racing expenses
- 3.3 Stakemoney, travel and starters fees
- 3.4 Clubs expenses, infrastructure and maintenance
- 3.5 Industry expenses
- 3.6 Administrative expenses

3.1 Expenses incurred in delivery of services

		(\$ thousand)	
	Notes	2021	2020
Integrity, Welfare and Racing Expenses	3.2	19,547	18,935
Stakemoney, Travel and Starters Fees	3.3	52,417	45,677
Clubs Expenses, Infrastructure and Maintenance	3.4	25,874	20,344
Industry Expenses	3.5	5,209	5,155
Administrative Expenses	3.6	16,069	14,370
Total Expenses Incurred in Delivery of Services		119,116	104,481

3.1.1 Employee benefits in the comprehensive operating statement

INTEGRITY, WELFARE AND RACING EXPENSES	2021	2020
Stewards, Integrity, Welfare Inspector Employee Expenses	8,009	7,434
Welfare Employee Expenses	961	937
Greyhound Adoption Program Employee Expenses	2,217	2,597
Racing Employee Expenses	1,745	1,519
Judges & Lure Driver Employee Expenses	1,249	1,115
	14,181	13,602
INDUSTRY EXPENSES		
Strategic Communications Employee Expenses	2,115	2,323
ADMINISTRATIVE EXPENSES		
Board Wages and Expenses	740	695
Administrative Employee Expenses	5,691	6,087
Technology Costs Employee Expenses	3,512	2,362
	9,943	9,144
Total Employee Expenses	26,239	25,069

Employee expenses include all costs related to employment including wages and salaries, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. GRV does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its Annual Financial Statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

3. THE COST OF DELIVERING SERVICES continued...

3.1 Expenses incurred in delivery of services continued...

3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	(\$ thousand)	
CURRENT PROVISIONS	2021	2020
Annual leave:		
Unconditional and Expected to Settle Within 12 Months	1,513	1,163
Unconditional and Expected to Settle After 12 Months	504	388
Long Service Leave:		
Unconditional and Expected to Settle Within 12 Months	74	66
Unconditional and Expected to Settle After 12 Months	1,206	1,098
	3,297	2,715
Provisions for On-Costs:		
Unconditional and Expected to Settle Within 12 Months	256	189
Unconditional and Expected to Settle After 12 Months	276	228
	532	417
Total Current Provisions for Employee Benefits	3,829	3,132
NON-CURRENT PROVISIONS		
Employee Benefits	1,042	969
On-Costs	168	149
Total Non-Current Provisions for Employee Benefits	1,210	1,118
Total Provisions for Employee Benefits	5,039	4,250
RECONCILIATION OF MOVEMENT IN ON-COST PROVISION		
Opening Balance	566	487
Additional Provisions Recognised	193	135
Reductions Arising From Payments/Other Sacrifices of Future Economic Benefits	(23)	(65)
Unwind Of Discount and Effect of Changes In Discount Rate	(36)	9
Closing Balance	700	566
Current	532	417
Non-Current	168	149
Total On-Costs	700	566

Annual leave

Liabilities for annual leave and on-costs are recognised as part of the employee benefit provision as “current liabilities”, because GRV does not have an unconditional right to defer settlements of these liabilities.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as GRV does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the comprehensive operating statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional LSL is disclosed as a current liability; even where GRV does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value - if GRV expects to wholly settle within 12 months; or
- present value - if GRV does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

3.1.3 Superannuation contributions

Employees of GRV are entitled to receive superannuation benefits and GRV contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

As noted before, the defined benefit liability is recognised in DTF as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of GRV.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by GRV are as follows:

FUND	(\$ thousand)	
	2021	2020
Defined benefit plans ^(a)		
State Superannuation Fund - revised and new	-	7
Defined contribution plans		
VicSuper	746	683
Other	1,247	1,111
Total	1,993	1,801

Notes:

(a) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

3. THE COST OF DELIVERING SERVICES continued...

3.2 Integrity, Welfare and Racing Expenses

	(\$ thousand)	
	2021	2020
INTEGRITY EXPENSES		
Stewards and Integrity Employee Expenses	8,009	7,434
Swab Analysis	1,958	1,889
Legal and Appeals Expenses	229	177
Ear Branding and Micro Chipping	136	142
Integrity Initiatives	908	982
Sub Total	11,240	10,624
Victorian Racing Tribunal	298	100
WELFARE EXPENSES		
Welfare incl. Employee Expenses	1,161	1,099
Greyhound Adoption Program incl. Employee Expenses	3,854	4,478
Sub Total	5,015	5,577
RACING & WAGERING		
Employee Expenses	1,745	1,519
Judges & Lure Drivers	1,249	1,115
Sub Total	2,994	2,634
Total Integrity, Welfare and Racing Expenses	19,547	18,935

Expenses relate to GRV's overall objectives that include: control and promote the sport of greyhound racing, promote and improve animal welfare, monitoring and compliance of the rules in the sport of greyhound racing etc. All expenses are recognised as they are incurred and reported in the financial year to which they relate.

3.3 Stakemoney, Travel and Starters Fees

	(\$ thousand)	
	2021	2020
Stakemoney, Travel and Starters Fees	52,417	45,677

GRV provides to participants the above rewards in order to incentivise them to participate in the sport of greyhound racing as well as rewarding their success. All expenses are recognised as they are incurred and reported in the financial year to which they relate.

3.4 Clubs Expenses, Infrastructure and Maintenance

	2021	2020
On-Course Tote Commission	809	468
Distributions to Clubs	10,298	9,050
Insurance Allocation	326	332
Marketing and Promotions	1,322	2,262
Club Sky Channel Linking and Video Costs	2,750	2,586
RSN Broadcasting	1,178	1,109
Infrastructure and Maintenance	9,191	4,537
Total Club Expenses, Infrastructure and Maintenance	25,874	20,344

GRV incurs expenses for infrastructure and maintenance works which are treated as an expense within the accounts as they are generally upgrades to facilities and infrastructure at greyhound racing clubs and are not GRV assets.

Also included are expenses in relation to GRV's funding of the clubs to help with the running, promotion, maintenance and administration of each race meeting. GRV also supports the promotion of the sport by way of coverage with RSN and video coverage provided to Sky Channel. All expenses are recognised as they are incurred and reported in the financial year to which they relate.

3.5 Industry Expenses

	(\$ thousand)	
	2021	2020
Advertising, Promotions, Industry Awards, Market Research and Publications	4,428	4,480
Registration Expenses	181	149
Racing Industry Costs	74	16
Fields and Form Guides	526	510
Total Industry Expenses	5,209	5,155

Industry expenses generally consist of promotion of the sport by way of strategic marketing and communications and a number of promotional activities that also stimulate wagering. All expenses are recognised as they are incurred and reported in the financial year to which they relate.

3.6 Administrative Expenses

	(\$ thousand)	
	2021	2020
Board Wages and Expenses	763	836
Administrative Employee Expenses	5,691	6,087
Technology Costs incl. Employee Expenses	4,850	3,593
Audit, Legal and Consultancy	2,723	1,941
Fringe Benefits Tax	540	364
Insurance	144	111
Other Administrative Expenses	1,332	1,405
Interest expense	26	33
Total Administrative Expenses	16,069	14,370

Administrative expenses are recognised as they are incurred and reported in the financial year to which they relate.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

GRV controls property, plant, equipment and intangibles and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to GRV to be utilised for delivery of those outputs.

Structure

- 4.1 Property, plant and equipment
- 4.2 Investment properties
- 4.3 Intangible assets
- 4.4 Investments and other financial assets

4.1 Total Property, Plant and Equipment

Gross carrying amount and accumulated depreciation

ASSETS AT FAIR VALUE	(\$ thousand)					
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
Land (i)	8,190	8,871	-	-	8,190	8,871
Buildings (ii)	4,931	3,366	-	-	4,931	3,366
Buildings (right-of-use)	261	128	(121)	(38)	140	90
Motor vehicles (right-of-use)	2,510	2,067	(1,928)	(932)	582	1,135
Track and GAP Equipment	657	585	(347)	(282)	310	303
Furniture and Fittings	118	118	(60)	(50)	58	68
Computer and Office Equipment	1,315	1,135	(894)	(708)	421	427
Work in progress	97	-	-	-	97	-
Total	18,079	16,270	(3,350)	(2,010)	14,729	14,260

(i) Land comprises land located at Chetwynd St, West Melbourne and GAP, Seymour;

(ii) Buildings comprises buildings located at Chetwynd St, West Melbourne and GAP, Seymour.

The following tables are subsets of buildings and plant and equipment included in the above fair values.

Initial recognition: Items of property, plant and equipment, are measured initially at cost, and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Right-of-use asset – Initial measurement: GRV recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Subsequent measurement: Property, plant and equipment as well as right-of-use assets under leases are recorded at cost and subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category. In addition, for right-of-use assets the net present value of the remaining lease payments is often the appropriate proxy for fair value of relevant right-of-use assets.

Right-of-use asset – Subsequent measurement: GRV depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment. The right-of-use assets are also subject to revaluation as required by FRD 103I however as at 30 June 2021 right-of-use assets have not been revalued.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Land and buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets. The fair value of all other property plant and equipment is determined using the current replacement cost method.

Impairment of Property, Plant and Equipment: The recoverable amount of primarily non cash generating assets of not for profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

4.1.1 Depreciation and impairment

	(\$ thousand)	
CHARGE FOR THE PERIOD	2021	2020
Buildings	282	305
Buildings (right-of-use)	83	38
Motor Vehicles (right-of-use)	996	932
Track and GAP Equipment	65	55
Furniture and Fittings	9	8
Computer and Office Equipment	186	134
Total depreciation	1,621	1,472

All property, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. The exceptions to this rule include land and investment properties.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Right of use assets are depreciated over the shorter of the asset's useful life and the lease term. Typical estimated useful lives for the different asset classes for current and prior years are included below:

ASSET CLASS	USEFUL LIFE
Buildings	4-40 years
Buildings (right-of-use)	3-4 years
Motor Vehicles (right-of-use)	2-4 years
Track and GAP Equipment	2-7 years
Office Furniture and Fittings	2-10 years
Computer and Office Equipment	3-7 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Indefinite life assets: Land is considered to have an indefinite life and is not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY continued...

4.1 Total Property, Plant and Equipment continued...

4.1.2 Reconciliation of movements in carrying amount of property, plant and equipment

	(\$ thousand)								
2021	Land	Buildings	Buildings (ROU)	Motor Vehicles (ROU)	Track and GAP Equipment	Furniture and Fittings	Computer and Office Equipment	Work in progress	Total
Opening Balance	8,871	3,366	90	1,135	303	68	427	-	14,260
Additions	-	118	133	443	72	-	179	97	1,042
Revaluations	(681)	1,729	-	-	-	-	-	-	1,048
Depreciation	-	(282)	(83)	(996)	(65)	(9)	(186)	-	(1,621)
Closing Balance	8,190	4,931	140	582	310	59	420	97	14,729
2020	Land	Buildings	Buildings (ROU)	Motor Vehicles (ROU)	Track and GAP Equipment	Furniture and Fittings	Computer and Office Equipment	Work in progress	Total
Opening Balance	7,479	3,198	-	-	199	76	280	24	11,256
Recognition of right-of-use assets on initial application of AASB 16	-	-	128	1,047	-	-	-	-	1,175
Adjusted balance at 1 July 2019	7,479	3,198	128	1,047	199	76	280	24	12,431
Additions	-	155	-	1,020	185	-	281	-	1,641
Revaluations	1,392	294	-	-	-	-	-	-	1,686
Disposals	-	-	-	-	(26)	-	-	-	(26)
Transfers from (to) other asset class	-	24	-	-	-	-	-	(24)	-
Depreciation	-	(305)	(38)	(932)	(55)	(8)	(134)	-	(1,472)
Closing Balance	8,871	3,366	90	1,135	303	68	427	-	14,260

4.2 Investment Properties

	(\$ thousand)	
	2021	2020
Balance at the Beginning of Financial Year	5,359	4,727
Revaluation Increments recognised in other economic flows	41	632
Total Investment Property	5,400	5,359

The land and buildings at William Street represents a property held to earn rental or for capital appreciation, or both. Investment properties exclude properties held to meet the service delivery objectives of GRV.

Investment properties are initially measured at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to GRV.

Subsequent to initial recognition at cost, investment properties are revalued to fair value with changes in the fair value recognised as "other economic flows" in the comprehensive operating statement in the period that they arise. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. These properties are neither depreciated nor tested for impairment.

4.3 Intangible Assets

ASSETS AT FAIR VALUE	(\$ thousand)					
	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
Intangible Assets - FastTrack	7,342	7,317	(5,428)	(4,499)	1,914	2,818
Work in progress	2,884	2,451	-	-	2,884	2,451
Total	10,226	9,768	(5,428)	(4,499)	4,798	5,269

Reconciliation of movements in carrying amount of intangible assets.

ASSETS AT FAIR VALUE	Intangible assets		Work in progress		Total	
	2021	2020	2021	2020	2021	2020
Opening Balance	2,818	3,605	2,451	712	5,269	4,317
Additions	-	-	2,134	1,851	2,134	1,851
Transfers from (to) other asset class	25	112	(25)	(112)	-	-
Transfers to expenditure	-	-	(1,676)	-	(1,676)	-
Amortisation	(929)	(899)	-	-	(929)	(899)
Closing Balance	1,914	2,818	2,884	2,451	4,798	5,269

Intangible assets represent identifiable non-monetary assets without physical substance including computer software and development costs (where applicable).

Initial recognition

Purchased intangible assets are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to GRV.

Internally generated intangible assets are recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;

- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Intangible produced and non-produced assets with finite useful lives are amortised as "other economic flows included in net result" on a straight line basis over the asset's useful life.

GRV's intangible assets have been assessed as having a useful life of up to 10 years, and are therefore amortised over this period.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period.

The policy in connection with testing for impairment is outlined in Section 4.1.1.

Significant intangible assets

GRV's work in progress includes capitalised software development expenditure for the development of its FastTrack software. The carrying amount of the FastTrack capitalised software development expenditure included in work in progress is \$2.88 million.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY continued...

4.4 Investments and Other Financial Assets

	(\$ thousand)	
CURRENT INVESTMENTS AND OTHER FINANCIAL ASSETS	2021	2020
Term Deposits	24,000	8,000
Loan - Sandown Greyhound Racing Club	90	105
Total Current Investments and Other Financial Assets	24,090	8,105
NON-CURRENT INVESTMENTS AND OTHER FINANCIAL ASSETS		
Loan - Sandown Greyhound Racing Club	765	795
Investment in Radio 3UZ Pty Ltd	690	602
Total Non-Current Investments and Other Financial Assets	1,455	1,397
TOTAL INVESTMENTS AND OTHER FINANCIAL ASSETS	25,545	9,502

Term deposits include only term deposits with maturity greater than 90 days.

Loans to clubs: GRV provides loans to clubs for various capital projects and for operating issues. Interest is normally charged on outstanding loans and the terms are consistent with the rate that GRV would otherwise receive on funds invested. GRV reviews each year the interest rate charged to clubs and the collectability of the loans.

Where appropriate loans are recorded at amortised cost, using the effective interest rate method which applies the effective interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, over a shorter period. GRV provided the following loan.

Sandown Greyhound racing Club ("SGRC") - In 2019 the GRV Board reviewed and approved a loan application from the Sandown GRC for the purchase of a property in Toongabbie, Victoria for the purposes of developing a greyhound rearing, education and rehoming facility. The initial \$0.65m loan was advanced in accordance with GRV's innovation grants & loans application requirements. The balance of \$0.25m was transferred to Sandown Greyhound Racing Club during the 2020 financial year. Loan repayments commenced in 2021.

Investment in Radio 3UZ Pty Ltd:

GRV's investment in Radio 3UZ unit trust consists of an 8.75% unit holding in this trust, which fully owns all of the issued shares in 3UZ Pty Ltd. 3UZ Pty Ltd, which operates commercial radio station Radio Sport National, formerly Sport 927, and a network of regional relay stations.

The investment in Radio 3UZ unit trust has been recognised at fair value. As Radio 3UZ unit trust is an unlisted trust and its units are not readily traded in an open market, an independent valuation was obtained as at 30 June 2021. The independent valuation provided an indicative valuation range for the Radio 3UZ unit trust of between \$7.53m and \$8.21m. The investment has been brought to account based on 8.75% of the valuation mid-point of \$7.87m, being \$0.69m.

5. OTHER ASSETS AND LIABILITIES

Introduction

This section sets out those assets and liabilities that arose from GRV's controlled operations.

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other Liabilities

5.1 Receivables

	(\$ thousand)	
	2021	2020
Current		
<i>Contractual</i>		
Trade Debtors	8,591	8,106
Other Receivables	4,283	1,661
Total Contractual	12,874	9,767
<i>Statutory</i>		
GST Recoverable	558	318
Total Statutory	558	318
Total Receivables	13,432	10,085

Receivables consist of contractual receivables, such as debtors in relation to goods and services, accrued investment income and statutory receivables, such as GST input tax credits recoverable.

Contractual receivables are classified as financial instruments and categorised as "financial assets at amortised costs". They are initially recognised at fair value plus any directly attributable transaction costs. GRV holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. GRV applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors consist mostly of unpaid revenue from Vic Racing Pty Ltd and Racing Products Pty Ltd and Racefields Fees from Wagering Service Providers which are paid on a regular basis. Other trade debtors generally have 30 day terms.

Details about GRV's impairment policies and exposure to credit risk are set out in Note 7.1.2.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

5. OTHER ASSETS AND LIABILITIES continued...

5.2 Payables

	(\$ thousand)	
	2021	2020
Current		
<i>Contractual</i>		
Trade Creditors	3,373	1,305
Other Payables	3,691	1,781
Total Contractual	7,064	3,086
<i>Statutory</i>		
GST Payable	948	1,164
Payroll Tax Payable	90	58
<i>Total Statutory</i>	1,038	1,222
Total Payables	8,102	4,308

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Trade creditors represent liabilities for goods and services provided to GRV prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on trade creditors or sundry creditors.

MATURITY ANALYSIS OF CONTRACTUAL PAYABLES ^(a)	(\$ thousand)		
	Carrying Amount	Nominal Amount	Maturity Dates Less than 1 month
2021			
Payables	7,064	7,064	7,064
Total	7,064	7,064	7,064
2020			
Payables	3,086	3,086	3,086
Total	3,086	3,086	3,086

Note:

(a) Maturity analysis is presented using the contractual undiscounted cash flows.

5.3 Other Liabilities

	(\$ thousand)	
	2021	2020
DEFERRED REVENUE		
Current		
COVID-19 Emergency Funding	-	3,300
Other	109	355
Total Current	109	3,655
Non-Current		
Other	63	64
Total Non-Current	63	64
Total Deferred Revenue	172	3,719

RECONCILIATION OF DEFERRED REVENUE	2021
Opening balance brought forward from 30 June 2020	3,719
Add: Payments received for performance obligations yet to be completed during the period	172
Add: Grant consideration for sufficiently specific performance obligations received during the year	-
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(3,719)
Total deferred revenue	172

Deferred revenue is made up of amounts received for member registrations and government grants, where performance obligations have not yet been met, as per AASB 15.

In June 2020, a balance of \$3.3m relating to COVID-19 emergency funding was received to provide for future prizemoney and club distributions. As at 30 June 2021 this funding has been fully recognised as other income.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by the GRV during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of GRV.

Structure

- 6.1 Leases
- 6.2 Cash flow information and balances
- 6.3 Commitments for expenditure

6.1 Leases

	(\$ thousand)	
LEASE LIABILITY	2021	2020
Current		
Right-of-use lease liabilities	509	896
Non-current		
Right-of-use lease liabilities	228	341
Total lease liability	737	1,237

GRV recognises lease liabilities relating to building and motor vehicle leases. The lease contracts are typically made for fixed periods of 2-4 years. The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease or at GRV's incremental borrowing rate where no rate is implicit in the lease. A corresponding right-of-use asset has been recognised as reflected in note 4.1.2.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification.

GRV recognised interest expense relating to lease liabilities of \$26,000.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

6. HOW WE FINANCED OUR OPERATIONS continued...

6.2 Cash Flow Information and Balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	(\$ thousand)	
	2021	2020
Total cash and cash equivalents	8,989	16,500
Balance as per cash flow statement	8,989	16,500

6.2.1 Reconciliation of net results for the period to cash flow from operating activities

		(\$ thousand)	
	Notes	2021	2020
Net Result for the Period		11,404	658
Non-cash movements			
Depreciation Expense	4.1.1	1,621	1,472
Amortisation of Intangible Assets	4.3	929	899
Transfers from Work in Progress to Expenditure	4.3	1,676	-
Net Gain on Revaluation of Investment Property	4.2	(41)	(632)
Net Gain on Revaluation of Non-Financial Assets	8.1.2	(880)	(294)
Movements in assets and liabilities			
Increase in Receivables and Prepayments		(3,625)	1,278
Increase in Payables		3,794	53
Increase in Employee Benefits		789	545
Decrease in Other Liabilities		(3,546)	3,563
Net Cash Flows From / (Used In) Operating Activities		12,121	7,542

6.3 Commitments for Expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.3.1 Total commitments payable

NOMINAL AMOUNTS	(\$ thousand)		
	Less than 1 year	1-5 years	Total
2021			
Club Infrastructure commitments payable	3,084	-	3,084
Other commitments payable	2,804	2,860	5,664
Total commitments (inclusive of GST)	5,888	2,860	8,748
Less GST recoverable	(535)	(260)	(795)
Total commitments (exclusive of GST)	5,353	2,600	7,953
2020			
Club Infrastructure commitments payable	249	-	249
Other commitments payable	2,749	5,665	8,414
Total commitments (inclusive of GST)	2,998	5,665	8,663
Less GST recoverable	(273)	(515)	(788)
Total commitments (exclusive of GST)	2,725	5,150	7,875

Club Infrastructure commitments payable

At 30 June 2021, GRV is obligated in the next year (2022) to meet commitments of \$3.084m for club infrastructure works primarily with respect to the Traralgon redevelopment (2020: \$0.249m).

Other commitments: On-course broadcasting services

In 2018 GRV renewed its commitment to payment for on-course broadcasting services over a 5-year period. The payments are based on the number of meetings that GRV conducts at the applicable Clubs, and the amounts shown are based on the current racing calendar and take into account current and future prices in accordance with the agreement.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

GRV is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for GRV related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

7.1 Financial Instruments Specific Disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of GRV's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by GRV to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

GRV recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

Financial assets at fair value through other comprehensive income

Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading and GRV has irrevocably elected at initial recognition to recognise in this category. These assets are initially recognised at fair value with subsequent change in fair value in other comprehensive income. Upon disposal of these equity instruments, any related balance in fair value reserve is reclassified to retained earnings.

GRV recognises its investment in Radio 3UZ Unit trust in this category noting however that as the shares are not listed, GRV determines the fair value by way of an independent valuation of the shares and brought to account the increase in the share value to the valuation reserve and also through other economic flows - other comprehensive income.

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. GRV recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- Lease liabilities.

Derecognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- GRV retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass through” arrangement; or
- GRV has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where GRV has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of GRV’s continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an “other economic flow” in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when GRV’s business model for managing its financial assets has changes such that its previous model would no longer apply.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS continued...

7.1 Financial Instruments Specific Disclosures continued...

7.1.1 Financial instruments - Categorisation

CATEGORISATION OF FINANCIAL INSTRUMENTS		(\$ thousand)		
		2021	2020	
Contractual financial assets				
Cash and deposits	6.2	Cash and deposits	8,989	16,500
Receivables ^(a)	5.1	Financial assets at amortised cost (AC)	12,874	9,767
Loan - Sandown Greyhound Racing Club	4.4	Financial assets at amortised cost (AC)	855	900
Term deposit	4.4	Financial assets at amortised cost (AC)	24,000	8,000
Investment in Radio 3UZ unit trust	4.4	Financial assets measured at fair value through other comprehensive income (FVOCI)	690	602
Contractual financial liabilities				
Payables ^(a)	5.2	Financial liabilities at amortised cost (AC)	7,064	3,086
Lease liabilities	6.1	Financial liabilities at amortised cost (AC)	737	1,237

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.1.2 Financial risk management objectives and policies

As a whole, GRV's financial risk management program seeks to manage risk and the associated volatility of its financial performance.

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect of each class of financial asset, financial liability and equity instrument are disclosed in Notes throughout the financial statements.

The GRV Board and Audit & Risk Committee has responsibility for the establishment and oversight of the risk management framework to guide GRV in identifying and analysing the risks faced. GRV Board's overall risk management approach seeks to minimise potential adverse effects on the financial performance of GRV and uses different methods to measure different types of risk to which GRV is exposed. These methods include monitoring interest rate and other price risks, ageing analysis for credit risk.

GRV's principal financial instruments comprise cash and short term deposits, other financial assets and accounts receivable/payable.

GRV's activities expose it primarily to the financial risks of changes in interest rates, liquidity risk and credit risk. GRV does not enter into or trade financial instruments including derivative financial instruments for speculative purposes. The Board reviews and agrees policies for managing each of these risks and undertakes regular monitoring of the performance of its financial assets and liabilities.

Risk management is carried out by management and reported on an exception basis to the Board. The Board reviews and agrees policies for managing each of these risks in consultation with management and undertakes regular monitoring of the performance of GRV's financial assets and liabilities.

Credit risk

Credit risk arises from the contractual financial assets of GRV, which comprise cash and deposits, non-statutory receivables and financial assets at fair value through other comprehensive income.

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. GRV's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to GRV. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with GRV's contractual financial assets is minimal because the main debtor is Tabcorp, being the Victorian Racing Industry's Joint Venture partner where payments are made soon after month end. For debtors other than Tabcorp they are mostly for RaceFields payment with wagering service providers also obligated to meet payments within a prescribed period.

In addition, GRV does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, GRV's policy is to only deal with banks with high credit ratings.

Provision for impairment for contractual financial assets is recognised when there is objective evidence that GRV will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense.

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents GRV's maximum exposure to credit risk.

Impairment of financial assets

GRV applies the AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. GRV have assessed the expected credit loss rate based on GRV's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

GRV has assessed the impact of any credit loss which is determined to be nil.

Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the Board, which has in place a

framework to manage GRV's short, medium and long term funding and liquidity. GRV operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

GRV is exposed to liquidity risk mainly through the financial liabilities as disclosed on the face of the balance sheet. GRV manages the liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows by matching the maturity profiles of financial assets and liabilities.

Given the current surplus cash assets, liquidity risk is considered to be minimal.

The carrying amount detailed in the table of contractual financial liabilities (refer Note 5.2) represents GRV's maximum exposure to liquidity risk.

Market risk

GRV's exposures to market risk are primarily through interest rate. It does not have any exposure to foreign currency and other stated price risks. Objectives, policies and processes used to manage each of these risks are disclosed below.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. GRV does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. GRV has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

GRV manages this risk by mainly undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded that cash at bank are financial assets that can be left at floating rate without necessarily exposing GRV to significant bad risk. Movement in interest rates are monitored consistently.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS continued...

7.1 Financial Instruments Specific Disclosures continued...

7.1.2 Financial risk management objectives and policies continued...

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and GRV's sensitivity to interest rate risk are set out in the table that follows:

INTEREST RATE EXPOSURE OF FINANCIAL INSTRUMENTS	Weighted Average Interest Rate	Interest Rate Exposure (\$ thousand)			
		Carrying Amount	Fixed Interest Rate	Floating Interest Rate	Non Interest Bearing
2021					
Financial assets					
Cash and deposits	0.65%	8,989	-	8,989	-
Receivables ^(a)	-	12,874	-	-	12,874
Investments and other contractual financial assets:					
- Term deposit	0.07%	24,000	24,000	-	-
- Loans receivable	2.50%	855	855	-	-
- Investments	-	690	-	-	690
Total financial assets		47,408	24,855	8,989	13,564
Financial liabilities					
Payables ^(a)	-	7,064	-	-	7,064
Lease liabilities	2.25%	737	-	737	-
Total financial liabilities		7,801	-	737	7,064
2020					
Financial assets					
Cash and deposits	0.65%	16,500	-	16,500	-
Receivables ^(a)	-	9,767	-	-	9,767
Investments and other contractual financial assets:					
- Term deposit	0.96%	8,000	8,000	-	-
- Loans receivable	2.50%	900	900	-	-
- Investments	-	602	-	-	602
Total financial assets		35,769	8,900	16,500	10,369
Financial liabilities					
Payables ^(a)	-	3,086	-	-	3,086
Lease liabilities	2.25%	1,237	-	1,237	-
Total financial liabilities		4,323	-	1,237	3,086

Note:

(a) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Sensitivity disclosure analysis and assumptions

GRV reviews the sensitivity of its cash investments, noting GRV cannot be expected to predict movements in market rates and prices. A sensitivity analysis indicates what is "reasonably possible" over the next 12 months which allows for a movement of 100 basis points up and down (2020:100 basis points up and down) in market interest rates (AUD). GRV has assessed the impact of changes in market rates of 100 basis points to be immaterial.

Interest rate risk sensitivity

A movement of 100 basis points either up or down is not expected to have a material effect on GRV's financial instruments.

Other price risk

GRV is not aware of any other price risk with respect to its financial assets noting its investment with 3UZ unit trust is an unlisted entity and the units are not traded.

7.2 Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed and, if quantifiable, are measured at nominal value.

GRV has no contingent assets or liabilities as at 30 June 2021 (2020: None).

7.3 Fair Value Determination

Significant judgement: Fair value measurements of assets and liabilities.

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of GRV.

This section sets out information on how GRV determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets at fair value through other comprehensive income;
- land, buildings, plant and equipment; and
- investment properties.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

GRV determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS continued...

7.3 Fair Value Determination continued...

Fair value hierarchy

In determining fair values, a number of inputs are used.

To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

GRV determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is GRV's independent valuation agency. GRV, in conjunction with VGV, monitors changes in land and buildings through relevant data sources to determine whether revaluation is required. GRV also monitors changes in the fair values of its liabilities to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - (1) a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - (2) details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 - the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

GRV currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2020-21 reporting period.

These financial instruments include:

FINANCIAL ASSETS	FINANCIAL LIABILITIES
Cash and deposits	Payables
Investments and other financial assets:	Lease liabilities
- Term deposits	
- Loan Receivable	
Receivables	

Fair value estimates recognised in respect of financial instruments in the balance sheet are all estimated and categorised as Level 1, with the exception of the loans to clubs and the investments in Radio 3UZ. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The fair value of assets and the fair value are summarised in the table below.

Financial assets and liabilities measured at fair value

FAIR VALUE	(\$ thousand)							
	2020				2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
Investment - Radio 3UZ Unit Trust			690	690	-	-	602	602
Total	-	-	690	690	-	-	602	602

There have been no transfers between levels during the period.

GRV recognises its investment in Radio 3UZ Unit trust as a level 3 financial asset. The shares are not listed and GRV has determined the fair value by way of an independent valuation of the shares and brought to account the increase in the share value to the valuation reserve and also through other economic flows under comprehensive income.

In order to value units of Radio 3UZ Unit Trust, it has been necessary to determine a valuation of the licence of the radio station and then also determine the other net assets of the 3UZ Pty Ltd. The valuation applies the present value of net cashflows generated from the station to the Victorian Racing Industry (Codes). The wagering revenue was determined by way of the Codes TABCORP and Racefields wagering revenue at risk if the radio station did not exist. Growth in revenues were assessed by way of forecast and trends. Costs included the current contribution of the deficit funding to the station as well as an allocation of race callers costs. The following is a sensitivity of significant unobservable inputs that shows the corresponding variation in GRV's investment.

Description of Level 3 valuation techniques used and key inputs to valuation

	Valuation technique	Significant unobservable inputs	Assumption Range %	Sensitivity of fair value measurement to changes in significant unobservable inputs
Unlisted Security (Radio 3UZ unit trust)	Discounted cashflow method	Reduction in cash inflows for subsequent years average decrease	30-40%	10% increase or decrease on the cash inflow assumption would result in an increase or decrease of \$13,426 in fair value of our investment

Reconciliation of Level 3 fair value movements

INVESTMENT IN RADIO 3UZ UNIT TRUST	(\$ thousand)	
	2021	2020
Opening balance	602	602
Total gains or losses recognised:		
Valuation Gain recognised in Other Comprehensive Income	88	-
Closing balance	690	602
Total gains or losses for the period included in profit or loss for assets held at the end of the period	-	-

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS continued...

7.3 Fair Value Determination continued...

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

ASSETS AT FAIR VALUE	(\$ thousand)							
	Written down value		Fair value measurement at end of reporting period using:					
	2021	2020	Level 1		Level 2		Level 3	
	2021	2020	2021	2020	2021	2020	2021	2020
Land	8,190	8,871	-	-	8,190	8,871	-	-
Buildings	4,931	3,366	-	-	3,329	1,408	1,602	1,958
Buildings (right-of-use)	140	90	-	-	-	-	140	90
Motor Vehicles (right-of-use)	582	1,135	-	-	-	-	582	1,135
Track and GAP Equipment	310	303	-	-	-	-	310	303
Furniture and Fittings	58	68	-	-	-	-	58	68
Computer and Office Equipment	421	427	-	-	-	-	421	427
Total	14,632	14,260	-	-	11,519	10,279	3,113	3,981

There have been no transfers between levels during the period.

Non-specialised land, and non-specialised buildings

The land and buildings situated at Chetwynd Street and the land situated at Seymour GAP fall into the category of non-specialised land and non-specialised buildings. Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

In 2021, an independent valuation of GRV's non-specialised land and buildings was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2021.

To the extent that non-specialised land, and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Asset valuation impact

The market that the assets are valued in as at 30 June 2021 is being impacted by the uncertainty that the coronavirus (COVID-19) outbreak has caused. The valuer has advised that the current market environment, impacted by coronavirus (COVID-19), creates significant valuation uncertainty. The value assessed at valuation date may therefore change over a relatively short time period.

Specialised buildings

The buildings situated at Seymour GAP fall into the category of specialised buildings. GRV's specialised buildings are valued using the market approach.

In 2021, an independent valuation of GRV's specialised buildings was performed by the Valuer-General Victoria to determine the fair value using the current replacement cost method. The effective date of the valuation is 30 June 2021.

As depreciation adjustments are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Plant and equipment

Plant and equipment comprising track and GAP equipment, furniture and fittings and computer and office equipment are recorded at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2021.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 fair value movements

	(\$ thousand)	
	Buildings Seymour	
	2021	2020
Opening balance	1,958	1,796
Additions	118	114
Revaluations	(320)	175
Transfer in from (out to) another class	-	24
Depreciation	(154)	(151)
Subtotal	1,602	1,958

All other level 3 fair value movements are as disclosed in note 4.1.2.

Description of significant unobservable inputs to Level 3 valuations

Plant and equipment

Valuation technique: Initially at cost and then a review of the replacement value and also the useful life.

Significant unobservable inputs: useful life of plant and equipment (refer Note 4.1.1)

Specialised buildings

Valuation technique: Market value approach of comparative properties.

Significant unobservable inputs: Market data have regard to cost per square metre.

Significant unobservable inputs have remained unchanged since June 2020.

Investment properties measured at fair value and their categorisation in the fair value hierarchy

	(\$ thousand)							
	Written down value		Fair value measurement at end of reporting period using:					
	2021	2020	Level 1 ⁽ⁱ⁾		Level 2 ⁽ⁱ⁾		Level 3 ⁽ⁱ⁾	
	2021	2020	2021	2020	2021	2020	2021	2020
Investment property	5,400	5,359	-	-	5,400	5,359	-	-

Notes:

(i) Classified in accordance with the fair value hierarchy.

For investment property measured at fair value, the current use of the asset is not considered the highest and best use. The valuation provided considers the highest and best use to be as a development site, most likely for residential apartments.

In 2021, an independent valuation of GRV's investment property was performed by the Valuer-General Victoria to determine the fair value using the market approach. The valuation of the asset was determined by reference to market evidence of transaction prices for similar properties with no significant unobservable adjustments, in the same location and condition and subject to similar lease and other contracts. The effective date of the valuation is 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

8. OTHER DISCLOSURES

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Reserves
- 8.2 Responsible persons
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Other accounting policies
- 8.8 Change in accounting policies
- 8.9 Australian Accounting Standards issued that are not yet effective

8.1 Reserves

	(\$ thousand)	
	2021	2020
Distribution Reserve Fund	7,500	7,500
Physical Asset Revaluation Surplus	7,811	7,644
Financial Assets Revaluation Surplus	164	76
Total Reserves	15,475	15,220
Contributed Capital	1,924	1,924
Accumulated Surplus	41,929	30,525
Total Contributed Capital and Surpluses	43,853	32,449
Total Equity	59,328	47,669

8.1.1 Distribution Reserve Fund (DRF)

The Board monitors the fund to ensure GRV has a sufficient level of reserves to meet a temporary disruption to its revenue base that could threaten the sustainability of current stakeholder levels and to assist with any potential disruptions.

8.1.2 Physical Asset Revaluation Surplus

	2021	2020
The physical assets revaluation surplus arises on the revaluation of land and buildings.		
Balance at beginning of financial year	7,644	6,252
Valuation Gain (Loss) recognised in Other Comprehensive Income	167	1,392
Balance at end of financial year	7,811	7,644

In addition to the valuation gain recognised in the reserve above, there was a valuation gain on buildings of \$0.294m which has been recognised in the net result. This gain reverses a net revaluation decrease of the same class of assets recognised in the net result in prior periods.

8.1.3 Financial Asset Revaluation Reserve

Represents fair value adjustments for the investment in the Radio 3UZ Unit Trust.

	(\$ thousand)	
	2021	2020
Balance at beginning of financial year	76	76
Valuation Gain recognised in Other Comprehensive Income	88	-
Balance at end of financial year	164	76

8.1.4 Contributed Capital

In accordance with former Financial Reporting Direction No.2 Contributed Capital, GRV deemed its opening accumulated profit of \$1,924,000 at 1 July 2001, to be its opening contributed equity balance during the 2002 financial year.

8.2 Responsible Persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the Financial Management Act 1994 (FMA), the following disclosures are made regarding responsible persons for the reporting period.

Portfolio Minister:

The Minister for Racing The Hon. Martin Pakula, MP from 01.07.2020 to 30.06.2021

Governing Board:

Position	Member	From	To
Chair	Ms. P. Duncan	1.07.2020	30.06.2021
Member	Mr. R. Greenall	1.07.2020	30.06.2021
Member	Mr. E. Dunne	1.07.2020	30.06.2021
Member	Ms. M. McMahon	1.07.2020	30.06.2021
Member	Mr. R Bartolo	1.07.2020	8.10.2020
Member	Mr. G Miller	1.07.2020	4.03.2021
Member	Ms. L Tripodi	1.07.2020	30.06.2021
Member	Mr. B Buccilli	25.05.2021	30.06.2021
Member	Mr. D Nugent	25.05.2021	30.06.2021

Accountable Officer:

Mr. A.K. Clayton - from 01.07.2020 to 30.06.2021

The total remuneration of the Board and Accountable Officer is summarised in the table below

INCOME BAND	Total Remuneration	
	2021 No.	2020 No.
\$0 to \$9,999	2	1
\$10,000 to \$19,999	1	1
\$20,000 to \$29,998	1	1
\$30,000 to \$39,999	-	1
\$40,000 to \$49,999	4	3
\$70,000 to \$79,999	1	1
\$430,000 to \$439,999	-	1
\$440,000 to \$449,999	1	-
Total Numbers	10	9
Total Remuneration (\$ thousand)	756	700

The total remuneration detailed above excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the Parliamentary Salaries and Superannuation Act 1968 and is reported within the Department of Parliamentary Services' Financial Report.

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

8. OTHER DISCLOSURES continued...

8.3 Remuneration of Executives

The number of executive officers, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 Employee Benefits) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accruals basis, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include employee benefits provided upon termination of employment as a result of either an entity's decision to terminate an employee before the normal retirement date.

REMUNERATION OF EXECUTIVE OFFICERS	(\$ thousand)	
	2021	2020
Short-term employee benefits	2,511	2,452
Post-employment benefits	205	178
Other long-term benefits	78	63
Termination benefits	63	345
Total remuneration (a)	2,857	3,038
Total number of Executives	11	12
Total annualised employee equivalents (b)	10	9

Notes:

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reporting within the related parties note disclosure (Note 8.4).

(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.4 Related Parties

GRV is a wholly owned and controlled entity of the State of Victoria.

Related parties of GRV include:

- key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

Key management personnel of GRV includes:

- (1) the Portfolio Minister: The Minister for Racing The Hon. Martin Pakula, MP;
- (2) the Governing Board (refer to Note 8.2 for list of Board members);
- (3) the Accountable Officer: Mr. A.K. Clayton; and
- (4) members of the Leadership Team, which includes:
- Ms. J. Griggs
 - Mr. S. Gillard
 - Mr. S. Laing
 - Ms. L. Martin
 - Mr. G. Goble
 - Mr. M. Wells
 - Ms. P. Riley
 - Mr. S. Rose (replaced by Ms K. Romanova)
 - Ms. T. Benfield
 - Mr. G. Kerr

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the Parliamentary Salaries and Superannuation Act 1968 and is reported within the Department of Parliamentary Services' Financial Report.

	(\$ thousand)	
COMPENSATION OF KMPS	2021	2020
Short-term employee benefits (a)	3,167	3,078
Post-employment benefits	290	240
Other long-term benefits	93	75
Termination benefits	63	345
Total	3,613	3,738

Notes:

(a) Note that KMPS are also reported in the disclosure of remuneration of executive officers (Note 8.3)

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the Public Administration Act 2004 and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

All related party transactions have been entered into on an arm's length basis and include (\$'000);

Mr S.Gillard as a Director on Racing Analytical Services which provided swabbing services at a total cost of \$1,958 (2020: \$1,889)

Outside of the above transactions and normal citizen type transactions with GRV, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

	(\$ thousand)	
SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES	2021	2020
(a) Department of Jobs, Precincts and Regions		
- Deferred revenue held at the end of the financial year	-	3,300
<i>These are contributions received for COVID-19 Emergency Funding, to assist with maintaining levels of prizemoney and club distributions.</i>		
- Amounts recognised as income in the Comprehensive Operating Statement.		
<i>Contributions received for COVID-19 Emergency Funding, to assist with maintaining levels of prizemoney and club distributions.</i>	3,695	-
<i>Contributions received from Victoria Racing Industry Fund (VRIF) which are to help with infrastructure, prizemoney and raceday attraction projects.</i>	3,931	1,737
(b) Treasury Corporation of Victoria (TCV)		
- Term deposits held at end of the financial year.	22,000	6,000
- Amounts recognised as income in the Comprehensive Operating Statement.		
<i>This is interest earned on term deposits with TCV.</i>	9	134

NOTES TO THE FINANCIAL STATEMENTS continued...

For the Year Ended 30 June 2021

8. OTHER DISCLOSURES continued...

8.5 Remuneration of Auditors

	(\$ thousand)	
VICTORIAN AUDITOR-GENERAL'S OFFICE	2021	2020
Audit of the financial statements	19	19

8.6 Subsequent Events

The policy in recognising subsequent events, that are, for events that occur between the end of the reporting period and the date when the financial statements are authorised for issue is as follows:

Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting period and the date when the financial statements are authorised for issue, where those events provide information about conditions which existed at the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

As at the date of this report, GRV does not have any subsequent events.

8.7 Other Accounting Policies

Accounting for the Goods and Services Tax ("GST")

Income, expenses and assets are recognised net of the amount of associated GST, except where GST incurred is not recoverable from the taxation authority. In this case, the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

Commitments and contingent assets and liabilities are also stated inclusive of GST.

8.8 Australian Accounting Standards Issued that are Not Yet Effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to GRV's Financial Statements. GRV is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

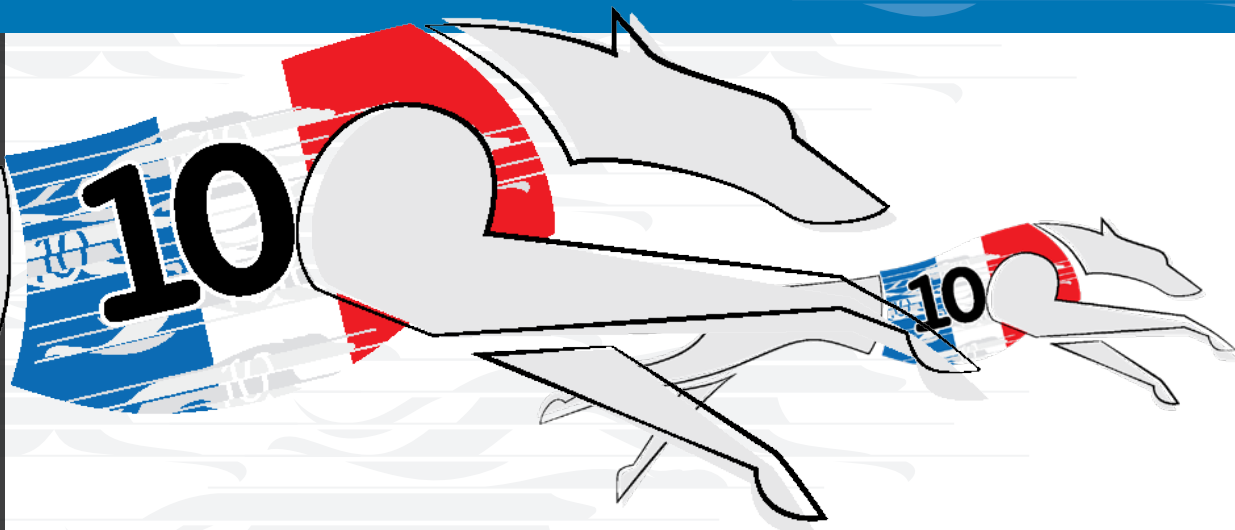
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non Current*

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* to defer the application by one year to periods beginning on or after 1 January 2023. GRV will not early adopt the Standard.

GRV is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on GRV's reporting.

- AASB 17 *Insurance Contracts*.
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2020-7 *Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures*.
- AASB 2020-8 *Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform – Phase 2*.
- AASB 2020-9 *Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*.



ESTABLISHMENT AND FUNCTIONS



Greyhound Racing Victoria (GRV) is a statutory body established under the *Racing Act 1958*. Its functions are to:

- control the sport of greyhound racing;
- promote animal welfare;
- carry out research into aspects of greyhound racing to assist in planning future development;
- promote the sport of greyhound racing;
- conduct greyhound races;
- register greyhounds for greyhound racing or for stud or other purposes and to regulate the breeding, kennelling and verification of lineage of greyhounds for greyhound racing or for stud or other purposes;
- consult with greyhound racing industry participants and facilitate consultation amongst greyhound racing industry participants; and
- exercise such powers functions and duties as are conferred on the Board by or under this or any other Act.

GRV functions and responsibilities are also defined under the:

- *Racing and Gaming Acts (Amendment) Act 2004*; and
- *Racing and Other Acts Amendment (Greyhound Racing and Welfare Reform) Act 2016* – which includes amendments to the *Racing Act 1958*, the *Domestic Animals Act 1994* and the *Prevention of Cruelty to Animals Act 1986*.

GRV'S HEAD OFFICE IS LOCATED AT:

46-50 Chetwynd Street, West Melbourne, Victoria, 3003
Tel: (03) 8329 1100
Fax (03) 8329 1000.

ORGANISATIONAL STRUCTURE

The GRV Board structure comprises a Chair, a Deputy Chair and five other directors. The Board is responsible for the overall strategic direction of GRV and reports to the Minister for Racing.

GRV Board (at 30 June 2021)

- Chair: Peita Duncan
- Deputy Chair: Emmett Dunne
- Director: Bill Buccilli
- Director: Robert Greenall
- Director: Marika McMahon
- Director: Daniel Nugent
- Director: Lisa Tripodi

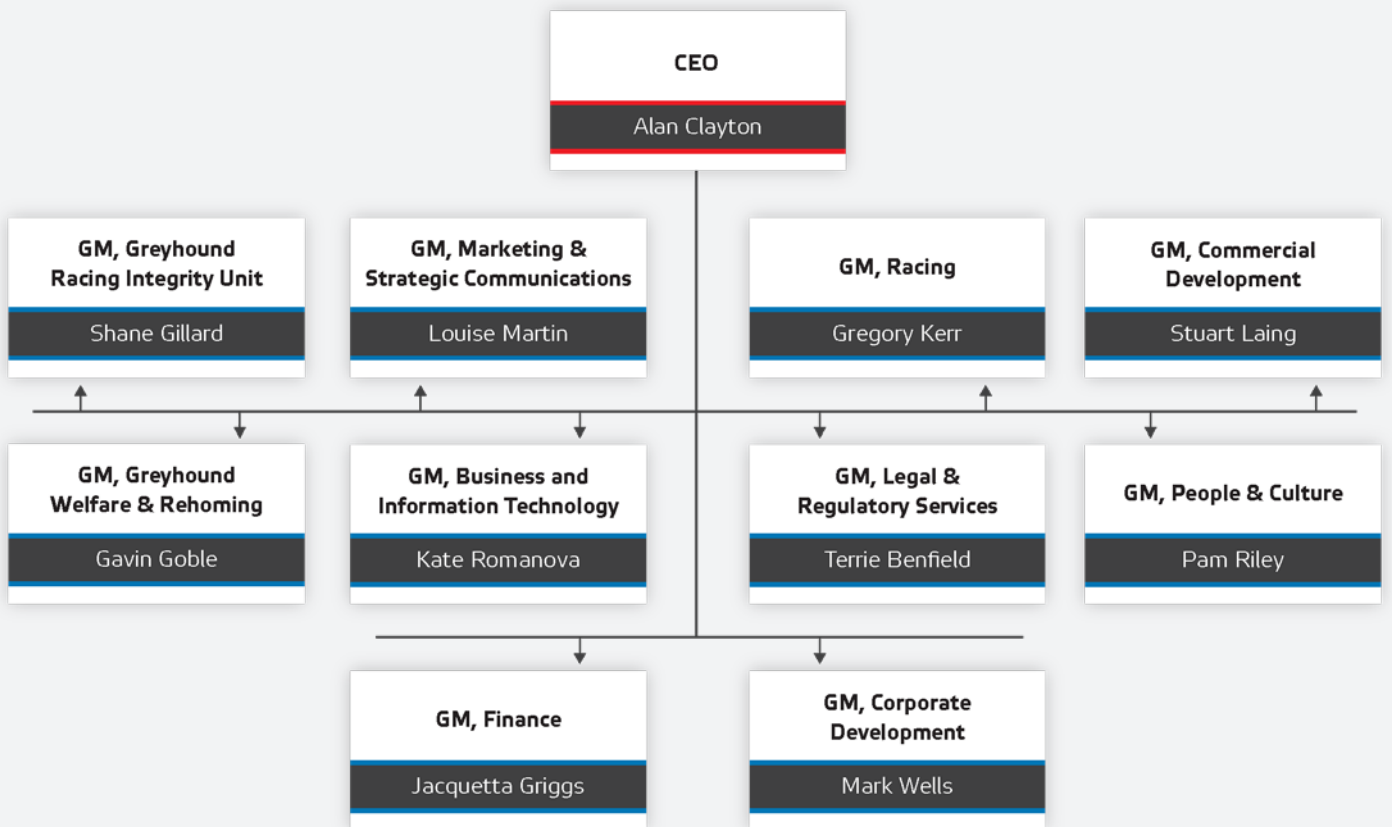
GRV Leadership Team (at 30 June 2021)

The Board appoints a CEO who works with the GRV Leadership Team to implement strategies and manage the operations of Greyhound Racing Victoria.

- Alan Clayton: Chief Executive Officer
- Terrie Benfield: General Manager, Legal and Regulatory Services
- Shane Gillard: General Manager, Greyhound Racing Integrity Unit
- Gavin Goble: General Manager, Greyhound Welfare and Rehoming
- Jacquetta Griggs: General Manager, Finance
- Gregory Kerr: General Manager, Racing
- Stuart Laing: General Manager, Commercial Development
- Louise Martin: General Manager, Marketing and Strategic Communication
- Pamela Riley: General Manager, People and Culture
- Kate Romanova: General Manager, Business Information and Technology Services
- Mark Wells: General Manager, Corporate Development

GRV has the following oversight committees and bodies.

- Audit and Risk Committee
- Welfare Committee
- Industry Consultative Group
- People and Culture Committee
- Commercial & Marketing Committee



FREEDOM OF INFORMATION

Requests for access to documents under the *Freedom of Information Act 1982* are directed to GRV's Freedom of Information (FOI) Officer. All records are kept at GRV's office. Documents subject to the request will be considered by the Freedom of Information Officer. When access to information is requested, the applicant is advised of the fee payable as directed under the Act. Once the fee is received and the request is clarified, it is considered by the Freedom of Information Officer. The applicant is then notified of the decision and if access is granted, the information is released to the applicant. Where access is not granted, the applicant is advised.

During 2020-21, there were 10 FOI requests received by GRV. Six of these were not fully completed and finalised by applicants and four FOI requests had a response provided by GRV.

NATIONAL COMPETITION POLICY

GRV complies with the requirements and application of principles in respect to competition policy and will continue to review and implement policies as and when directed by the Government.

PROTECTED DISCLOSURES ACT 2012

The *Protected Disclosure Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

GRV does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

GRV will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible. At 30 June 2020, GRV complies with the Act and guidelines in conjunction with the Independent Broad-based Anti-Corruption Commission.

WORKFORCE DATA

At 30 June 2021, GRV employed 240 Full-time, casual, and part-time staff, equivalent to 201.84 Full Time Equivalent (FTE) positions.

	Ongoing employees				Fixed term and casual
	Number Headcount	Full time Headcount	Part time Headcount	FTE	FTE
June 2020	238	126	26	139.25	52.56
June 2021	240	136	22	147.34	54.5

Executive Level Positions	June 2020	June 2021
	10 + CEO	10 + CEO

	June 2020				June 2021			
	Ongoing		Fixed term & casual		Ongoing		Fixed term & casual	
	Number Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE
Gender								
Male	83	79.1	49	29.31	87	82.49	51	31.8
Female	69	60.15	37	23.25	70	63.85	32	23.7
Age								
Under 25	0	0	10	6.55	4	4	10	5.63
25-34	37	35.57	20	12.21	32	31.16	17	10.66
35-44	42	37.7	12	10.56	44	41.21	14	11.5
45-54	33	31.12	22	12.61	38	35.73	19	14.5
55-64	36	32.6	14	7.17	35	32.04	15	8.68
Over 65	4	2.26	8	3.46	4	2.2	8	4.53

EQUAL EMPLOYMENT OPPORTUNITY

GRV has an Equal Employment Opportunity policy and program in accordance with the *Public Authorities (Equal Employment Opportunity) Act 2010*.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

GRV has responsibility for OHS at its Chetwynd Street head office, Greyhound Adoption Program sites and GRV controlled events and employs an OHS Manager who works with management and staff to provide a healthy and safe work environment, safe plant and equipment, safe work systems and appropriate training and supervision. GRV also has an OHS Committee comprised of GRV management and staff representatives who meet regularly to consider and manage OHS issues in the GRV workplace.

Victoria's racing and coursing clubs are primarily responsible for OHS at each of their sites with GRV sharing OHS responsibilities for race meetings. GRV's Director, Racing Safety, Clubs and Infrastructure, works with GCV to assist the clubs with OHS. This includes continuing to support clubs in implementing safe work practices through training and assistance and development of compliant OHS procedures.

ENVIRONMENTAL POLICY

All GRV building works comply with the *Building Code of Australia Section J – Energy Efficiency* and all fitments and products installed in the new buildings will meet internationally recognised Green Star sustainability requirements. Locally sourced products are being used, reducing the carbon footprint generated by road transportation.

BUILDING STANDARDS

In November 1994, the Minister for Finance issued guidelines pursuant to Section 220 of the *Building Act 1993* to promote conformity in building standards for buildings owned by public authorities. GRV maintains a high level of compliance with building standards and regulations. All works carried out during the year were conducted in accordance with the Act, Construction Code compliance under the *Victorian Code of Practice for Building and Construction Industry* and relevant building regulations.

CARERS RECOGNITION ACT

GRV continues to take practical measures to comply with its obligations under the *Carers Recognition Act 2012*. GRV is ensuring its employment and workplace policies comply with the statement of principles in the Act and will work to ensure the role of the carer is recognised within the organisation.

GREYHOUND RACING VICTORIA FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I, Peita Duncan, on behalf of the Responsible Body, certify that Greyhound Racing Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Peita Duncan. Chair, Board of Greyhound Racing Victoria

LOCAL JOBS FIRST POLICY

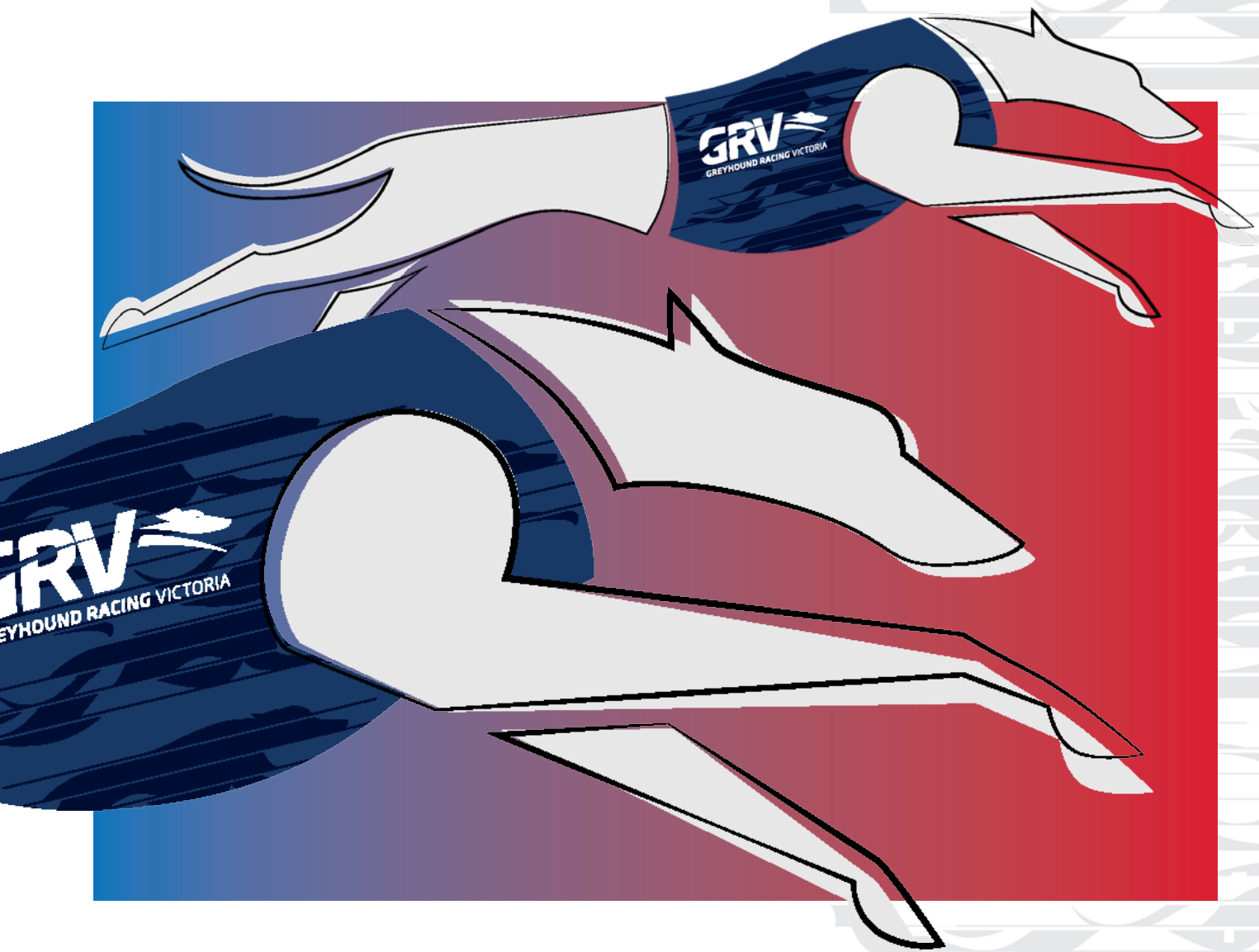
The Victorian Government's Local Jobs First Policy is comprised of the Victorian Industry Participation Policy and the Major Projects Skills Guarantee. Departments and public bodies are required to apply the policy in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria. In 2020-21 GRV awarded two tenders covered by the Policy.

- The Trustee for The Mitchell Trust: \$2,289,788 for GAP veterinary services. Victorian-based organisation.
- Sure Constructions Pty Ltd: \$4,200,00 for Traralgon Greyhound Racing Club track construction services. Victorian-based company.

CONSULTANCIES

GRV engaged the following consultancies, worth over \$10,000, with specialist skills to help inform strategic direction and operational delivery during 2020-2021.

Strategic Direction	Consultant	Summary	\$
One Industry	Comprara Group Pty Ltd	VGPB framework expansion	26,942.75
	Customer Driven Solutions Pty Ltd	CRM and telephony development	25,500.00
	Cythera Pty Ltd	Cybersecurity support	20,000.00
	Bryant Consulting	Information Management Strategy development	81,190.00
	Robert Masters and Associates Pty Ltd	Engagement Strategy development and support	18,900.00
	DOING BUSINESS BETTER PTY LTD	Policy and Procedure review and development	29,400.00
	HaRe Group	Staff classification and salaries framework review	10,300.00
	IR Results Pty Ltd	Employee Agreement renewal advice	88,105.00
	The Zalt Group	Workplace support services	31,000.00
Innovation to Drive Revenue	AP2 ADVISORY PTY LTD	Commercial strategy development	184,000.00
	JWS Research	Customer insight research	39,000.00
Racing Safety & Greyhound Welfare	Capability Network Pty Ltd	Strategic racing assets review	147,950.00
	Limebridge Australia Pty Ltd	Participant Services review	85,000.00
	Partners in Performance (PIP Global)	Welfare data capability review	47,400.00
	University of Technology Sydney	Track development services	125,000.00
Total < \$100,000		\$502,737.75	
Total > \$100,000		\$456,950.00	
Total		\$959,687.75	





Greyhound Racing Victoria

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