GREYHOUND RACING VICTORIA

ANNUAL REPORT
2014 / 2015

Cover image: Photo By Clint Anderson

GREYHOUND RACING VICTORIA
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grv.org.au

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GRV Board (at June 30 2015)

Chairman: Ray Gunston

Ray has varied and extensive experience in a number of industries. He was Chief Financial Officer at Tatts Group, and held executive roles at Westpac, Price Waterhouse, Aluminium Smelters of Victoria, Southern Cross Austereo and the Victorian Government.

Ray currently works at the AFL where he is General Manager Finance, Corporate and Major Projects.

Mr Gunston joined the GRV Board in March 2015.

Board Member: Judith Bornstein

Judith Bornstein is a Melbourne barrister with an extensive background and expertise in all aspects of industrial and employment relations in both the public and private sectors. As a Commissioner of the former Industrial Relations Commission of Victoria, Judith was responsible for industrial relations in the greyhound racing industry and gained experience in the operations of the industry. Judith is a member of the Victorian Bar and a member of the Australian Institute of Company Directors.

Ms Bornstein joined the GRV Board in March 2015.

Board Member: Ken Lay

Ken Lay has more than 40 years' experience with the Victoria Police after joining the force in 1974 and was Victoria's Chief Police Commissioner from 2011-2014. In addition to his position on the GRV Board, Mr Lay also leads the National Ice Taskforce that has been set up by the Federal Government to tackle the issue of the use of the drug ice in Australian society.

Mr Lay joined the GRV Board in March 2015.

Chairman's Foreword

by Ray Gunston - GRV Chairman at 30/6/15

There is no doubt that FY15 has been one of the most challenging for the greyhound racing industry and a defining year for the future of the sport.

With my appointment coming off the back of the live baiting scandal exposed by the ABC's *Four Corners* program in February this year I have seen firsthand the challenges facing GRV and the industry as a whole in the harshest of lights.

GRV has stated many times the practices uncovered at Tooradin are completely unacceptable and the public outcry following the program highlights the community's expectations of us as an industry. The fact some in the industry thought this practice was appropriate and continued it in a clandestine and secretive manner indicates they knew they were doing wrong yet had no regard for their colleagues and the industry's future as a whole.

The fact remains that GRV was unable to detect this barbaric practice and for that we must apologise to the Victorian community at large and to those in the industry that do the right thing and have had their names dragged through the mud. We let them down. Everything we do from here will be about ensuring we are able to detect any such behaviour and act quickly to eradicate it.

As we move forward and GRV Stewards prosecute the cases before the Racing Appeals and Disciplinary Board (RADB) we need to appreciate the industry is now in a very different place and will look very different in the future. As the regulatory body overseeing greyhound racing we need to work hard to establish a culture of compliance by working with participants to ensure that the greyhound racing industry lives up to community expectations. The cooperation of the participant base so far has been encouraging and we look forward to productive consultation in the future.

RIC and CVO Reports

The reports handed down to the Government in June by Racing Integrity Commissioner Mr Sal Perna and Chief Veterinary Officer Dr Charles Milne were comprehensive and in total delivered a set of 68 recommendations. The Government accepted, or accepted in principle, all of these recommendations and the GRV Board agree with that assessment of the need for change. Work has already begun with the Government, the industry and its participants, and other stakeholders to ensure that the necessary and appropriate changes are implemented and explained to secure the future of the industry.

The need for change within GRV and also within the broader industry is unquestionable. We will consult widely and often, but willingly accept our responsibility to lead the change implementation program. We also stress that GRV alone will not be able to fix this; it needs to be a concerted joint effort with all members of the industry who wish to be part of a sustainable, welfare-oriented future.

Much has been done since February and there is more to do. Some key actions already undertaken include:

- Greater powers for GRV officers have been sought via changes to the Racing Act and specialist appointments under the Prevention of Cruelty to Animals Act.
- In-depth review of all property inspection procedures and documentation processes.
- Industry census of more than 13,000 registered participants to catalogue the roles of all persons and facilities used in the education of greyhounds in Victoria.
- Investigation into Trial Track operations and ownership and the feasibility of permanent surveillance equipment at these training establishments.
- Implemented changes to the GRV operating system to further segment roles in the industry.

- Significant testing of various lure arms, lure types and alternative lure operation methods, in addition to an interstate and international data review, to identify methods to have greyhounds perform at their best.
- Scoping of expanded training program for trainers and breeders to ensure industry knowledge and skills remain contemporary.
- Amended rules and operating procedures to allow greater control of greyhound transfers between participants.
- Interactions with relevant animal welfare groups to seek agreement as to the appropriate means for the timely exchange of information and immediate reporting of alleged and suspected acts of animal cruelty in the Victorian greyhound racing industry.

Strategic Plan

GRV published a five-year Strategic Plan in early 2014. In the circumstances that now exist applying some elements of that plan will require revision. The foundation of GRV's pathway forward will be the vigilant focus on integrity of the sport, the whole-of-life welfare of our greyhounds and animal welfare generally.

The GRV Board is committed to re-establishing GRV as a regulator of integrity that is respected for its operating principles of transparency, accountability, fairness and collaboration.

The successful commercial outcomes that we will also strive for can only arise and be sustainable on the back of community respect for the sport's management and a level playing field for participants.

Sound financial platform

GRV made a profit in FY15 of $5.1 million off the back of strong wagering growth that saw revenue from wagering grow 13% to $83.8 million. This profit was delivered in addition to a $2.0 million increase in integrity and greyhound welfare expenses and total maintenance and infrastructure investment of $13.9 million. Returns to participants remain at record levels with $42.6 million in prize money, bonuses and travel fees distributed in FY15.

These results mean the organisation is in very good financial shape and well placed to address the challenges that lie ahead by investing in the necessary integrity and welfare resources required to effectively regulate the industry.

Investment for the future

In FY15 we have seen the further development of facilities at our venues that delivered exceptional outcomes. Infrastructure projects totalling $10.7 million were undertaken in FY15 with $1.2 million contributed by the Victorian Government from the Victorian Racing Industry Fund (VRIF*). This ongoing support ensures that our venues remain world-class greyhound racing and entertainment venues and GRV is committed to future projects that improve the facilities for our participants and patrons right around the state.

The Meadows and Sandown both had major renovation works completed. The new function and dining areas at The Meadows are tremendous and the grandstand entrance and al fresco function area works at Sandown make our marquee metropolitan venues the envy of greyhound racing clubs around the country.

Traralgon had more than a year out of commission but the result of a lot of planning and hard work by GRV and the club has resulted in a venue in Gippsland that will maintain that region's position as an epicentre for greyhound racing in Victoria and gives many participants a local venue to be very proud of.

Developments of the Warrnambool facilities and the Horsham track will be completed in FY16 and will allow for better racing and more opportunity for both race day and non-race day events to provide enhanced patron experience.

The Greyhound Adoption Program (GAP) and facilities received a $1.0 million boost from VRIF during the year with the Seymour property receiving new day yards and a purpose built on-site veterinary clinic. The upgrades allow the facility to process more greyhounds and the 847 adoptions processed in FY15 is testament to the growing capabilities of the program. They also ensure the welfare of the greyhounds at the property remains paramount by reducing the need for significant travel to a vet. The program also received a specialized Transit Van to assist with pre-temperament testing off-site and the regional road show of the *Every Greyhound Has A Story* photographic exhibition helped promote the breed all across the state.

Investment in the integrity and welfare departments at GRV also grew with the addition of key staff in the areas of compliance and investigations during the year as well as a significant increase (36%) in the number of swabs collected and analysed. This continued investment in vital areas is critical to develop the capability of GRV to effectively regulate and govern the sport in the future.

In February 2015 the Government agreed also to assist GRV with additional funding from VRIF by way of bolstering GRV's animal welfare and integrity reources, including additional officers that will assist in surveillance and introduction of the latest surveillance technology to enhance the effectiveness of our detection and prosecution capabilities.

Conclusion

Finally I would like to acknowledge the contribution of the hard working participants, our race clubs, former CEO Adam Wallish and all the staff of GRV, my fellow Board members Judith Bornstein and Ken Lay and the previous Board of GRV for their efforts throughout FY15. I'd also like to express our appreciation for the ongoing support of the Victorian greyhound racing industry from the Victorian Government and our industry partners Tabcorp, Radio Sport National (RSN) and Racing Analytical Services Limited (RASL).

** The Victorian Racing Industry Fund (VRIF) is a fund setup by the State Government to control and appropriately distribute unclaimed dividends and oncourse wagering taxes attributed to TABCORP back into the Victorian Racing Industry.*

CEO's Report

by Robert Shaw (acting CEO at 30/6/15)

The operating environment for GRV has been an extremely challenging one in FY15. Two major reviews into greyhound racing following the expose of live baiting at the Tooradin Trial Track have required a major reconsideration of the way we approach our work. I expect the organisation's priority to address integrity and welfare issues will produce major changes in FY16. Significantly, the commercial performance of the business has continued to provide a solid foundation for investment in integrity, welfare and promotion.

Following the delivery of the business' 5-year Strategic Plan, new appointments were made to the executive team with the addition of Craig Armstead as General Manager of Clubs and Membership Development, and Stuart Laing as General Manager of Wagering & Partners. These key appointments refocused the business on assisting our partner clubs with developing sound governance structures, major infrastructure projects and growing their businesses as well as ensuring a dedicated resource was focusing on revenue from wagering and developing better relationships with our wagering partners.

Integrity & Welfare

The organisation's focus on integrity and welfare continued in FY15. Integrity staff invested significant time and resources to comprehensively investigate all allegations brought against registered participants. GRV willingly assisted the Racing Integrity Commissioner and Chief Veterinary Officer with their investigations prior to the delivery of their reports and also embarked on a significant internal review of Integrity and Welfare policy and processes.

FY15 saw the addition of Welfare Compliance Officers and an Investigations Manager. Department staff numbers rose from 36 to 41 and there was a significant investment in training for Stewards and other integrity staff to ensure GRV staff conduct themselves professionally and respectfully at all times.

In FY15 there was a 36% increase in the number of swabs taken for analysis. 5,843 analysis samples were taken with 5,028 taken at race meetings, 813 taken Out-of-competition and 2 Elective Tests. 32 samples were returned positive for the presence of prohibited substances representing 0.55% of all swabs taken.

GRV Integrity and Welfare staff conducted 1,121 kennel inspections. This is down on the FY14 figure of 1,147 due to the requirements throughout February and March for staff to assist with investigations into the matters arising from the Tooradin Trial Track.

GRV also continued to take a leadership role in the development and implementation of the National Welfare Strategy. The foundations for important changes to breeding and accountability within the industry have been set this year by the strategy. Following nationwide industry consultation a number of initiatives emanating from it are set to be executed in FY16.

The Greyhound Adoption Program (GAP) continued to go from strength to strength with another record being set after 847 adoptions were processed in FY15. The investment in the Seymour property and partnerships with the Dogs Country Club and Kennel Resort in Baxter and the collaborative adoption scheme operating at six RSPCA shelters across Victoria have all played a role in growing adoptions.

Financial Performance

GRV performed solidly in FY15 with total revenue growing to \$88.7 million and a strong profit of \$5.1 million delivered. Revenue from wagering formed the vast majority of GRV's revenue with 94.5% coming from that source. The Joint Venture with Tabcorp delivered \$62.4 million (up 6.3%) and Racefields revenue from Wagering Service Providers (WSPs) increased by 39.1% to \$21.4 million.

From 1 July 2014 the fees charged by GRV to all WSPs to publish and use Victorian Greyhound Racefields in accordance with the Gambling Regulation Act 2003 (Act), were increased by GRV to 2% of turnover for non-parimutuel bets taken, up from the previous rate of 1.5% on all bets.

Returns to participants by way of prize money and travel fee payments grew by (2%) to $42.6 million. GRV also made major investments infrastructure projects at Traralgon, The Meadows, Sandown and the Greyhound Adoption Program facility in Seymour. Additionally, investments in integrity and welfare resources and operations increased significantly by $2 million.

Racing Operations

There were 1,089 meetings held across 12 venues in FY15 with a total of 12,951 races conducted. Across all races the average field size was 7.7 starters and the majority of races (61%) were held in the distance range of 440m to 559m.

During the year some significant changes to grading and meeting types were introduced following the grading review in FY14. These changes provided more racing opportunities for participants and a more logical progression for greyhounds beginning their careers. Grade 6 and Grade 7 races were introduced and the secondary meeting at each metropolitan venue was reclassified to be a Provincial Full Stakes meeting. This replaced the Non-Penalty meetings previously held at these venues.

During the year, GRV engaged consultants with expertise in sports and turf management to assist the greyhound industry to better understand the preparation and maintenance of greyhound racing track surfaces. The objective of this project was to complement the vast knowledge and experience of our many track curators with technical understanding and objective measurements.

The consultants assessed twelve race tracks and the work undertaken at each visit included:

- Interview the track curator to understand their issues, and the track's strengths and weaknesses.
- Drill down at 4 locations at each track (one at each bend and the front and back straights) through the sand into the sub-base and base, taking measurements and samples for testing purposes.
- Conduct the most appropriate laboratory tests
- Each Club to complete a questionnaire to capture a range of information including the current practices, and methods and equipment used.

A comprehensive report was written for each Club as well as an overall report to GRV of observations, opinions and recommendations. The recommendations included improvements to our existing practices as well as ideas for further enhancements. Importantly, a sand specification and ideal sub-base structure were agreed and defined.

Greyhound Racing Wagering

Total turnover on Victorian greyhound racing now exceeds $1.6 billion nationally, making it easily the fastest growing racing product in Australia. The increase in popularity of wagering on Victorian greyhound racing is translating to the national marketplace, highlighted by 13.3% year-on-year growth achieved with all Australian WSPs, including growth of 36.8% with Corporate Bookmakers & Betfair during FY15.

In FY15 wagering on greyhound racing with the Victorian TAB Joint Venture grew 5.5% year-on-year to a record $871 million. This was the biggest increase of the three racing codes and continued the strong upward wagering trend the sport has been experiencing over the past four years. Greyhound racing's share of 3-code Vic TAB turnover increased to 21.20% in FY15, the highest ever recorded for the code. This increase was driven by a combination of program expansion, improved broadcast coverage on Sky Channel, particularly for Victorian racing, along with the expansion of fixed odds services by Tabcorp and the continued growth in popularity of wagering on greyhounds with wagering customers.

Club and Membership Development

Significant infrastructure works were undertaken at Traralgon, The Meadows and Sandown. GRV worked very closely with the clubs and the Office of Racing on these projects and the results are outstanding.

During FY15, GRV facilitated the commencement of a process to write strategic 3-year business plans with the thirteen greyhound racing Clubs in Victoria. The intention is to define each Club's role within the sport, agree on their KPI's and the strategies and activities to achieve these.

Historical and benchmark data was collated on a club by club basis to ensure we had a solid understanding of the Club's current position. Meetings were held with Club staff and Committee members to develop the content. The business plans are well advanced and will be completed in FY16.

GRV has now taken over responsibility for the IT systems support for the thirteen clubs. This has enabled the provision of new hardware and infrastructure to help the clubs run more smoothly and keep up with the technology curve.

Many participants contributed to an industry wide census in FY15. The objective was to confirm the variety and prevalence of roles within the industry (e.g. trainer, pre-trainer, rearer, etc.) and to identify what equipment they have at their property (e.g. kennels, straight tracks, starting boxes, etc). The results have provided us with a much deeper understanding of the variety of roles within the greyhound industry and will be useful information for future planning of many initiatives.

Community Engagement

GRV continued to have a considerable impact on communities across the state with clubs conducting events throughout the year to raise money for charity. The TAB Great Chase was held for the 11th year and exceeded $400,000 in donations to community groups in the disability sector since its inception. Frankston organisation Connecting Skills Australia were the main beneficiary in 2014 when they were paired with All Strung Out who took out the Group 2 race.

GRV also cemented its relationship with the Prostate Cancer Foundation of Australia (PCFA) by conducting Big Aussie Barbies in September to raise awareness of prostate cancer and raise money. This resulted in more than $60,000 being given to PCFA from the greyhound racing community for research, awareness and support programs.

GAP greyhounds and volunteers were also out in force at the Good Friday Appeal to make GRV's annual donation of $10,000 to the Royal Children's Hospital. The day provides visitors to the appeal the chance to meet GAP graduates and challenges the public's perceptions of the breed as pets.

Our clubs also engaged with local community events and organisations to provide low-cost function venues, raise awareness of issues, raise money and provide opportunities for those less fortunate or going through hard times.

People and Culture

A key focus for GRV during the FY15 year was in the learning and development area. This provided for GRV to review its induction program to incorporate stricter compliance requirements, the implementation of a new performance appraisal system and the identification of the key training needs of the organisation.

FY15 also saw the introduction of a KPI based performance appraisal system which assists in the ongoing development of employees and the alignment of job expectations to job performance. The appraisal system has seen the integration of operational standards and values which are integrated with performance appraisals enabling employees to see how they are expected to behave and how their behaviour will affect individual and GRV business goals.

GRV grew its workforce by 11.5 FTE in FY15 from 75.7 FTE to 87.2 FTE with additions coming in the procurement, integrity and welfare areas as well as to the GRV Leadership team.

Events and Promotions

GRV worked closely with clubs to execute over 60 major events in FY15. The race day experience at our major race meetings continues to evolve and initiatives like Girls Night Out, Big Aussie Barbies and Kids Sensational Summer mean there are events for many groups within local communities. This connection to the regional townships our venues are located within continues to underpin the growth in attendances which were up 4.6% in FY15.

We also saw growth in the promotion for the Greyhound Adoption Program and the breed generally at events such as the Royal Melbourne Show, Midsumma Festival and Million Paws Walk. GRV also conducted stand-alone Adoption Days at metropolitan venues to make adoption more convenient.

The *Every Greyhound Has A Story* photographic exhibition also toured the state promoting the attributes of the breed as a pet and showcasing the vast array of homes greyhounds are suitable for.

Data & Business Systems

GRV's Data and Operations portal, FastTrack, continues to be optimised. There were a number of Grading and Registration changes made in FY15 however the focus remains on improving the stability and performance of the application. The system is critical in the industry for GRV, participants and punters alike to manage racing operations and easily access racing information.

In FY15 a project to move FastTrack to a mobile-device friendly interface was initiated following analysis that showed more than 50% of users were accessing the system from a mobile device.

Free WIFI Internet access is now available to patrons at most clubs, with the remainder to be installed shortly. This provides an increased customer experience for those going to watch live greyhound racing and also provides an added benefit for the clubs when utilising the venue as a function centre on non-race days.

The installation of a Data Warehouse was a major project this year. This, along with the employment of a full-time Data Analyst, allows GRV to make more informed decisions about animal welfare, breeding, integrity and racing in keeping with our operating principle of making decisions based on available evidence.

Summary of Comprehensive Operating Statement for five years ($'million)

	FY11	FY12	FY13	FY14	FY15	Var	Var %
Income from transactions							
Tabcorp Income	41.0	43.6	54.9	58.7	62.4	3.7	6.3%
Racefields Income	9.0	9.6	13.7	15.4	21.4	6.0	39.1%
Other Income	2.1	2.0	2.4	4.2	4.9	0.7	16.6%
Total Income	**52.1**	**55.1**	**71.0**	**78.3**	**88.7**	**10.4**	**13.3%**
Expenses from transactions							
Stakemoney/Starters/GOBIS (*)	26.9	30.4	37.8	41.8	42.6	0.8	2.0%
Other Expenses (excluding infrastructure)	16.5	17.2	20.3	24.1	28.1	4.0	16.4%
Other Expenses (infrastructure)	6.7	9.8	4.5	3.6	13.5	9.9	277.0%
Other economic flows	(0.9)	0.1	(0.2)	0.5	(0.6)	(1.1)	-214.2%
Total Expenses	**49.2**	**57.5**	**62.4**	**70.0**	**83.5**	**13.5**	**19.3%**
Net Result	**2.9**	**(2.4)**	**8.6**	**7.8**	**5.1**	**(2.7)**	**-34.1%**
Return to Industry Participants %/TAB Revenue	65.6%	69.7%	68.8%	71.2%	68.3%		
Other Operating Expenses/Total Revenue %	31.7%	31.2%	28.6%	30.8%	31.7%		

(*) Stakemoney includes top-ups that were included in distribution to clubs note 3(d) of $1.05 million (FY14 : $0.95 million)

Industry Indicators Of Performance Includes comparison percentage (%) with 2014

	MEETINGS		ATTENDANCE		ON-COURSE TURN (Includes fixed odds *)		OFF-COURSE TURN (Includes Fixed Odds)		TOTAL TURNOVER		STAKEMONEY (INC START/TRAV FEES)	
	2014	**2015**		**%**	**($'000)**	**%**	**($'000)**	**%**	**($'000)**	**%**	**($'000)**	**%**
Melbourne	104	105	27,066	-13.5%	3,673	0.1%	42,289	-0.2%	45,962	-0.2%	8,797	0.5%
Sandown	104	103	38,954	-5.4%	5,457	2.8%	37,176	1.0%	42,633	1.3%	8,831	3.0%
Total Metro	**208**	**208**	**66,020**	**-8.9%**	**9,129**	**1.7%**	**79,465**	**0.4%**	**88,595**	**0.5%**	**17,629**	**1.7%**
Ballarat	106	111	11,523	-10.9%	1,551	-7.6%	30,977	7.7%	32,528	6.8%	2,801	4.9%
Bendigo	107	116	12,781	4.0%	1,418	-0.2%	36,263	19.5%	37,682	18.6%	2,844	8.7%
Cranbourne	57	77	9,895	-14.0%	912	69.6%	22,064	35.7%	22,977	36.7%	2,441	31.3%
Geelong	104	103	11,402	-7.7%	1,212	-7.7%	37,241	0.6%	38,454	0.3%	2,556	0.1%
Healesville	52	55	6,860	21.1%	623	20.3%	10,876	27.8%	11,500	27.4%	1,141	5.5%
Horsham	52	68	6,602	20.0%	426	20.9%	21,981	23.8%	22,406	23.7%	1,932	22.4%
Sale	58	62	30,130	4.5%	1,266	7.2%	16,274	6.7%	17,541	6.7%	1,936	6.9%
Shepparton	107	115	16,028	76.1%	1,397	17.7%	35,252	11.3%	36,649	11.5%	2,936	6.1%
Traralgon	50	-	-	-100.0%	-	-100.0%	-	-100.0%	-	-100.0%	-	-100.0%
Warragul	101	108	14,078	7.0%	985	5.0%	32,206	10.9%	33,191	10.7%	2,696	5.9%
Warrnambool	57	66	13,102	23.9%	916	13.3%	16,178	25.3%	17,095	24.6%	2,060	11.4%
Total Country	**851**	**881**	**132,401**	**4.6%**	**10,708**	**4.2%**	**259,314**	**7.5%**	**270,021**	**7.4%**	**23,343**	**2.4%**
Total Interstate, International & Box challenge	-	-	-	-	-	-	512,742	5.4%	512,742	5.4%	-	-
G.O.B.I.S Bonus	-	-	-	-	-	-	-	-	-	-	1,439	-2.9%
Coursing	12	14	-	-	-	-	-	-	-	-	195	27.7%
GRAND TOTAL	**1,071**	**1,103**	**198,421**	**-0.3%**	**19,837**	**3.1%**	**851,520**	**5.5%**	**871,357**	**5.5%**	**42,606**	**2.0%**

Statutory Information

Establishment and Functions
Greyhound Racing Victoria (GRV) is a sefl-funded statutory body that receives no direct funding from the Victorian Government. Established under the Racing Act 1958 the functions of GRV are:
- To control the sport of greyhound racing
- To carry out research into aspects of greyhound racing to assist in planning future development
- To promote the sport of greyhound racing
- To conduct greyhound races
- To register greyhounds for greyhound racing or for stud or other purposes and to regulate the breeding, kenneling 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 Vision
Our Vision is for Greyhound Racing Victoria to become the world's most respected greyhound racing body, widely regarded for the market position and reputation we have created for greyhound racing in Victoria.

GRV Statement of Purpose
GRV is in the business of governing, operating and promoting greyhound racing of the highest integrity to wagering operators and clubs for the enjoyment of members, wagerers and on-course racegoers in Victoria and internationally.

Organisational Structure
The GRV board structure comprises a Chairman, and four other members. The Board is responsible for the overall policy and direction of GRV.

GRV Board (at 30 June 2015)

Chairman	Mr. R. Gunston
Member	Mr. K. Lay
Member	Ms. J. Bornstein

The Board appoints a CEO who is responsible for the day to day affairs of GRV. The CEO and Leadership Team (LT) implement strategies and manage the operations of Greyhound Racing VIctoria.

GRV Leadership Team (at 30 June 2015)

Adam Wallish	Chief Executive Officer
Robert Shaw	GM - Finance, Compliance & Procurement *(Acting CEO at 30 June 15)*
Glen Canty	GM - Integrity, Racing & Welfare
Donna King	GM - People & Culture
Campbell Davies	GM - Marketing & Communications
Andrew Gibson	GM - Data & Business Systems
Craig Armstead	GM - Clubs & Membership Development
Stuart Laing	GM - Wagering Partners

GRV also has an Audit & Finance Committee that assists with the oversight of financial, audit, risk management and compliance issues. The Committee met four times in this year and is chaired by: Mr Charles Cutajar.

Full-Time Equivalent Staff
As at 30 June 2015, GRV employed the equivalent of 87.2 full-time staff (2014: 75.7). This also comprises casual and part-time staff (which includes casual stewards and kennel assistants at GAP property and also noting GRV employs track data operators).

The number of FTE staff increased by 11.5 on the prior year, noting additional staff was employed in the welfare and integrity areas, which included new positions such as: GM Wagering Partners, Manager Integrity Unit, Compliance and Education Officer, GAP Administration Assistant, GAP Adoption Officer, Infrastructure and Maintenance Co-ordinator, Fast Track Functional Lead, Systems Administrator, Business Anaylst, Marketing Manager.

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

Workforce Data
GRV is committed to providing a safe and healthy workplace for its office located at:
46-50 Chetwynd Street, WEST MELBOURNE, VICTORIA, 3003,
Tel: (03) 8329 1100 Fax (03) 8329 1000

Freedom of Information
Requests for access to documents under the Freedom of Information Act 1982 are directed to the Freedom of Information Officer, Mr. Dennis Timewell located at GRV's office. 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 the document is granted, the applicant is notified and the advice is given as to the charge payable (if any) under the Freedom of Information Act. Where the decision is made to withhold access, the applicant is advised.

During FY15, six freedom of information requests were received with two granted full access, two granted partial access, one request withdrawn and one request where GRV did not hold the requested information.

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

Protected Disclosures Act 2012
At the 30th June 2015, GRV complies with the protected disclosures act and guidelines in conjunction with IBAC.

Occupational Health and Safety (OH & S)
GRV has responsibility for OH&S at both the Chetwynd Street head office (West Melbourne) and Greyhound Adoption (Seymour) sites and employs a Compliance & Risk Manager who

Workforce Data

	Ongoing employees				Fixed term and casual
	Number (Headcount)	Full time (Headcount)	Part time (Headcount)	FTE	FTE
June 2014	114	50	6	52.80	22.86
June 2015	**119**	**53**	**7**	**57.48**	**29.74**

	June 2014				June 2015			
	Ongoing		Fixed term and Casual		Ongoing		Fixed term and Casual	
	Number Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE
Gender								
Male	30	28.9	35	15.38	**32**	**32**	**40**	**21.19**
Female	26	23.88	23	7.48	**28**	**25.48**	**19**	**8.55**
Age								
Under 25	6	5.56	7	1.8	**6**	**5.95**	**8**	**3.06**
25-34	17	16.12	7	1.77	**12**	**11.6**	**8**	**5.04**
35-44	18	17.12	11	5.45	**20**	**19.21**	**11**	**7.26**
45-54	8	8	17	8.53	**13**	**13**	**15**	**8.67**
55-64	4	3.6	12	4.30	**6**	**5.4**	**14**	**5.13**
Over 64	3	2.4	4	1.01	**3**	**2.32**	**3**	**0.58**
Classification								
Admin								
Stewards								
Executives								
Other								

works with various staff members to develop risk mitigation strategies. GRV also has a OH&S Committee comprised of GRV management and staff representatives, who meet regularly to consider and manage OH&S issues in the GRV workplace.

The thirteen racing clubs are primarily responsible for OH&S at each of their sites with GRV sharing OH&S responsibilities for race meetings. At GRV, the General Manager Clubs & Memberships, together with the Projects Construction Manager and his maintenance staff, and the Compliance & Risk Manager work to assist the clubs with OH&S. These works include continuing to assist Clubs implement safe work practices through the provision of training and assistance with the development of compliant OH&S procedures. In 2015 GRV contracted an experienced OHS consultant to independently review Club OH&S practices and identify opportunities to further strengthen safety at Clubs. Our consultant is now working with GRV and Clubs to implement the recommended changes and further mitigate the risk of potential injuries.

Environmental Policy

As part of our recent major capital projects, we have sought to include best energy design within the new areas. An example of the design inclusions is the use of under floor hydronic heating at The Meadows, a system which heats water in piping that runs around the new outdoor canopy function space and radiates through grills in the floor to heat the room. The unit was chosen due its energy efficiency.

For the pending Horsham track redevelopment we are currently conducting a review of the viability of LED track lighting. Traditionally LED has not been able to achieve the required lighting levels, especially for television broadcasting. However this is improving and the Horsham design teams' electrical consultant are conducting a review to confirm the specifications and lighting levels to be considered for Horsham. We are also planning to install solar panels onto their pavilion as part of an energy initiative at Horsham. Whilst a component of the proposed track redevelopment project, we may include installation of the solar panels during shutdown period.

Recent works at GRV's Chetwynd Street office includes the refurbishment of a number of poor energy efficient diachronic lights to new energy efficient LED lights. Additionally an investigation into the viability of solar panel installations at Chetwynd St was also undertaken. We also received an evaluation of installing solar panels for the Chetwynd Street offices however based on current usage the proposal was not viable.

With the recently completed Traralgon Greyhound Club redevelopment project, construction of a dam inside the track was re-prioritized and finished. This development (initially proposed as Stage 2 of the project) to harvest rain water and utilise for the club's track irrigation, will result in significant water savings and a positive environmental impact.

Another project completed during the year was a review of the sand used at the 13 club tracks. While the project focus was to provide sand uniformity and greyhound safety/welfare, water efficiency of the sand was a consideration. The next phase of work with the project will include a review of the sources of water, watering equipment used, and irrigation practices across all tracks. Whilst again the primary purpose is for improved greyhound welfare, efficiency in our irrigation procedures, and therefore water consumption, will be a key element.

Consultancies

	2015		2014	
	$000's	**Number**	$000's	Number
Less than $100,000	**488**	**12**	122	4
Greater than $100,000	**-**	**-**	219	1

Consultancy

The Board incurred the following consultancies in FY15

- The Victorian Public Sector Commission (VPSC) provided a review on GRV's key conflict of interest risks and recommended strategies for improving the management of these risks, being $37,368.
- HLB Mann Judd provided advice on GRV's financial statements and update for new/amended disclosure requirements as per the State Government's model accounts, being $4,950.
- Sense of Security Pty Ltd conducted a security audit on GRV FastTrack system, being $14,000.
- Ground Science Pty Ltd performed Geotechnical Investigation of Greyhound Track sand assessment, being $44,896.
- Strategic Project Partners (SPP) assisted GRV with the development of Club's Business Plan, being $48,540.
- HR on Track provided training and development process plan to GRV, being $22,400.
- Keith Farfor and Associates provided OH & S advice to GRV by way of audits of Clubs, being $31,318.
- SCEC Pty Ltd conducted series of prohibited substance research to validate thresholds and improve doping detection, being $55,522.
- FYB Pty Ltd provided advice on GRV's document management process, being $45,360.
- SMS Management & Technology assisted GRV in design and build data warehouse solution, being $49,800.
- Quantum Market Research (Aust) Pty Ltd conducted consumer research on greyhound racing, being $46,575.
- Royce Communication assistance with communication and issues management

Racing and Gaming Acts (Amendment) Act 2004

The Racing and Gaming Acts (Amendment) Act 2004 received Royal Assent on June 16, 2004. The provisions of the Act reflect on the Government's commitment to deliver reforms that will make the racing industry more competitive and participative, to ensure its long term viability and growth.

Consultation Summary

Formal Stakeholder Consultation

One important part of the Act involves stakeholder consultation. Building on similar reforms to the thoroughbred racing industry introduced in 2001, the Act delivers on a key election commitment to introduce formal stakeholder consultation across greyhound and harness racing.

Under GRV's functions under the Racing Act 1958, it is now required to consult with greyhound racing industry participants and facilitate consultation amongst greyhound racing industry participants. Greyhound Racing Victoria therefore consults with identified classes of industry participants including various Committees.

Throughout FY15 Greyhound Racing Victoria has undertaken the following consultation practices as part of these statutory requirements:

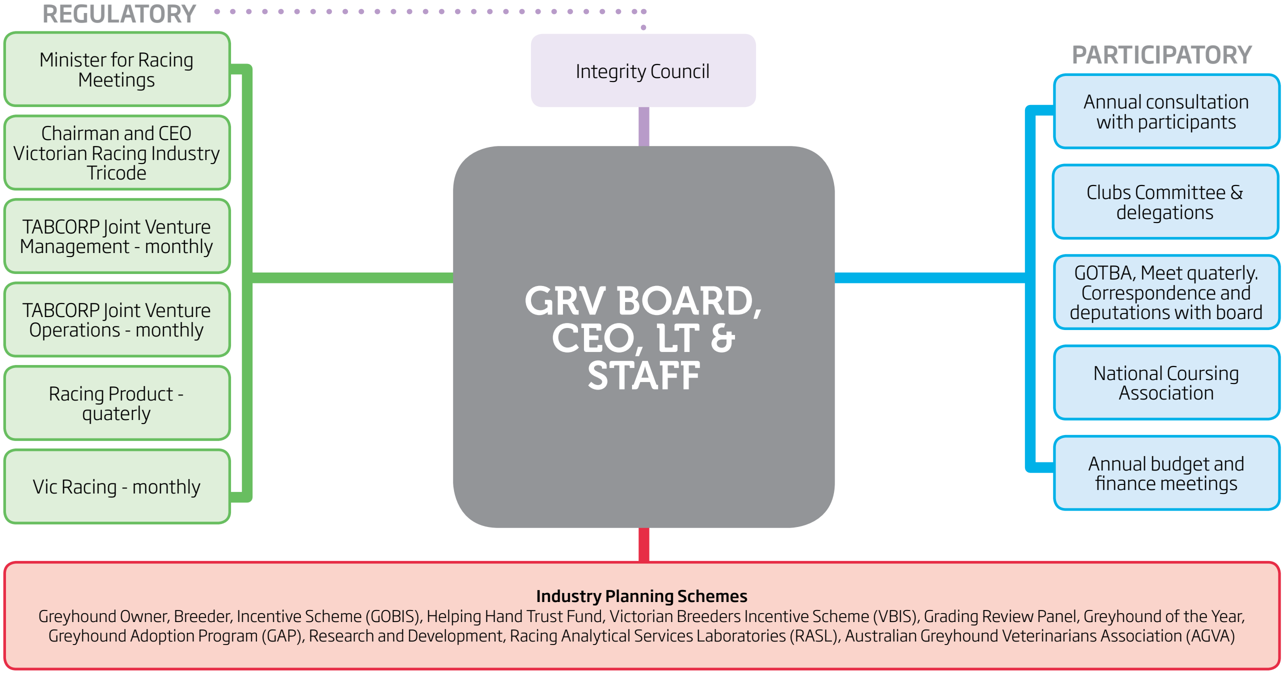
- The continuation of participant involvement in the following committees initiated by GRV to provide industry feedback –Greyhound Owner and Breeder Incentive Scheme (GOBIS) through the COBIS Committee, Helping Hand Trust Fund (HHTF) and the Grading Review Panel.

- Industry participants have the opportunity to also contact the Grading department, and all queries are logged, reviewed by graders and GRV management, and responded to. A summary of grading queries received by GRV is reviewed by the Grading Review Panel and any subsequent changes to GRV's Grading Guidelines are published on the GRV website.

- Providing representative bodies of industry participants such as GOTBA with access to GRV leadership team and the Board to discuss important industry matters. Members of the GOTBA Committee met with GRV Board Members during the year and the GRV CEO and GOTBA President also meet on a regular basis. These consultations assisted GRV in making us aware of a number of industry issues as well as giving GRV an opportunity to obtain input on important strategic initiatives.

- With the new Board appointed in March 2015 a decision was made to have various forums throughout Victoria in order to better understand the challenges with respect to stakeholders. These forums were conducted at The Meadows, Warragul, Ballarat and Shepparton.

- GRV conducted three meetings this year with Club Managers and Presidents in order to discuss Club and industry matters and provide an open forum of the exchange of information. Additionally Clubs and GRV staff utilize phone conferencing to discuss important matters requiring attention.



Financial Statements

Comprehensive Operating Statement

For the Financial Year Ended 30 June 2015

		2015	2014
Continuing Operations	**Note**	**$'000**	$'000
Income from Transactions			
TABCORP Income	**2(a)**	**62,382**	58,699
Racefields Fees Income	**2(b)**	**21,371**	15,361
Other Income	**2(c)**	**4,899**	4,236
Total Income From Transactions		**88,652**	78,296
Expenses from Transactions			
Integrity & Welfare Expenses	**3(a)**	**7,424**	5,431
Stakemoney, Travel & Starters Fees	**3(b)**	**40,151**	39,335
GOBIS	**3(c)**	**2,176**	1,599
Clubs Expenses, Infrastructure and Maintenance	**3(d)**	**25,789**	14,901
Industry Expenses	**3(e)**	**3,231**	3,731
Administrative Expenses	**3(f)**	**5,165**	4,856
Depreciation Expense	**3(g)**	**199**	153
Total Expenses From Transactions		**84,135**	70,006
NET RESULT FROM TRANSACTIONS (NET OPERATING BALANCE)		**4,517**	8,290
Other Economic Flows Included in Net Result			
Amortisation of Intangible Assets	**4(a)**	**(536)**	(537)
Net Gain on Non-Financial Assets	**4(b)**	**1,000**	-
Net Gain on Financial Assets	**4(c)**	**147**	2
Total Other Economic Flows Included In Net Result		**611**	(535)
NET RESULT		**5,128**	7,755
Other Economic Flows - Other Comprehensive Income			
Net Gain on Revaluation of Non-Financial Assets	**13(d)**	**2,317**	-
Total Other Economic Flows - Other Comprehensive Result		**2,317**	-
COMPREHENSIVE RESULT		**7,445**	7,755

The Comprehensive Operating Statement should be read in conjunction with the accompanying notes included on pages 16 to 39

Balance Sheet

As at 30 June 2015

		2015	2014
	Note	**$'000**	$'000
Current Assets			
Cash and Cash Equivalents	**6(a)**	**4,946**	5,131
Receivables	**6(b)**	**9,729**	7,923
Other Financial Assets	**8**	**24,879**	22,921
Prepayments		**258**	151
Total Current Assets		**39,812**	36,126
Non-Current Assets			
Other Financial Assets	**8**	**2,115**	2,493
Property, Plant and Equipment	**7(a)**	**9,474**	6,087
Intangible Assets	**7(b)**	**4,203**	4,739
Investment Property	**7(c)**	**3,500**	2,500
Total Non-Current Assets		**19,292**	15,819
TOTAL ASSETS		**59,104**	51,945
Current Liabilities			
Payables	**10**	**5,864**	6,362
Provisions	**9(a)**	**1,346**	1,016
Other Liabilities	**11**	**118**	150
Total Current Liabilities		**7,328**	7,528
Non-Current Liabilities			
Provisions	**9(a)**	**201**	231
Other Liabilities	**11**	**65**	121
Total Non-Current Liabilities		**266**	352
TOTAL LIABILITIES		**7,594**	7,880
NET ASSETS		**51,510**	44,065
Equity			
Reserves	**13**	**18,914**	23,427
Contributed Capital	**13(e)**	**1,924**	1,924
Accumulated Surplus	**13(f)**	**30,672**	18,714
NET EQUITY		**51,510**	44,065
Commitments for expenditure	**14**		

The Balance Sheet should be read in conjunction with the accompanying notes included on pages 16 to 39

Statement of Changes In Equity

For the Financial Year Ended 30 June 2015

	Notes	Distribution Reserve Fund	Greyhound Owners and Breeders Incentive Scheme Reserve	Infrastructure Reserve Fund	Physical Asset Revaluation Reserve	Accumulated Surplus	Contributed Capital	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2013		5,000	833	7,931	2,063	18,559	1,924	**36,310**
Net result for the year	**13(f)**	-	-	-	-	7,755	-	**7,755**
Transfer (to)/from accumulated surplus	**13(a),13(b), 13(c),13(f)**	2,500	144	4,956	-	(7,600)	-	**-**
Balance at 30 June 2014		7,500	977	12,887	2,063	18,714	1,924	**44,065**
Net result for the year	**13(f)**	**-**	**-**	**-**	**-**	**5,128**	**-**	**5,128**
Transfer (to)/from accumulated surplus	**13(a),13(b), 13(c),13(f)**	**-**	**(703)**	**(6,127)**	**-**	**6,830**	**-**	**-**
Other comprehensive income	**13(d)**	**-**	**-**	**-**	**2,317**	**-**	**-**	**2,317**
Balance at 30 June 2015		**7,500**	**274**	**6,760**	**4,380**	**30,672**	**1,924**	**51,510**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes included on pages 16 to 39

Cash Flow Statement

For the Financial Year Ended 30 June 2015

		2015	2014
	Note	**$'000**	$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts in the Course of Operations		**94,393**	83,484
Interest Received		**630**	750
Total Receipts		**95,023**	84,234
Payments			
Payments to Suppliers, Employees and Industry		**(92,506)**	(76,380)
Total Payments		**(92,506)**	(76,380)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	**12(b)**	**2,517**	7,854
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from Redemption of Investments		**11,000**	13,723
Proceeds from Borrowings		**567**	-
Payment for Property, Plant and Equipment		**(1,269)**	(82)
Payments for Purchase of Investments		**(13,000)**	(19,000)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		**(2,702)**	(5,359)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**(185)**	2,495
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		**5,131**	2,636
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	**12(a)**	**4,946**	5,131

The Cash Flow Statement should be read in conjunction with the accompanying notes included on pages 16 to 39

Notes to the Financial Statements

For the Year Ended 30 June 2015

Objectives and Funding

GRV is a statutory body and was established under the *Racing Act 1958* as the 'Greyhound Racing Control Board'. The functions of GRV are:

- 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 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 exercise such powers, functions and duties as are conferred on the Board by or under this or any other Act; and
- To conduct greyhound races.

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

Reporting Entity

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

1. Summary of Significant Accounting Policies

The annual financial statements represent the audited general purpose financial statements of GRV for the year ended 30 June 2015.

The purpose of the report is to provide users with information about GRV's stewardship of resources entrusted to it.

Statement of Compliance

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). Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The financial statements were authorised for issue by the Greyhound Racing Control Board trading as Greyhound Racing Victoria ("GRV") on 27 August 2015.

Accounting policies are selected and applied in a manner which ensures 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.

(a) Basis of Accounting Preparation and Measurement

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 the carrying values of assets and liabilities that are not readily apparent from other sources. The 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.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1(ab).

The estimates and associated assumptions are reviewed on an ongoing basis. 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 the application of AAS that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, plant and equipment (refer to Note 1(k));
- the fair value of intangible assets (refer to Note 1(l));
- superannuation expense (refer to Note 1(r)(iv)); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(r)(ii)).

These financial statements are presented in Australian dollars, the functional and presentation currency of GRV.

The financial statements have been prepared in accordance with the historical cost convention except for:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value;
- investment properties after initial recognition, which are measured at fair value with changes reflected in the comprehensive operating statement (fair value through profit and loss); and
- financial assets are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs. GRV assesses at each end of the reporting period whether a financial asset or group of financial assets is impaired.

Consistent with AASB 13 *Fair Value Measurement*, GRV determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, investment properties and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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.

For the purpose of fair value disclosures, GRV has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, GRV determines whether transfers have occurred between levels in the hierarchy by re-assessing 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 the fair value of each asset through relevant data sources to determine whether revaluation is required. GRV also monitors changes in the fair value of its liabilities to determine whether revaluation is required.

(b) Reporting Entity

The financial statements cover GRV as an individual reporting entity.

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

(c) Scope and Presentation of Financial Statements

Comprehensive Operating Statement

The comprehensive operating statement comprises three components, being "net result from transactions" (or termed as "net operating balance"), "other economic flows included in net result", as well as "other economic flows – other comprehensive income". The sum of the former two represents the net result.

The net result is equivalent to profit or loss derived in accordance with AAS.

"Other economic flows" are changes arising from market remeasurements. They include:

- gains and losses from disposals of non-financial assets;
- revaluations and impairments of non-financial physical and intangible assets;
- remeasurement arising from defined benefit superannuation plans; and
- fair value changes of financial instruments.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial Statements.*

Balance Sheet

The classification between current and non-current is determined with reference to the operating cycle of GRV, which is presumed to be 12 months, even when they are not expected to be realised and settled within 12 months from reporting date. An exception to this is when GRV does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date, in which case, the liability would be classified as current.

Statement of Changes in Equity

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts related to 'Transactions with owner in its capacity as owner'.

Cash Flow Statement

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current borrowings on the balance sheet.

Rounding

Amounts in the financial statements have been rounded to the nearest $1,000, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

Comparative Information

Where applicable, comparatives have been restated to conform with current year disclosures or to ensure consistency of presentation.

(d) Changes in Accounting Policies

Subsequent to the 2013-14 reporting period, and in accordance with FRD 07A Early adoption of authoritative accounting pronouncements, GRV has early adopted the following revised Standard.

AASB 2015-7 - Fair Value Disclosures of Not-for-Profit Public Sector Entities

This Standard relieves not-for-profit public sector entities from certain disclosures specified in AASB 13 *Fair Value Measurement* for Level 3 assets within the scope of AASB 116 *Property, Plant and Equipment* whose future economic benefits are not primarily dependent on the asset's ability to generate future net cash inflows. The disclosures no longer required are detailed by the amending paragraph in AASB 13, Aus93.1.

GRV has assessed that the future economic benefits of all of its Level 3 assets are not dependent on their ability to generate future net cash inflows, and as such qualify for the disclosure relief available under this Standard. Amendments have therefore been made to Notes 1(n) and 7(a).

(e) Income from Transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to GRV and it can be reliably measured at fair value. The amount of income is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. GRV bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Unearned income at reporting date is reported as deferred income.

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes. Income is recognised for each of GRV's major activities as follows:

- TABCORP distributions and Racefields Fees are brought to account in the financial year that such amounts are earned by GRV.
- Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.
- Registration fees are recognised as income in the period for which the registration applies.
- Rental income is recognised on a straight-line basis over the lease term.
- All other income is recognised as income in accordance with AASB 118.

(f) Financial Instruments

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. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Loans and receivables
Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables category includes cash and deposits (refer to Note 1(g)), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

Financial liabilities at amortised cost
Financial instrument liabilities 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.

Financial instrument liabilities measured at amortised cost include all contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

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.

Offsetting financial instruments
Financial instrument assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, GRV has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Reclassification of financial instruments
Subsequent to initial recognition and under rare circumstances, non-derivative financial instruments assets that have not been designated at fair value through profit or loss upon recognition, may be reclassified out of the fair value through profit or loss category, if they are no longer held for the purpose of selling or repurchasing in the near term.

Financial instrument assets that meet the definition of loans and receivables may be reclassified out of the fair value through profit and loss category into the loans and receivables category, where they would have met the definition of loans and receivables had they not been required to be classified as fair value through profit and loss. In these cases, the financial instrument assets may be reclassified out of the fair value through profit and loss category, if there is the intention and ability to hold them for the foreseeable future or until maturity.

Available-for-sale financial instrument assets that meet the definition of loans and receivables may be reclassified into the loans and receivables category if there is the intention and ability to hold them for the foreseeable future or until maturity.

(g) Financial Assets
Cash and Deposits
Cash and deposits, recognised on the balance sheet 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 are readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as borrowings on the balance sheet.

Loans to Clubs
GRV provides loans to clubs for various capital projects and for operating issues. Where interest is charged on outstanding loans the terms are consistent with the rate that GRV would otherwise receive. GRV reviews each year the interest rate charged to clubs and the collectability of the loans. Further details are set out in Note 8.

Investment in Radio 3UZ Pty Ltd
The investment in Radio 3UZ Unit Trust has been recognised at cost instead of fair value as required by AASB 139 *Financial Instruments: Recognition and Measurement* because the fair value of this investment cannot be determined and measured reliably. Radio 3UZ Unit Trust is an unlisted trust and its units are not readily traded in an open market. The value of the Broadcasting licence (which is an intangible asset) owned by 3UZ Unit Trust is extremely difficult to measure reliably because of the infrequent sale of radio broadcasting licences. Accordingly, GRV's investment in Radio 3UZ Unit Trust has been recorded at cost. Refer to Note 8 for further details.

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

Contractual receivables are classified as financial instruments and categorised as loans and receivables (refer to Note 1(f) for recognition and measurement). Statutory receivables, are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are subject to impairment testing as described below. A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

Receivables 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 receivables generally have 30 day terms.

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.

Impairment of Financial Assets
At the end of each reporting period, GRV assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor's credit ratings. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad debts and doubtful receivables on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as "other economic flows" in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets.*

(h) Impairment of Non-Financial Assets
All of GRV's assets are assessed annually for indications of impairment, except for:
- investment properties that are measured at fair value (refer Note 1(i)); and
- financial assets (refer Note 1(g)).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an "other economic flow", except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. The impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

(i) Investment Property - William Street
The land and buildings at William Street represents a property held to earn rental or for capital appreciation, or both. They 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.

Rental income from the leasing of investment properties is recognised in the comprehensive operating statement on a straight-line basis over the term of the lease.

(j) Finance Income/Costs
Finance income/costs are recognised as revenues/expenses in the period in which they are incurred and include:
- interest on bank overdrafts and short-term and long-term borrowings;
- amortisation of discounts or premiums relating to borrowings;
- the changes in fair value of financial assets;
- the increase in financial liabilities and non employee provisions due to the unwinding of discounts to reflect the passage of time; and
- finance lease charges.

(k) Property, Plant and Equipment
Property, plant and equipment are measured initially at cost, and subsequently revalued at fair value less accumulated depreciation and impairment. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 7. *Property, Plant and Equipment.* Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to GRV and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the comprehensive operating statement during the reporting period in which they are incurred.

The fair value of furniture, fittings and equipment is normally determined by reference to the asset's depreciated replacement cost. For furniture, fittings and equipment, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

For the accounting policy on impairment of non-financial physical assets, refer to impairment of non-financial assets under Note 1(h) *Impairment of non-financial assets.*

(l) Intangible Assets
Intangible assets represent identifiable non-monetary assets without physical substance such as patents, trademarks, and computer software and development costs (where applicable). Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to GRV.

(m) Revaluations of Non-Financial Physical Assets
Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with the Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based on the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations. Any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in "Other economic flows - other movements in equity" and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised in 'Other economic flows – other comprehensive income' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. Otherwise, the net revaluation decreases are recognised immediately as other economic flows in the net result. The net revaluation decrease recognised in 'Other economic flows – other comprehensive income' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets in a class of property, plant and equipment, are offset against one another in that class but are not offset in respect of assets in different classes. The asset revaluation surplus is not transferred to accumulated funds on derecognition of the relevant asset.

(n) Depreciation and Amortisation
Depreciation
All property, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held for sale, land and investment properties) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

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

GRV has a capitalisation threshold of $1,500 (GST exclusive) (2014: $1,000) but may, in its discretion, apply different thresholds depending on the nature and useful life of the asset.

The following are typical estimated useful lives for the different asset classes for current and prior years:
Building -2.5% (40 years)
Track and GAP Equipment -10% (10 years)
Office Furniture and Fittings -10% (10 years)
Computer and Office Equipment -15%-33% (3-7 years)

Amortisation
Intangible non-produced assets with finite useful lives are amortised as an expense from transactions on a systematic (typically straight line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. On the other hand, the consumption of intangible non-produced assets with finite useful lives is not classified as a transaction, but as amortisation. Consequently, the amortisation is included as an 'other economic flow' in the net result.

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.

All intangible assets with indefinite useful lives are not depreciated or amortised, but are tested for impairment by comparing its recoverable amount with its carrying amount:
(a) annually; and
(b) whenever there is an indication that the intangible asset may be impaired (refer to Note 1(h)).

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

(o) Payables
Payables consist of:
- contractual payables, such as trade creditors and sundry creditors. Trade creditors represent liabilities for goods and services provided to GRV prior to the end of the financial year that are unpaid, and arise when GRV becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and pay-as-you-go payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost (refer to Note 1(f)). Statutory payables 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 a contract.

Payables are initially recognised at fair value, being the cost of the goods and services, and subsequently measured at amortised cost. The amounts are unsecured and are usually paid net 30 days.

(p) Deferred Revenue
These amounts include deferred revenue that is received in advance for person registrations. These are deferred to future accounting periods in accordance with GRV's accounting policies.

(q) Financial Liabilities and Borrowings
Borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in net result over the period of the borrowing using the effective interest method.

(r) Employee Benefits
Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) Wages and salaries, and annual leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave, are all recognised in the provision for employee benefits, classified as "current liabilities" because GRV does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of the settlement, liabilities for wages and salaries, and annual leave 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.

(ii) Long service leave
Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements 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; and
- 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.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an "other economic flow".

(iii) Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee decides to accept an offer of benefits in exchange for the termination of employment. GRV recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(iv) Superannuation
The amount recognised in the comprehensive operating statement is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

The Department of Treasury and Finance (DTF) in their Annual Financial Statements, disclose on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

(v) Employee benefits on-costs
Provisions for on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

(s) Recognition of Infrastructure Projects
GRV approves club infrastructure works based on submissions, quotations and tenders received. GRV accrues within its accounts, works invoiced to the end of the accounting period and when not paid, records these amounts as accounts payable.

(t) Leases
A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Operating Leases
GRV as lessor
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are given to the lessee, the aggregate cost of incentives are recognised as a reduction of rental income over the lease term, on a straight-line basis unless another systematic basis is more representative of the time pattern over which the economic benefit of the leased asset is diminished.

GRV as lessee
Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Operating lease commitments are set out in Note 14(a).

(u) 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.

(v) Infrastructure and Maintenance
GRV incurs expenses for infrastructure and maintenance works which are treated as an expense within the accounts, shown in other expenses Note 3(d). These expenses are then applied against the Infrastructure Reserve Fund as shown in Note 13(c).

(w) Other Expenses
Expenses are recognised as they are incurred and reported in the financial year to which they relate.

(x) Events After the Reporting Period
Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between GRV and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period.

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.

Events subsequent to June 30, 2015 that are material are disclosed in Note 17.

(y) Commitments
Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 14) at their nominal value and inclusive of the GST payable. In addition, 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.

(z) Contingent Assets and Liabilities
Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (if applicable) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(aa) Equity
Contributions by Owners
Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

GRV contributed capital is detailed in Note 13(e).

Each year the Board at its discretion allocates surplus between reserve funds, having regard to the needs of each fund.

(ab) Significant Accounting Judgements, Estimates and Assumptions
Judgements made by management in the application of AAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed below.

Significant accounting judgements
Impairment of non-financial assets
GRV assesses impairment of all assets at each reporting date by evaluating conditions specific to GRV and to the particular asset that may lead to impairment. These include product performance, technology, economic and political environments and future product expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. Despite the current uncertain economic environment management considered that the indicators of impairment were not significant enough and as such these assets have not been tested for impairment in this financial period.

Valuation of investments in 3UZ Pty Ltd
The factors considered are outlined in Note 8 of the financial statements.

Significant accounting estimates and assumptions
Estimation of useful lives of assets
The estimation of the useful lives of assets has been based on historical experience. In addition, the condition of the assets are assessed at least annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

(ac) AAS Issued that are Not Yet Effective
Certain new AAS have been published that are not mandatory for the 30 June 2015 reporting period. DTF assesses the impact of these new standards and advises GRV of their applicability and early adoption where applicable.

As at 30 June 2015, the following AASs, that are applicable to GRV, have been issued by the AASB but are not yet effective for the financial year ended 30 June 2015. Standards and Interpretations that are not applicable to GRV have been omitted. GRV has not and does not intend to early adopt these standards. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as follows:

Standard/Interpretation	Summary	Applicable for Annual Reporting Periods Beginning On	Impact on GRV's Financial Statements
AASB 9 Financial Instruments	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1-Jan-18	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1-Jan-17 (Exposure Draft 263 – potential deferral to 1 Jan 2018)	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1-Jan-18	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation *[AASB 116 & AASB 138]*	Amends *AASB 116 Property, Plant and Equipment* and *AASB 138 Intangible Assets* to: • establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; • prohibit the use of revenue-based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset.	1-Jan-16	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
ASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 & 128]	Amends *AASB 127 Separate Financial Statements* to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1-Jan-16	The assessment indicates that there is no expected impact as the entity will continue to account for the investments in subsidiaries, joint ventures and associates using the cost method as mandated if separate financial statements are presented in accordance with FRD 113A.
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 128]	AASB 2014-10 amends *AASB 10 Consolidated Financial Statements* and *AASB 128 Investments in Associates* to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that: • a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and • a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	1-Jan-16	The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities *[AASB 10, AASB 124 & AASB 1049]*	The Amendments extend the scope of *AASB 124 Related Party Disclosures* to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1-Jan-16	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.

Income from Transactions

	Note	2015 $'000	2014 $'000
2 (a) TABCORP Income			
Racing Products Program Fee		**13,218**	12,354
Racing Products Fees		**22,401**	20,896
Vic Racing VRIB		**10,896**	10,944
Vic Racing Joint Venture Profit		**12,474**	12,007
International Income		**3,393**	2,498
Total TABCORP Income		**62,382**	58,699

		2015 $'000	2014 $'000
2 (b) Racefields Fees Income GRV charges Interstate TABs and Corporate Bookmakers for the use of GRV racefields pursuant to section 2.5.19C of the *Gambling Regulation Act 2003 (Vic)* (Act) and regulation 5 of the *Gambling Regulation (Race Fields) Regulations 2008.*		**21,371**	15,361

	Note	2015 $'000	2014 $'000
2 (c) Other Income			
GOBIS Registrations & Interest	**13(b)**	**237**	229
GOBIS VRIF Contribution	**13(b)**	**477**	477
Infrastructure VRIF Contribution	**13(c)**	**1,180**	1,520
Other VRIF Contributions		**1,051**	205
Registration Fees		**431**	378
Interest Received		**793**	718
Fines		**67**	46
Sundry Income		**351**	371
Rent Received		**312**	292
Total Other Income		**4,899**	4,236
Total Income from Transactions		**88,652**	78,296

Expenses from Transactions

	Note	2015 $'000	2014 $'000
3 (a) Integrity & Welfare Expenses			
Stewards & Integrity Employee Expenses		**3,199**	2,752
Welfare Employee Expenses		**560**	372
Swab Analysis		**1,087**	654
Legal and Appeals Expenses		**994**	317
Contribution to Research		**206**	253
Ear Branding & Micro Chipping		**161**	150
Greyhound Adoption Program incl. Employee Expenses		**1,155**	891
Sundry Expenses		**62**	42
Total Integrity & Welfare Expenses		**7,424**	5,431
3 (b) Stakemoney, Travel & Starters Fees		**40,151**	39,335
3 (c) Greyhound Owners and Breeders Incentive Scheme			
GOBIS Expenses (incl. Ready2Race)		**123**	118
GOBIS Registration Refunds	**17**	**614**	-
GOBIS Bonuses		**1,439**	1,481
Total Greyhound Owners and Breeders Incentive Scheme	**13(b)**	**2,176**	1,599

Expenses from Transactions (cont.)

	Note	2015 $'000	2014 $'000
3 (d) Clubs Expenses, Infrastructure and Maintenance			
On-Course Tote Commission		**1,096**	1,050
Distributions to Clubs		**8,156**	7,117
Insurance Allocation		**159**	162
Clubs Technology Development & Support		**80**	72
Marketing and Promotions		**816**	1,087
Club Sky Channel Linking & Video Costs		**1,015**	893
RSN Broadcasting and Deficit Funding		**1,016**	952
Infrastructure & Maintenance	**13(c)**	**13,451**	3,568
Total Club Expenses		**25,789**	14,901
3 (e) Industry Expenses			
Advertising, Promotions, Industry Awards, Market Research & Publications		**2,427**	2,877
Registration Expenses		**94**	91
Racing Industry Costs		**90**	34
Fields & Form Guides		**620**	729
Total Industry Expenses		**3,231**	3,731
3 (f) Administrative Expenses			
Board Wages & Expenses		**212**	224
Administrative Employee Expenses		**2,367**	1,820
Technology Costs & Employee Expenses		**1,534**	1,686
Audit, Legal & Consultancy		**275**	484
Fringe Benefits Tax		**267**	188
Insurance		**199**	203
Other Administrative Expenses		**311**	251
Total Administration Expenses		**5,165**	4,856
3 (g) Depreciation			
Buildings		**131**	66
Track and GAP Equipment		**31**	11
Office Furniture and Fittings		**5**	29
Computer and Office Equipment		**32**	47
Total Depreciation		**199**	153
Total Expenses from Transactions		**84,135**	70,006

4. Amortisation, Revaluation and Gain/(Loss) on Financial and Other Assets

	Note	2015 $'000	2014 $'000
4 (a) Amortisation of Intangible Assets			
Amortisation Expense		**536**	537
Total Amortisation of Intangible Assets		**536**	537
4 (b) Net Gain on Non-Financial Assets			
Revaluation of Investment Property	7(c)	**1,000**	-
Total Net Gain on Non-Financial Assets		**1,000**	-

4 (c) Net Gain on Financial Assets

Finance income and costs arise on re-stating loans to their fair value allowing for assumptions as to likely repayments, using 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.

	2015 $'000	2014 $'000
Finance Revenue	**147**	2
Total Net Gain on Financial Assets	**147**	2

5. Financial Instruments

Financial Risk Management Objectives and Policies
This note presents information about GRV's financial instrument risk management objectives, policies and processes for measuring and managing risk and the management of capital. The GRV Board 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, price risk, 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.

Significant accounting policies:
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, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements. GRV's financial instruments are limited to the following:

Categorisation of financial instruments

Financial assets	**Note**		**2015**	2014
Cash and deposits	**6 (a)**	Contractual financial assets - Loans and receivables	**4,946**	5,131
Receivables (a)	**6 (b)**	Contractual financial assets - Loans and receivables	**9,511**	7,733
Other financial assets - loans	**8**	Contractual financial assets - Loans and receivables	**1,968**	2,388
Investments (c)	**8**	Contractual financial assets - Available for sale	**25,026**	23,026
Financial liabilities				
Payables (b)	**10**	Contractual financial liabilities at amortised cost	**5,117**	5,814

(a) The amount of receivables disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable).
(b) The amount of payables disclosed here exclude statutory amounts (e.g. GST payables).
(c) The investment is recorded at cost, less impairment.

Net holding gain/(loss) on financial instruments by category		
Contractual financial assets - Loans and receivables	**147**	2
Contractual financial assets - Available for sale	**793**	718
Total	**940**	720
Contractual financial liabilities at amortised cost	**-**	-
Total	**-**	-

The net holding gains or losses disclosed above are determined as follows:
1) for cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income and minus any impairment recognised in the net result;
2) for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
3) for financial assets and liabilities that are held for trading or designated at fair value through profit or loss, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

Credit Risk
Credit risk arises from the contractual financial assets of GRV, which comprise cash and deposits, non-statutory receivables and available-for-sale contractual financial assets.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to GRV. GRV has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

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. For debtors other than Tabcorp, it is GRV's policy to only deal with entities assessed as being credit worthy and to obtain sufficient collateral or credit enhancements where appropriate. 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 assets, 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 of contractual financial assets is calculated based on past experience or 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 which are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, 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 without taking account of the value of any collateral obtained.

Credit quality of contractual financial assets that are neither past due nor impaired:

	Financial institutions AA- credit rating	Government agencies AAA credit rating	Other	Total
2015	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets				
Cash and deposits	**4,946**	**-**	**-**	**4,946**
Loans receivable	**-**	**-**	**1,968**	**1,968**
Investments	**2,000**	**22,500**	**526**	**25,026**
Receivables	**-**	**-**	**9,511**	**9,511**
Total contractual financial assets	**6,946**	**22,500**	**12,005**	**41,451**
2014				
Financial assets				
Cash and deposits	5,131	-	-	5,131
Loans receivable	-	-	2,388	2,388
Investments	2,000	20,500	526	23,026
Receivables	-	-	7,733	7,733
Total contractual financial assets	7,131	20,500	10,647	38,278

Note: (a) The total amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable.

Contractual financial assets that are either past due or impaired
There are no material financial assets which are individually determined to be impaired. Currently GRV does not hold any collateral as security nor credit enhancements relating to any of its financial assets other than a registered mortgage on the Sale Greyhound racing loan and has a caveat on the property held by MGRA. As at the reporting date, there is no event to indicate that any of the financial assets were impaired. There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

The following table discloses the ageing only of contractual financial assets that are past due but not impaired and the interest rate exposure of the financial instruments.

Credit risk exposure is as follows:

			Interest Rate Exposure				Past due but not impaired					
	Weighted Average Interest Rate	Carrying Amount	Fixed interest rate	Floating interest rate	Non Interest bearing	Not past due and not Impaired	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Impaired Financial Assets
2015		**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets												
Cash and deposits	**2.00%**	**4,946**	**-**	**4,946**	**-**	**N/A**	**-**	**-**	**-**	**-**	**-**	**-**
Loans receivable	**2.61%**	**1,968**	**1,968**	**-**	**-**	**1,968**	**-**	**-**	**-**	**-**	**-**	**-**
Investments	**2.61%**	**25,026**	**24,500**	**-**	**526**	**25,026**	**-**	**-**	**-**	**-**	**-**	**-**
Receivables	**0.00%**	**9,511**	**-**	**-**	**9,511**	**9,511**	**-**	**-**	**-**	**-**	**-**	**-**
Total Financial Assets		**41,451**	**26,468**	**4,946**	**10,037**	**36,505**	**-**	**-**	**-**	**-**	**-**	**-**
2014												
Financial assets												
Cash and deposits	2.50%	5,131	-	5,131	-	N/A	-	-	-	-	-	-
Loans receivable	2.72%	2,388	2,388	-	-	2,388	-	-	-	-	-	-
Investments	2.72%	23,026	22,500	-	526	23,026	-	-	-	-	-	-
Receivables	0.00%	7,733	-	-	7,733	7,733	-	-	-	-	-	-
Total Financial Assets		38,278	24,888	5,131	8,259	33,147	-	-	-	-	-	-

Note: (a) Ageing analysis of financial assets excludes statutory amounts (e.g. GST input tax credit recoverable).

Liquidity Risk
Liquidity risk arises when GRV is unable to meet its 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 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. GRV's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet. The following table discloses the contractual maturity analysis for GRV's contractual financial liabilities.

Liquidity risk exposure is as follows:

			Interest rate exposure				Maturity Dates				
	Weighted Average effective interest rate	Carrying Amount	Fixed Interest Rate	Variable Interest Rate	Non Interest bearing	Contractual Cash Flows	Fixed Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
2015		**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Liabilities											
Payables	**0.00%**	**5,117**	**-**	**-**	**5,117**	**5,117**	**5,117**	**-**	**-**	**-**	**-**
Total Financial Liabilities		**5,117**	**-**	**-**	**5,117**	**5,117**	**5,117**	**-**	**-**	**-**	**-**
2014											
Financial Liabilities											
Payables	0.00%	5,814	-	-	5,814	5,814	5,814	-	-	-	-
Total Financial Liabilities		5,814	-	-	5,814	5,814	5,814	-	-	-	-

Note: (a) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities
(b) The carrying amounts disclosed exclude statutory amounts (e.g. GST payables)

Market Risk
GRV's exposures to market risk are primarily through interest rate risk and some exposure to price risk by virtue of its investment in the 3UZ Unit Trust. 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
GRV's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is limited to assets bearing variable interest rates. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. GRV holds a number of term deposits, which are held to maturity. Interest rate risk exposure is provided in the tables under the headings Credit Risk and Liquidity Risk.

Other price risk
GRV is exposed to a low level equity price risk through its investments in 3UZ, which is an unlisted entity. Given that the investment's classification as a strategic asset central to the business strategy of GRV's operation, it is not traded and has been recognised at cost due to the factors outlined in Note 8.
GRV actively monitors the financial performance of the underlying business by reviewing financial information of the underlying business as well as liaising with other investors and management of the underlying business in order to keep track of the performance and value of the underlying business.

Fair Values
The fair values and net fair values of financial instrument assets and liabilities are determined as follows:
Level 1 - the fair value of financial instrument 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 considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short term nature of the financial instruments and the expectation that they will be paid in full. These financial instruments include:

Financial assets	**Financial liabilities**
Cash and deposits Loans receivable Investments and other contractual financial assets: - term deposits Receivables: - sale of goods and services - accrued investment income - other receivables	Payables: - for supplies and services - amounts payable to government and agencies - other payables Loans Payable

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 3UZ. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

Fair value	2015				2014			
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Financial assets:								
Cash and deposits	**4,946**	**-**	**-**	**4,946**	5,131	-	-	5,131
Loans receivable	**-**	**-**	**1,968**	**1,968**	-	-	2,388	2,388
Investments - term deposits	**24,500**	**-**	**-**	**24,500**	22,500	-	-	22,500
Investments - units in 3UZ	**-**	**526**	**-**	**526**	-	526	-	526
Receivables	**9,511**	**-**	**-**	**9,511**	7,733	-	-	7,733
Financial liabilities:								
Payables	**(5,117)**	**-**	**-**	**(5,117)**	(5,814)	-	-	(5,814)
Loans Payable	**-**	**-**	**-**	**-**	-	-	-	-
	33,840	**526**	**1,968**	**36,334**	29,550	526	2,388	32,464

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value:

Cash & cash equivalents; Investments- term deposits; and Receivables
These assets are valued at fair value with reference to a quote (unadjusted) market price from an active market. GRV categorise these instruments as Level 1.

Investments - Units in 3UZ
In the absence of an active market, the fair value of GRV's units in 3UZ are valued using observable inputs such as cost. To the extent that the significant inputs are observable, GRV categorises these investments as Level 2.

Loans to clubs
The fair value of loan balances to clubs is based on the discounted cash flow method. Significant inputs in applying this technique include expected repayment schedule applied for future cash flows and discount rates utilised. To the extent that the significant inputs are unobservable, GRV categorises these investments as Level 3.

Reconciliation of Level 3 fair value movements

	2015	2014
	$'000	$'000
Opening balance	**2,388**	2,386
Total gains or losses recognised in:		
- Net results	**147**	2
- Other comprehensive income	**-**	-
Amounts repaid	**(567)**	-
Transfers in (out) of Level 3	**-**	-
Closing balance	**1,968**	2,388
Total gains or losses for the period included in profit or loss for assets held at the end of the period	**-**	-

The significant unobservable inputs used to determine the fair value of the loan included: average weighted discount rate of 6.51% (2014: 6.91%), with varying repayment patterns. Sensitivity of fair value to changes in significant unobservable inputs are as follows: 1% increase/decrease in would result in a decrease/increase in fair value of ($33k)/$34k (2014: ($70k)/$104k). A change in repayment patterns would affect the fair value materially.

Sensitivity Disclosure Analysis
Taking into account past performance, future expectations, economic forecasts, and management knowledge and experience of financial markets the following table provides an analysis of GRV's sensitivity to a shift in interest rates and the exposure based on management's best estimate of the possible effects of changes in interest rates as at 30 June 2015 and 2014.

			Interest Rate Risk							
			-1% (100 basis points)				**1% (100 basis points)**			
	Carrying Amount $'000		**Equity $'000**		**Net Result $'000**		**Equity $'000**		**Net Result $'000**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
Financial assets										
Cash and deposits	**4,946**	5,131	**-**	-	**-**	-	**-**	-	**-**	-
Loans receivable	**1,968**	2,388	**-**	-	**-**	-	**-**	-	**-**	-
Investments	**25,026**	23,026	**(245)**	(225)	**(245)**	(225)	**245**	225	**245**	225
Receivables	**9,511**	7,733	**-**	-	**-**	-	**-**	-	**-**	-
Financial liabilities										
Payables	**(5,117)**	(5,814)	**-**	-	**-**	-	**-**	-	**-**	-
Total increase/(decrease)			**(245)**	(225)	**(245)**	(225)	**245**	225	**245**	225

6 (a) Cash and Cash Equivalents		**2015**	2014
	Note	**$'000**	$'000
Current			
Cash on hand and at bank		**4,946**	5,131
Total Cash and Cash equivalents		**4,946**	5,131

6 (b) Receivables		
Current		
Contractual		
Sundry Debtors	**2,232**	2,097
Trade Debtors	**7,279**	5,635
Statutory		
GST Recoverable	**218**	191
Total Receivables	**9,729**	7,923

Ageing analysis of contractual receivables
Please refer to Note 5 for the ageing analysis of contractual receivables.

Nature and extent of risk arising from contractual receivables
Please refer to Note 5 for the nature and extent of credit risk arising from contractual receivables. The average credit period of sales of goods and services & other receivable is 14 days. No interest is charged for the first 30 days.

7 (a) Property, Plant and Equipment

	2015			2014		
	$'000			$'000		
Assets at Fair Value	**At fair value**	**Accum Depn**	**Written down value**	At fair value	Accum Depn	Written down value
Land - Chetwynd Street	**5,100**	**-**	**5,100**	3,065	-	3,065
Land - Seymour GAP	**400**	**-**	**400**	225	-	225
Buildings - Chetwynd Street	**2,300**	**-**	**2,300**	1,995	(150)	1,845
Buildings - Seymour GAP	**1,542**	**-**	**1,542**	640	(48)	592
Track and GAP Equipment	**183**	**(97)**	**86**	133	(89)	44
Furniture and Fittings	**35**	**(34)**	**1**	353	(121)	232
Computer & Office Equipment	**360**	**(315)**	**45**	584	(500)	84
Total	**9,920**	**(446)**	**9,474**	6,995	(908)	6,087

Reconciliations
Reconciliations of the carrying amounts for each class of asset is set out below:

		2015	2014
	Note	**$'000**	$'000
Land			
Balance at the Beginning of Year		**3,290**	3,290
Revaluation		**2,210**	-
Balance at the End of Year		**5,500**	3,290
Buildings			
Balance at the Beginning of Year		**2,437**	2,503
Additions		**1,202**	-
Transfers from Office Furniture and Fittings		**227**	-
Revaluation		**107**	-
Depreciation		**(131)**	(66)
Balance at the End of Year		**3,842**	2,437
Track and GAP equipment			
Balance at the Beginning of Year		**44**	32
Additions		**73**	23
Depreciation		**(31)**	(11)
Balance at the End of Year		**86**	44
Office Furniture and Fittings			
Balance at the Beginning of Year		**232**	242
Additions		**1**	19
Transfers to Buildings		**(227)**	-
Depreciation		**(5)**	(29)
Balance at the End of Year		**1**	232
Computer and Office Equipment			
Balance at the Beginning of Year		**84**	92
Additions		**28**	40
Disposals		**(35)**	(1)
Depreciation		**(32)**	(47)
Balance at the End of Year		**45**	84
Total Property Plant & Equipment		**9,474**	6,087

Fair value measurement hierarchy for assets

	Written down value		Fair value measurement at end of reporting period using: Level 1 (i)		Level 2 (i)		Level 3 (i)	
	$'000		$'000		$'000		$'000	
Assets at Fair Value	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
Land - Chetwynd Street	**5,100**	3,065	**-**	-	**5,100**	3,065	**-**	-
Land - Seymour GAP	**400**	225	**-**	-	**400**	225	**-**	-
Buildings - Chetwynd Street	**2,300**	1,845	**-**	-	**2,300**	1,845	**-**	-
Buildings - Seymour GAP	**1,542**	592	**-**	-	**-**	-	**1,542**	592
Track and GAP Equipment	**86**	44	**-**	-	**-**	-	**86**	44
Furniture and Fittings	**1**	232	**-**	-	**-**	-	**1**	232
Computer & Office Equipment	**45**	84	**-**	-	**-**	-	**45**	84
Total	**9,474**	6,087	**-**	-	**7,800**	5,135	**1,674**	952

Notes:
(i) Classified in accordance with the fair value hierarchy, see Note 1(a).

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 2015, 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 share, 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 2015.

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.

Specialised buildings
The buildings situated at Seymour GAP fall into the category of specialised buildings. GRV's specialised buildings are valued using the depreciated replacement cost method, adjusting for the associated depreciations.

In 2015, an independent valuation of GRV's specialised buildings was performed by the Valuer-General Victoria to determine the fair value using the depreciated replacement cost method. The effective date of the valuation is 30 June 2015.

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 depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2015.

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

Reconciliation of Level 3 fair value	Buildings Seymour GAP		Plant and Equipment: Track and GAP Equipment		Furniture and Fittings		Computer and Office Equipment	
	$'000		$'000		$'000		$'000	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
Opening balance	**592**	608	**44**	32	**232**	242	**84**	92
Transfers in (out) of Level 3	**-**	-	**-**	-	**-**	-	**-**	-
Purchases (sales)	**828**	-	**73**	23	**1**	19	**(7)**	39
Transfer in from (out to) another class	**18**	-	**-**	-	**(227)**	-	**-**	-
Gains or losses recognised in net result:								
Depreciation	**(20)**	(16)	**(31)**	(11)	**(5)**	(29)	**(32)**	(47)
Impairment loss	**-**	-	**-**	-	**-**	-	**-**	-
Subtotal	**1,418**	592	**86**	44	**1**	232	**45**	84
Gains or losses recognised in other economic flows - other comprehensive income:								
Revaluation	**124**	-	**-**	-	**-**	-	**-**	-
Subtotal	**124**	-	**-**	-	**-**	-	**-**	-
Closing balance	**1,542**	592	**86**	44	**1**	232	**45**	84

Description of significant unobservable inputs to Level 3 valuations

Plant and equipment
Valuation technique: Depreciated replacement cost
Significant unobservable inputs:
Buildings - Replacement cost; and useful life of buildings (refer Note 1(n))
Plant & Equipment - Cost per unit; and useful life of plant and equipment (refer Note 1(n))

7 (b) Intangible Assets
GRV engaged SMS Consulting to write and deploy a new racing management system for the greyhound racing industry. This system, known as FastTrack, was released on May 1, 2013 and is amortised over its estimated useful life of 10 years. At 30 June, 2015, the carrying amount of FastTrack net of amortisation was $4.203 Mil (2014: $4.739 Mil).

	2015			2014		
Assets at Fair Value	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000
	At fair value	**Accum Amtn**	**Written down value**	At fair value	Accum Amtn	Written down value
Intangible Assets - FastTrack	**5,366**	**(1,163)**	**4,203**	5,366	(627)	4,739
Total	**5,366**	**(1,163)**	**4,203**	5,366	(627)	4,739

		2015	2014
	Note	**$'000**	$'000
Balance at the Beginning of Year		**4,739**	5,276
Asset at Fair Value		**4,739**	5,276
Amortisation		**(536)**	(537)
Written Down Value		**4,203**	4,739
7 (c) Investment Property - William Street			
Balance at the Beginning of Year		**2,500**	2,500
Revaluation Increments		**1,000**	-
Balance at the End of Year		**3,500**	2,500
Amounts recognised in the comprehensive operating statement for Investment Property			
Rental income		**318**	292
Direct operating expense from property that generated rental income		**(88)**	(59)
Direct operating expense from property that did not generate rental income		**(22)**	(50)
		208	183

Lease arrangements
GRV's rental properties are leased to tenants under a long-term operating lease with rentals payable monthly. Minimum lease payments receivable from leases on properties under non-cancellable operating leases not recognised in the financial statements are as follows:

	2015	2014
Within 1 year	**148**	261
Later than 1 year but not later than 5 years	**99**	243
	247	504

The amounts recognised in the comprehensive operating statement for Investment Property and lease arrangements above also include those amounts derived from the rental of Level 1 of GRV's Chetwynd St property.

Fair value hierarchy

			Fair value measurement at end of reporting period using:					
	Written down value		Level 1(i)		Level 2(i)		Level 3(i)	
	$'000		$'000		$'000		$'000	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
Investment property	**3,500**	2,500	**-**	-	**3,500**	2,500	**-**	-

Notes: (i) Classified in accordance with the fair value hierarchy, see Note 1(a).

There have been no transfers between levels during the period. There were no changes in valuation techniques during the period to 30 June 2015.

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 2015, 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 2015.

8. Other Financial Assets

	Note	**2015** $'000	2014 $'000
Current - Investments			
Term Deposits		**24,500**	22,500
Sale GRC Land Purchase (1)		**379**	421
Total Current Other Financial Assets		**24,879**	22,921
Non-Current			
Sale GRC Land Purchase (1)		**-**	387
Melbourne Greyhound Racing Association (2)		**1,589**	1,580
Shares in Radio 3UZ Pty Ltd		**1**	1
Units in Radio 3UZ Unit Trust at Cost		**525**	525
Total Non-Current Other Financial Assets		**2,115**	2,493

Loans
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 loans and where interest is charged on outstanding loans the terms are consistent with the rate that GRV would otherwise receive on funds invested:

1) The Sale Greyhound Racing Club ("SGRC") - on 1st July 2011 a loan was provided to the SGRC for the purchase of a parcel of land (lot 6) which is in reasonable proximity of the Club. Also on the 1st July 2011 GRV registered a mortgage over the land. Subject to the purchase of further land (contingent on available finance, approval of GRV and Wellington Shire Council deliberations) the SGRC may, in the long term, be in a position to re-locate and rebuild its operations, should that become necessary. For the purposes of complying with the requirements of AASB 139 the amount has been valued at fair value as disclosed in Note 1(f).

2) The Melbourne Greyhound Racing Association ("MGRA") - the loan was advanced to assist MGRA with the purchase of a parcel of land, which was intended to be used for the building of a TABARET with no repayment terms or interest rate agreed to. However GRV entered into a caveat over the property with MGRA. MGRA is currently assessing opportunities for sale and/or development. For the purposes of complying with the requirements of AASB 139 the amount has been valued at fair value as disclosed in Note 1(f).

Investment in Radio 3UZ Pty Ltd
Radio 3UZ Pty Ltd acts as Trustee for Radio 3UZ Unit Trust. GRV's investment in Radio 3UZ Pty Ltd comprises of 875 shares at $1 each. In 1997 GRV wrote down the value of its investment in Radio 3UZ Unit Trust. With the adoption of A-IFRS in 2006, GRV reviewed the value of its investment in the trust and elected to measure its investment at cost as the unit holders were unable to reliably determine the fair value of the units due to a lack of available market data. Accordingly, GRV determined that it was appropriate to write back the previous decrement of $193,000 to comply with the requirements of AASB 139.

It is GRV's policy to assess its adopted accounting policy in respect of the units in the trust as well as the carrying value of its investment in the trust on an annual basis to ensure that the amount is not overstated. In 2015, GRV evaluated and assessed that it was appropriate and in compliance with the requirements of AASB 139 to continue to value its investment in Radio 3UZ Unit Trust at cost, due to the lack of available market data as to the value of the units.

9. Provisions

9 (a) Employee Benefits		2015	2014
Current Provisions	**Note**	**$'000**	$'000
Employee Benefits- Annual leave (i) (Note 9(b)):			
Unconditional and Expected to Settle Within 12 months		295	260
Unconditional and Expected to Settle After 12 months (ii)		98	87
Employee Benefits- Long Service Leave (Note 9(b)):			
Unconditional and Expected to Settle Within 12 months		44	154
Unconditional and Expected to Settle After 12 months (ii)		730	360
		1,167	861
Provision Relating to Employee Benefits On-Costs (Note 9(b) and Note 9(c)):			
Unconditional and Expected to Settle Within 12 months		52	74
Unconditional and Expected to Settle After 12 months (ii)		127	81
		179	155
Total Current Provisions		1,346	1,016
Non-Current Provisions			
Employee Benefits (i) (Note 9(b))		174	195
Employee Benefits On-Cost (Note 9(b) and 9(c))		27	36
Total Non-Current Provisions		201	231
Total Employee Benefits		1,547	1,247

Notes: (i) Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.
(ii) Amounts are measured at present values.

9 (b) Employee Benefits and Related On-costs (i)

Current		
Annual Leave Entitlements	393	347
Long Service Leave Entitlements	774	514
Total Current	1,167	861
Non-Current Employee Entitlements		
Long Service Leave Entitlements	174	195
Total Non-Current	174	195
Total Employee Benefits	1,341	1,056
Current On-Costs	179	155
Non-Current On-Costs	27	36
Total On-Costs	206	191
Total Employee Benefits and Related On-Costs	1,547	1,247
Number of Employees at Year End	87	76

Notes: (i) Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.

9 (c) Movement In Provisions - oncost

Opening Balance	1,247	1,143
Additional Provisions Recognised	344	326
Reductions Arising From Payments/Other Sacrifices of Future Economic Benefits	(36)	(165)
Unwind Of Discount and Effect of Changes In Discount Rate	(8)	(57)
Closing Balance	1,547	1,247

10. Payables

Current		2015	2014
Contractual	**Note**	**$'000**	$'000
Trade Creditors		950	681
Sundry Creditors		4,167	5,100
Statutory			
GST Payable		710	429
Payroll Tax Payable		37	33
PAYG Tax Payable		-	119
Total payables		5,864	6,362

The average credit period is 22 days and no interest is charged on the sundry creditors balances.

Maturity analysis of contractual payables
Please refer to Note 5 for the maturity analysis of contractual payables.

Nature and extent of risk arising from contractual payables
Please refer to Note 5 for the nature and extent of risks arising from contractual payables.

11. Other Liabilities

Deferred Revenue

Current		
Other	118	150
Total Current	118	150
Non-Current		
Other	65	121
Total Non-Current	65	121
Total Deferred Revenue	183	271

12. Notes to the Cash Flow Statement

12 (a) Reconciliation of Cash and Cash Equivalents

Cash and cash equivalents as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash and cash equivalents	6(a)	4,946	5,131

12 (b) Reconciliation of Net Result for the Period

Net Result for the Period		5,128	7,755
Add Non-Cash Items			
Depreciation, Impairment of Assets, Loss on Disposal	3(g), 4(a)	735	690
Net Gain on Financial and Non-Financial Assets	4(b), 4(c)	(1,147)	(2)
Net Cash Provided by Operating Activities before change in Assets and Liabilities:		4,716	8,443
Change in Assets and Liabilities			
Increase in Receivables & Prepayments		(1,913)	(793)
(Decrease) Increase in Payables		(498)	192
Increase in Employee Benefits		300	104
Decrease in Other Liabilities		(88)	(92)
Net Cash Flows From / (Used In) Operating Activities		2,517	7,854

13. Reserves and Surpluses

		2015	2014
	Note	**$'000**	$'000
Distribution Reserve Fund	**13(a)**	**7,500**	7,500
Greyhound Owners and Breeders Incentive Scheme Reserve	**13(b)**	**274**	977
Infrastructure Reserve Fund	**13(c)**	**6,760**	12,887
Physical Asset Revaluation Reserve	**13(d)**	**4,380**	2,063
Total Reserves		**18,914**	23,427
Contributed Capital	**13(e)**	**1,924**	1,924
Accumulated Surplus	**13(f)**	**30,672**	18,714
Total Surpluses		**32,596**	20,638
Total Equity		**51,510**	44,065

13 (a) 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 stakemoney levels. In 2015, the fund balance has not been increased by a transfer from accumulated surplus (increased 2014: $2.5 Mil) given current GRV revenue streams continue to indicate a positive trend. Accordingly the current balance of $7.5 Mil is viewed as a sufficient balance of funds to assist in any potential disruption.

Opening Balance		**7,500**	5,000
Transfer from Accumulated Surplus	**13(f)**	**-**	2,500
Closing Balance		**7,500**	7,500

13 (b) Greyhound Owners and Breeders Incentive Scheme Reserve (GOBIS)

In 1994 GRV commenced the operation of the Greyhound Owners and Breeders Incentive Scheme (GOBIS). GRV has set aside the fund to provide for payment of bonuses to registered persons. In 2015, GRV provided an allocation of $0.759 Mil (2014: $0.737 Mil) to assist in the payment of bonuses. In 2015, no further transfers were made to the fund (2014: $0.3 Mil) following confirmation that the scheme would cease taking registrations and wind up in the 2016 year (see Note 17).

Opening Balance		**977**	833
Revenue from Ordinary Activities- Registrations & Interest	**2(c)**	**237**	229
Victorian Racing Industry Fund Contribution	**2(c)**	**477**	477
Expenses from Ordinary Activities- Bonuses & Other	**3(c)**	**(2,176)**	(1,599)
Net Result		**(1,462)**	(893)
Annual Transfer from Accumulated Surplus		**759**	737
Add Additional Transfer from Accumulated Surplus		**-**	300
Transfer (to) from Accumulated Surplus	**13(f)**	**(703)**	144
Closing Balance		**274**	977

13 (c) Infrastructure Reserve Fund (IRF)

In 2002 GRV agreed to establish a reserve fund in order to provide for the on-going need to replace and maintain infrastructure within Victoria. In 2015, $4.144 Mil (2014: $4.004 Mil) was allocated to the fund, and an additional $2.0 Mil (2014: $3.0 Mil) was transferred from accumulated surplus to assist in the long-term sustainability of the fund.

Opening Balance		**12,887**	7,931
Expenses from Ordinary Activities	**3(d)**	**(13,451)**	(3,568)
Net Result		**(13,451)**	(3,568)
Victorian Racing Industry Fund Contribution	**2(c)**	**1,180**	1,520
Annual Transfer from Accumulated Surplus		**4,144**	4,004
Additional Transfer from Accumulated Surplus		**2,000**	3,000
Transfer from (to) Accumulated Surplus	**13(f)**	**(6,127)**	4,956
Closing Balance		**6,760**	12,887

13 (d) Physical Asset Revaluation Surplus

The asset revaluation reserve arises on the revaluation of land and buildings

		2015	2014
	Note	**$'000**	$'000
Opening Balance		**2,063**	2,063
Valuation Gain recognised		**2,317**	-
Closing Balance		**4,380**	2,063
The reserve comprises :			
Land		**4,273**	2,063
Buildings		**107**	-
Closing Balance		**4,380**	2,063

13 (e) Contributed Capital

In accordance with the requirements of the 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.

	1,924	1,924

13 (f) Accumulated Surplus/(Deficit)

Accumulated surplus/(deficit) at the Beginning of the Financial Year		**18,714**	18,559
Net Result		**5,128**	7,755
Total Available for Appropriation		**23,842**	26,314
Transfer from/(to) Reserves			
Distribution Reserve Fund	**13(a)**	**-**	(2,500)
Greyhound Owners and Breeders Incentive Scheme	**13(b)**	**703**	(144)
Infrastructure Reserve Fund	**13(c)**	**6,127**	(4,956)
Accumulated Surplus/(Deficit) at the End of the Financial Year		**30,672**	18,714

14. Commitments

GRV is required to fund the following commitments (inclusive of GST) in future reporting periods:

14 (a) Operating Lease Commitments

At 30 June 2015, GRV had committed to fund the following lease payments for vehicles. The rental is payable on a monthly basis and each lease has an average life of 24.9 months (2014: 25.6 months).

Within One Year	**376**	312
Later than One Year but not Later than Five Years	**111**	130
	487	442

14 (b) Infrastructure Commitments

At 30 June 2015 GRV is obligated in the next year (2016) to meet commitments of $1.559 Mil for infrastructure works including; the Traralgon Greyhound Racing Club $1.275 Mil; the Horsham Greyhound Racing Club $0.125 Mil; the Cranbourne Greyhound Racing Club $0.08 Mil; and the Warrnambool Greyhound Racing Club $0.077 Mil. At 30 June 2014, GRV's commitment for the 2015 year was $5.916 Mil including; the Traralgon Greyhound Racing Club $5.479 Mil; the Cranbourne Greyhound racing Club $0.085 Mil; the Warrnambool Greyhound Racing Club $0.132 Mil; the Melbourne Greyhound Racing Club $0.040 Mil; and the Sandown Greyhound Racing Club $0.042 Mil.

Within One Year	**1,559**	5,916

14 (c) Other Commitments

In 2013 GRV committed 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 below are based on the current racing calendar and take into account current and future prices in accordance with the agreement.

Within One Year	**1,584**	1,434
Later than One Year but not Later than Five Years	**3,209**	4,387
	4,793	5,821
Total Commitments	**6,839**	12,179

15. Responsible Persons

In accordance with Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period:

Responsible Minister:

The Minister for Racing The Hon. Mr Martin Pakula (1)

The Minister for Racing The Hon. Dr Denis Napthine (2)

The Acting Minister for Racing The Hon. Jane Garrett (3)

(1) from 04.12.2014
(2) to 03.12.2014
(3) from 24.12.2014 to 06.01.2015

The remuneration of the Ministers is reported in the financial statements of the Department of Premier and Cabinet.

Governing Board:

Position	Member	From	To
Chairman	Mr. R. Gunston	17.03.2015	30.06.2015
Member	Mr. K. Lay	17.03.2015	30.06.2015
Member	Ms. J. Bornstein	25.03.2015	30.06.2015
Chairman	Mr. P. H. Caillard	01.07.2014	23.02.2015
Interim Chairman	Mr. M.G. Harms	24.02.2015	11.03.2015
Member	Mr. M.G. Harms	21.10.2014	23.02.2015
Member	Dr. S.P. Silk	01.07.2014	11.03.2015
Member	Mr. G.J. Miles	01.07.2014	11.03.2015
Member	Ms. J.M. Coustley	01.07.2014	11.03.2015
Member	Mr. J. Tripodi	01.07.2014	02.08.2015

Accountable Officer:
Mr. A.L. Wallish
The total remuneration received or receivable by the accountable officer for 2015 in connection with the management of GRV during the reporting period was in the range of: $300,000 to $309,999 ($300,000 to $309,999 in 2014).

15 (a) Remuneration of Responsible Persons

The number of responsible persons are shown below in their relevant income bands:

	Total Remuneration		Base Remuneration	
	2015	2014	**2015**	2014
Income Band	**No.**	No.	**No.**	No.
$0 to $9,999	**1**	-	**1**	-
$10,000 to $19,999	**6**	-	**6**	-
$20,000 to $29,999	**1**	4	**1**	4
$30,000 to $39,999	**1**	-	**1**	-
$50,000 to $59,999	**-**	1	**-**	1
$280,000 to $289,999	**-**	-	**1**	1
$300,000 to $309,999	**1**	1	**-**	-
Total Numbers	**10**	6	**10**	6
Total Remuneration - $'000	**466**	438	**451**	419

Base remuneration includes superannuation, motor vehicles and car parking but is exclusive of any bonus payments, long service leave payments, redundancy payments and retirement benefits.

15 (b) Retirement Benefits of Responsible Persons
No retirement benefits were paid by GRV in connection with the retirement of responsible persons.

15 (c) Other Transactions of Responsible Persons and their Related Entities
No other transactions were paid by GRV in connection with responsible persons and their related entities.

15 (d) Other Receivables from and Payables to Responsible Persons and their Related Parties
No transactions of the above nature occurred.

15 (e) Amounts Attributable to other Transactions with Responsible Persons and their Related Parties
No transactions of the above nature occurred.

15 (f) Executive Officers Remuneration
The number of executive officers, other than responsible persons, whose total remuneration exceeded $100,000 is shown below in their relevant bands. Base remuneration includes superannuation, motor vehicles and car parking, but is exclusive of any bonuses, long service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

	Total Remuneration		Base Remuneration	
	2015	2014	**2015**	2014
Income Band	**No.**	No.	**No.**	No.
$160,000 to $169,999	**2**	1	**2**	1
$170,000 to $179,999	**-**	2	**1**	2
$180,000 to $189,999	**3**	-	**2**	1
$190,000 to $199,999	**-**	1	**-**	-
$210,000 to $219,999	**-**	-	**1**	-
$220,000 to $229,999	**1**	-	**-**	1
$230,000 to $239,999	**-**	-	**1**	-
$240,000 to $249,999	**1**	1	**-**	-
Total Numbers	**7**	5	**7**	5
Total Remuneration - $'000	**1,211**	947	**1,187**	919
Total Annualised Employee Equivalent (i)	**7.0**	5.0	**7.0**	5.0

Note: (i) Annualised employee equivalent is based on paid working hours of 40 ordinary hours per week over the 52 weeks for a reporting period.

16. Superannuation

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

GRV does not recognise any defined benefit liability in respect of the plans because it has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial statements.

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:

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2015	2014	**2015**	2014
Fund	**$'000**	$'000	**$'000**	$'000
Defined benefit plans:				
State Superannuation Fund - revised and new	**7**	7	**-**	-
Other	**-**	-	**-**	-
Defined contribution plan:				
VicSuper	**236**	266	**-**	-
Other	**379**	247	**-**	-
Total	**622**	520	**-**	-

Notes: (a) The basis for contributions are determined by the various schemes.
(b) The above amounts were measured as at 30 June of each year, or in the case of employer contributions they relate to the years ended 30 June.

17. Subsequent Events

On 30 June, 2015, the GRV Board resolved to suspend registrations for GOBIS from 9 July onwards and develop an exit strategy for the finalisation of the scheme. On 30 July, 2015, the Board committed to an exit strategy that involved the refund of registration fees, or a portion of, to breeders and owners of eligible greyhounds. The remaining surplus from the GOBIS Reserve Fund (Note 13(b)) was held over by GRV to advance welfare and member education initiatives.

Given these circumstances, GRV decided to accrue the refunds of $614k as a cost in the 2014-15 year as they pertained to conditions that existed at the end of the reporting period, that is, an intention to finalise GOBIS and fairly refund its registered members.

18. Remuneration Of Auditors

	Note	**2015**	2014
		$'000	$'000
Victorian Auditor-General's Office			
Audit of the financial statements		**17**	17
Non-audit Services		**-**	-
		17	17
Internal Audit			
Audit services		**90**	87
Non-audit services		**43**	-
		133	87
Total Audit Services		**150**	104

Legislation	Requirement
Ministerial Directions	
Report of Operations – FRD Guidance	
Charter and purpose	
FRD 22F	Manner of establishment and the relevant Ministers
FRD 22F	Purpose, functions, powers and duties
FRD 8C	Departmental objectives, indicators and outputs
FRD 22F	Initiatives and key achievements
FRD 22F	Nature and range of services provided
Management and structure	
FRD 22F	Organisational structure
Financial and other information	
FRD 8C, SD 4.2(k)	Performance against output performance measures
FRD 8C	Budget portfolio outcomes
FRD 10	Disclosure index
FRD 12A	Disclosure of major contracts
FRD 15B	Executive officer disclosures
FRD 22F	Employment and conduct principles
FRD 22F	Occupational health and safety policy
FRD 22F	Summary of the financial results for the year
FRD 22F	Significant changes in financial position during the year
FRD 22F	Major changes or factors affecting performance
FRD 22F	Subsequent events
Financial Report	
FRD 22F	Application of operation of *Freedom of Information Act 1982*
FRD 22F	Compliance with building and maintenance provisions of *Building Act 1993*
FRD 22F	Statement of National Competition Policy
FRD 22F	Application and operation of the *Protected Disclosure Act 2012*
FRD 22F	Application and operation of the *Carers Recognition Act 2012*
FRD 22F	Details of consultancies over $10,000
FRD 22F	Details of consultancies under $10,000
FRD 22F	Statement of availability of other information
FRD 24C	Reporting of office-based environmental impacts
FRD 25B	Victorian Industry Participation Policy disclosures
FRD 29A	Workforce Data disclosures
SD 4.5.5	Risk management compliance attestation
SD 4.5.5.1	Ministerial Standing Direction 4.5.5.1 compliance attestation
SD 4.2(g)	Specific information requirements
SD 4.2(j)	Sign-off requirements

Legislation	Requirement
Financial statements required under Part 7 of the Financial Management Act 1994	
SD 4.2(a)	Statement of changes in equity
SD 4.2(b)	Operating statement
SD 4.2 (b)	Balance Sheet
SD 4.2 (b)	Cash Flow Statement
Other requirements under Standing Direction 4.2	
SD4.2(c)	Compliance with Australian accounting standards and other authoritative pronouncements
SD4.2(c)	Compliance with Ministerial Directions
SD4.2(d)	Rounding of amounts
SD4.2 (c)	Accountable officer's declaration
SD4.2 (f)	Compliance with Model Financial Report
Other disclosures as required by FRDs in notes to the financial statements	
FRD 9A	Departmental disclosure of administered assets and liabilities by activity
FRD 11A	Disclosure of ex-gratia expenses
FRD 13	Disclosure of parliamentary appropriations
FRD 21B	Disclosures of Responsible Persons, Executive Officers and Other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report
FRD 102	Inventories
FRD 103E	Non-financial physical assets (Pending revision)
FRD 104	Foreign currency
FRD 106	Impairment of assets
FRD 109	Intangible assets
FRD 107A	Invesment properties
FRD 110	Cash flow statements
FRD 112D	Defined benefit superannuation obligations
FRD 113	Investments in subsidiaries, jointly controlled entities and associates (Pending revision)
FRD 114A	Financial Instruments – General government entities and public non-financial corporations
FRD 119A	Transfers through contributed capital
Legislation	
Freedom of Information Act 1982	
Building Act 1993	
Protected Disclosure Act 2001	
Carers Recognition Act 2012	
Victorian Industry Participation Policy Act 2003	
Financial Management Act 1994	

GREYHOUND RACING VICTORIA

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Accountable Officer's and Chief Finance and Accounting Officer's Declaration

The attached financial statements for Greyhound Racing Victoria have been prepared in accordance with Standing Directions 4.2 of 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 2015 and financial position of Greyhound Racing Victoria at 30 June 2015.

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 27 August 2015.

....

Alan Clayton
Chief Executive Officer
PSM

Date: 27 August 2015

....

Robert Shaw
Chief Finance and Accounting Officer
CPA

Date: 27 August 2015

....

Bernie Carolan
Chairman

Date: 27 August 2015

VAGO
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INDEPENDENT AUDITOR'S REPORT

To the Board Members, Greyhound Racing Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of Greyhound Racing Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of Greyhound Racing Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Greyhound Racing Victoria as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

T. DH

MELBOURNE
31 August 2015

for John Doyle
Auditor-General

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