



**GREYHOUND
RACING VICTORIA**
ANNUAL REPORT
2021-2022



ACCESSIBILITY

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VICTORIAN GREYHOUND RACING SNAPSHOT



\$643 million in annual economic contribution

4,700 PLUS Full-time equivalent jobs

13,400 PLUS participants, support staff and volunteers

1,312 race meetings

\$62.7 million in annual prizemoney and other returns to participants

\$3.7 billion in annual national wagering turnover

750 litters and **4,886** pups registered

2,956 greyhounds rehomed

Economic contribution and employment data: Size and Scope of the Victorian Racing Industry, IER April 2022

CHAIR FOREWORD



This has been another stellar year for greyhound racing in Victoria, with participants, clubs and Greyhound Racing Victoria (GRV) all working together to deliver an enhanced racing program and set new benchmarks for success. Achievements made possible by our amazing people, our participants and our brilliant athletes, our greyhounds.

Greyhound welfare and integrity continued as a major focus during 2021-22. A record 2,956 greyhounds were re-homed over the year and the Greyhound Racing Integrity Unit further improved its investigation, compliance capabilities and outcomes with a new sophisticated case management system.

A vital part of planning our sport's future included continuing to ensure high standards in greyhound welfare and providing safe and high-quality facilities for participants, staff and the public. We have been working with our clubs to develop a five-year Infrastructure Plan that will deliver major projects at clubs across Victoria with details of individual projects to be announced.

Throughout the year the Board and the Leadership Team continued to deliver on our Strategic Plan. Our focus is not only on this year but also five years from now to ensure Victorian greyhound racing continues to grow and thrive and be the best in the nation.

This includes innovative new events, such as the inaugural \$1million Phoenix at The Meadows, the return of the popular Pink Diamond, and the Gippsland, Western and Metro Festivals of Racing.

Victorian greyhound racing is very much an inclusive community-based sport that welcomes people from all walks of life. In April 2022, Victoria's greyhound racing community came together to raise \$126,101 for the Royal Children's Hospital's Good Friday Appeal. Other community events throughout the year were well supported raising an additional \$250,000 for nominated charities.

I thank everyone who has made this such a strong year for our sport. The participants, clubs, staff and volunteers for the great racing and welfare outcomes, and all the foster carers and adopters for their ongoing dedication to our beautiful, retired greyhounds. Our wagering and media partners continued their role in delivering the strong financial results.

I would like to acknowledge Alan Clayton's six-year contribution to GRV up until his departure in February 2022. Alan drove major reforms making Victorian greyhound racing a world leader in many key areas.

I thank the Board and staff of GRV for their hard work throughout 2021-22, not least former GRV Deputy Chair Emmett Dunne who stepped down in June 2022. Emmett's commitment, experience and leadership helped guide GRV through major challenges and opportunities.

I also thank the Minister and Shadow Minister for Racing and other key stakeholders, Greyhound Clubs Victoria (GCV), and the Greyhound Owners, Trainers and Breeders Association (GOTBA) Victoria for their support.

I am confident that the strong position we are in at the end of 2021-22 will help secure the long-term growth of the industry as a professional, ethical, and vibrant sport that continues to deliver economic benefits to Victoria.

Peita Duncan
Chair, GRV

CEO REPORT



The last two years have been very challenging for GRV and the code as it has for many others dealing with impacts of COVID-19. Despite this, Victorian greyhound racing has kept thriving and enjoyed a solid year of achievement in 2021-22 with the support of participants, clubs, government and our commercial partners.

Greyhound welfare remained a core priority for GRV throughout the year. We had 1,094 greyhounds rehomed through GRV's Greyhound Adoption Program (GAP) and 1,862 directly by participants and through other adoption agencies. To further boost re-homing opportunities, GRV introduced a new Desexing and Dental Scheme for retiring greyhounds and opened a new GAP facility at Tullamarine. The focus on optimising racing safety through better track preparation saw racing injuries fall to their lowest number on record, and down 20% over the past five years.

The racing program was maintained at the same level as last year and, with over 15,000 races conducted annually, continues as one of the world's largest racing programs. Good Friday racing was introduced in 2022 for the first time in the sport's history. Prizemoney and other participant returns also increased to a record \$62.7 million over the year, up nearly 20% on 2020-21.

GRV also implemented the new National Rules of Racing in 2021-22, supported by a new data system for integrating Local Rules of Racing with the new National Rules so that clubs, participants and GRV are working to a consistent set

of rules. COVID-19 protocols continued to be maintained at race meetings, trials, clubs and GRV premises in line with current advice from Victoria's Chief Health Officer and Victorian and Federal Government regulations.

The sport's wagering performance was one of many highlights for the year, with national wagering turnover on Victorian greyhounds up 10.2% to an all-time high of \$3.7 billion, reflecting both the strength and integrity of our racing program and the development of new customers, who experienced the excitement of the sport for the first time.

GRV's financial position remained strong throughout the year with \$139.9 million in total revenue, generating a surplus of \$2.6 million. The major contributors to expenditure increases for the year included the full impacts of the expanded racing program and prizemoney increases

Looking ahead, a key priority for GRV is a new five-year Infrastructure Plan, one of the biggest investments in the code for many years. The Plan aims to optimise racing safety and ensure clubs and participants have the best facilities to take them into the decades ahead. The Plan will be rolled-out from July 2022 following consultations and workshops with all key stakeholders.

One of the Plan's major priorities is the rebuild of the Cranbourne track for which a master plan is being developed following an industry consultative process.

Other projects will include more major track rebuilds and significant upgrades, new kennel blocks and lighting and the installation of safer battery operated lure systems.

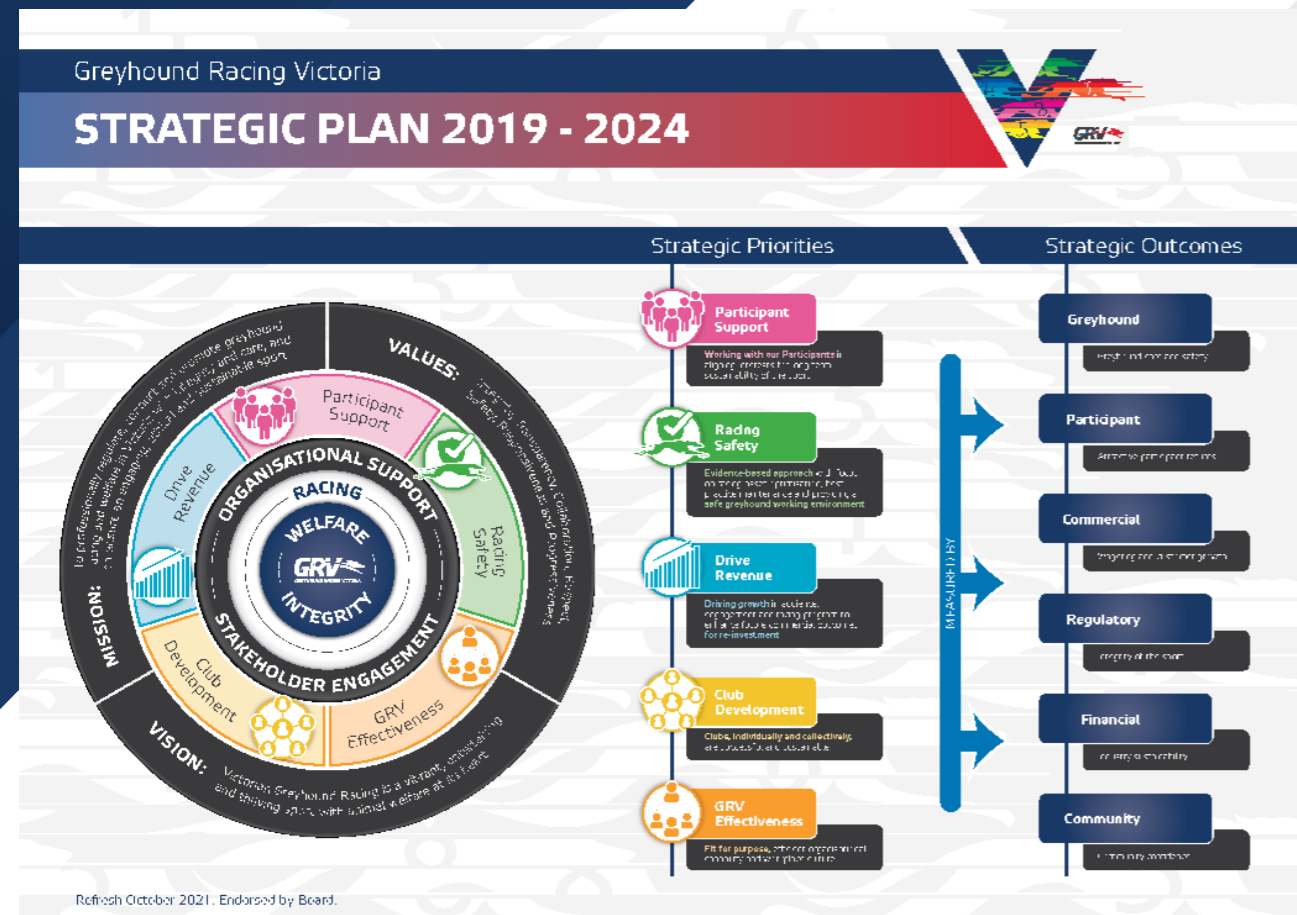
This new investment, combined with consistent wagering growth over the past few years and a strong focus by GRV and its media and wagering partners on building audiences, gives me great confidence in the future of the sport in Victoria as we continue to build on our achievements as one of the world's leading racing codes.

I would like to acknowledge the work and support of GRV's partners over the year, including those in the wagering and media sectors and industry bodies, such as GCV and GOTBA Victoria. I thank the GRV Board for its commitment to building a world's best practice racing code and I particularly thank GRV's team, the clubs, volunteers and all the participants for delivering such outstanding results. I look forward to an even bigger and better year in 2022-23 and beyond.

A handwritten signature in black ink, appearing to read 'Stuart Laing', written in a cursive style.

Stuart Laing
Chief Executive Officer (Acting), GRV

STRATEGIC FRAMEWORK



PROGRESS ON STRATEGIC DIRECTIONS: YEAR FOUR

GRV's 2019-24 Strategic Plan was refreshed in late 2021. It sets out a clear vision for the sustainable future of Victorian greyhound racing, underpinned by targeted goals and key performance indicators which are reviewed quarterly by the GRV Board. The plan is focused on commercial growth, maintaining strong greyhound welfare and integrity outcomes, working closely with participants, clubs and the wider community and continuing to improve GRV operations and service delivery.

2021-22 Outcomes

- Improved safer racing outcomes, record number of greyhounds re-homed and the lowest levels of euthanasia to date.
- Record wagering revenue growth and increased customer base through developing innovative racing products in collaboration with clubs.
- Significant increase in participant returns through prizemoney, bonuses, travel and starter payments and introduced MyFastTrack app with streamlined participant-centric focus.
- Major investment in club racing infrastructure and uplift in Club performance and achieving minimum operating standards
- Sustained productivity in a hybrid working environment and strong financial result for long-term sustainability.

REPORT ON OPERATIONS

WELFARE

Rehoming

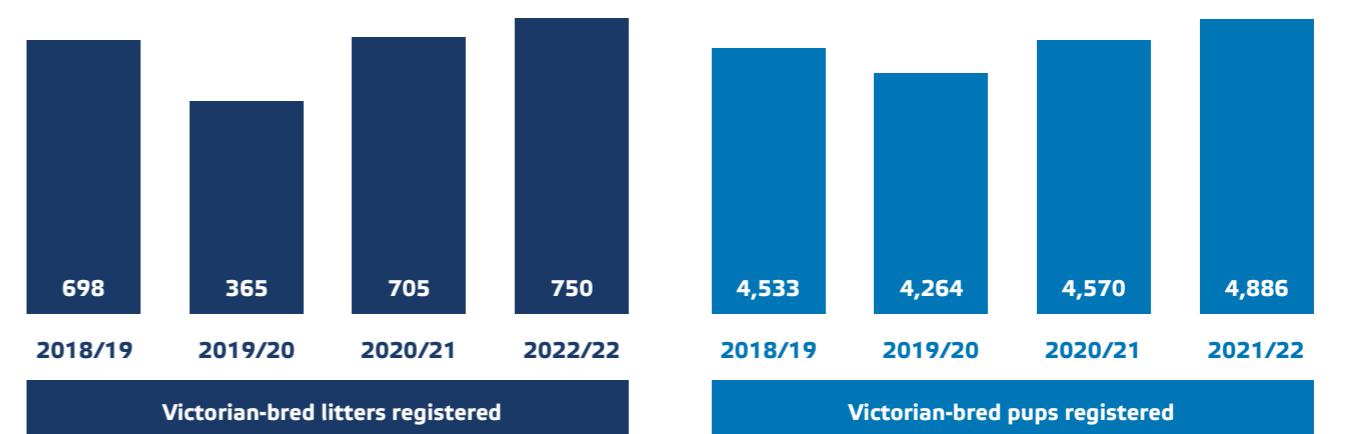


* Includes both Victorian and interstate-owned greyhounds.

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

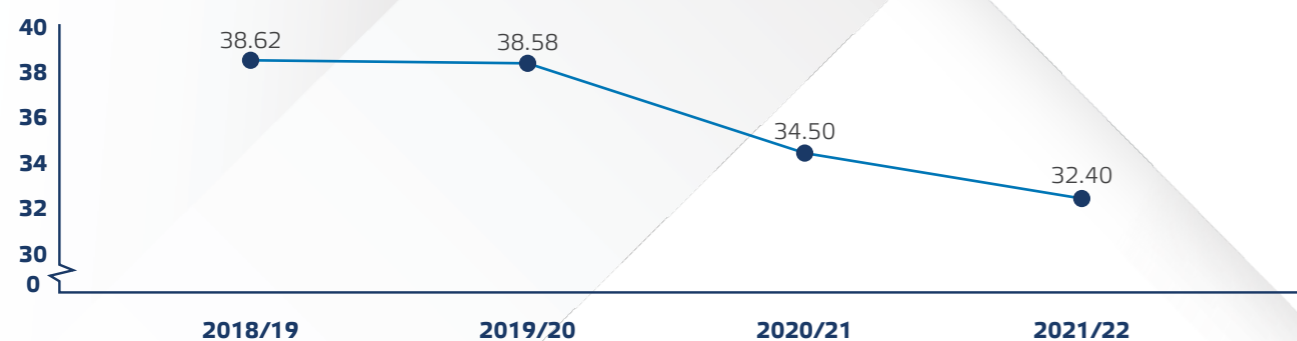
Note: As a result of GRV's internal quality assurance, and subsequent review and validation by an independent auditor the non-GAP rehoming numbers for previous year's GRV annual reports have been recalculated and revised.

Breeding



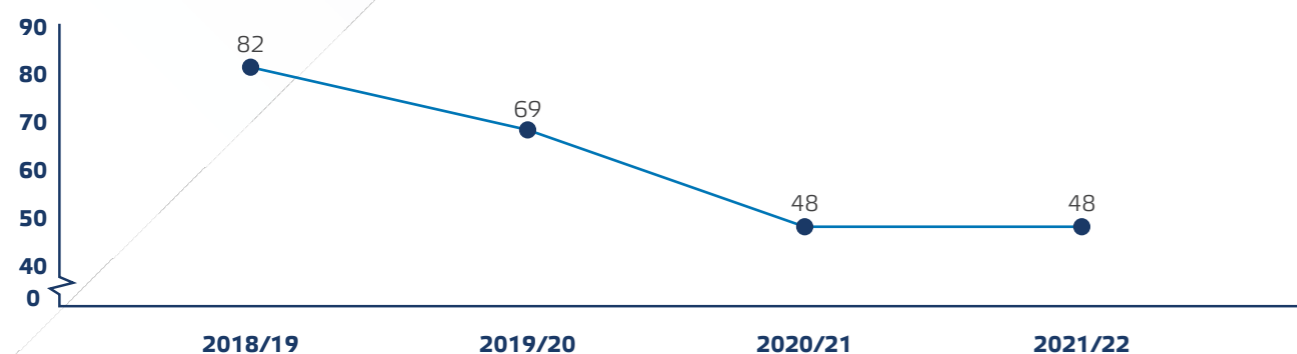
Race Injuries

Race injuries diagnosed on-track at Victorian tracks per 1000 starters.
Victorian and interstate-owned greyhounds



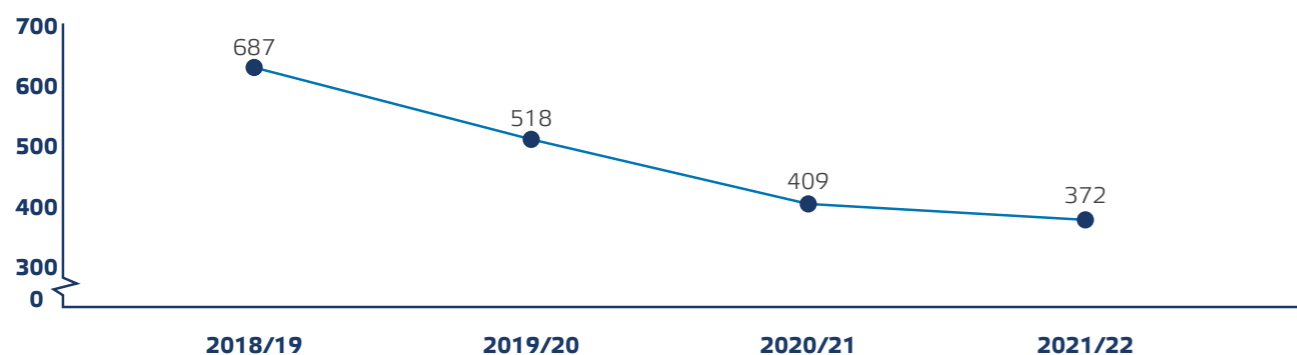
Race Fatalities

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



Euthanasia*

Victorian owned greyhounds



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

GRV reviews the reported euthanasia of all Victorian-owned greyhounds to ensure compliance with the rules of racing, including ensuring that they are only carried out for legal reasons, such as serious medical, or significant behavioural issues.

All reported deaths of Victorian-owned greyhounds are also reviewed to determine compliance with GRV's Rules of Racing. Should non-compliance be detected, instances are referred to GRV's Greyhound Racing Integrity Unit for further investigation and consideration of appropriate enforcement action.

GRV investigates the status of every Victorian-owned greyhound if its owner has reported no activity, or change of status for a pre-determined period, based on the greyhound's and owner's histories and other factors.

INTEGRITY

Year	2020/21	2021/22
Completed information reports	289	809
Briefs	33	97
Completed investigations	173	479
Active investigations	22	197

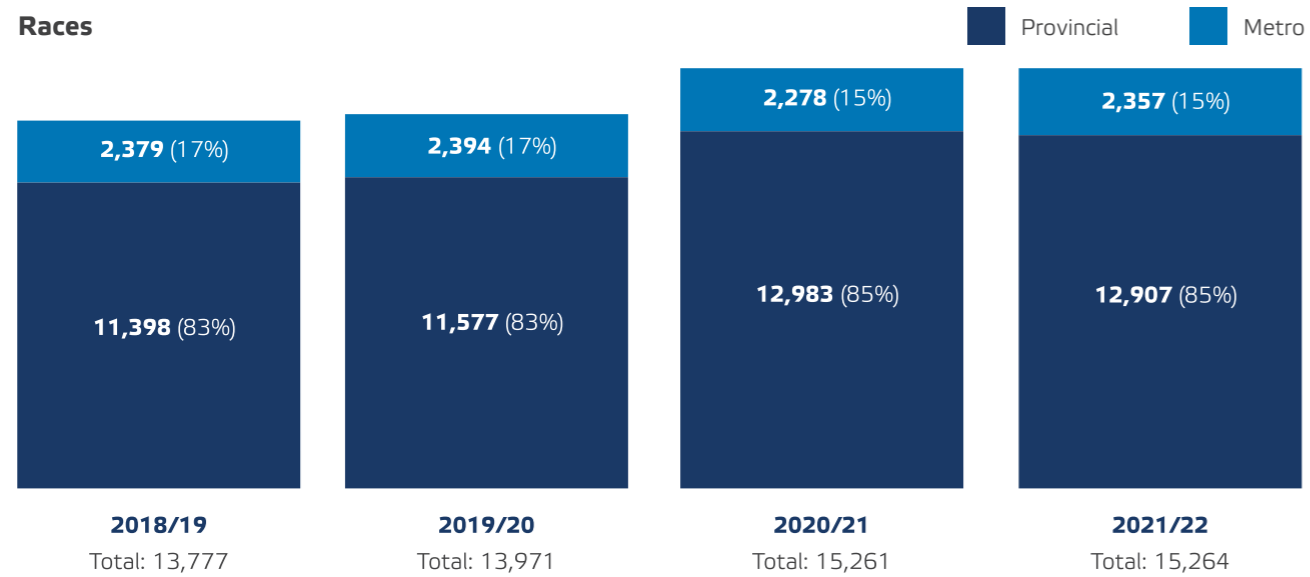
Information Reports and Investigations rose significantly over the year predominantly for two reasons. Firstly, the 2020-2021 year was severely impacted by the COVID-19 pandemic, which saw Investigative Stewards utilised to ensure compliance with COVID-19 restrictions at race meetings and therefore reduced attendances at participant properties. Secondly, the introduction of a new investigation case management system has improved GRV's investigation and compliance capabilities and effectiveness.

Prosecutions Overview	2020/21	2021/22
Victorian Civil and Administrative Tribunal	5	6
Supreme Court of Victoria	0	1
Victorian Racing Tribunal	74	79
Animal Welfare	9	14
Prohibited Substances	57	41
Misconduct	8	24
Stewards Briefs Awaiting Legal Review	4	4
Investigator Briefs Awaiting Legal Review	14	14
Referred to VRT and awaiting hearing date (or decision on liability/penalty)	7	22

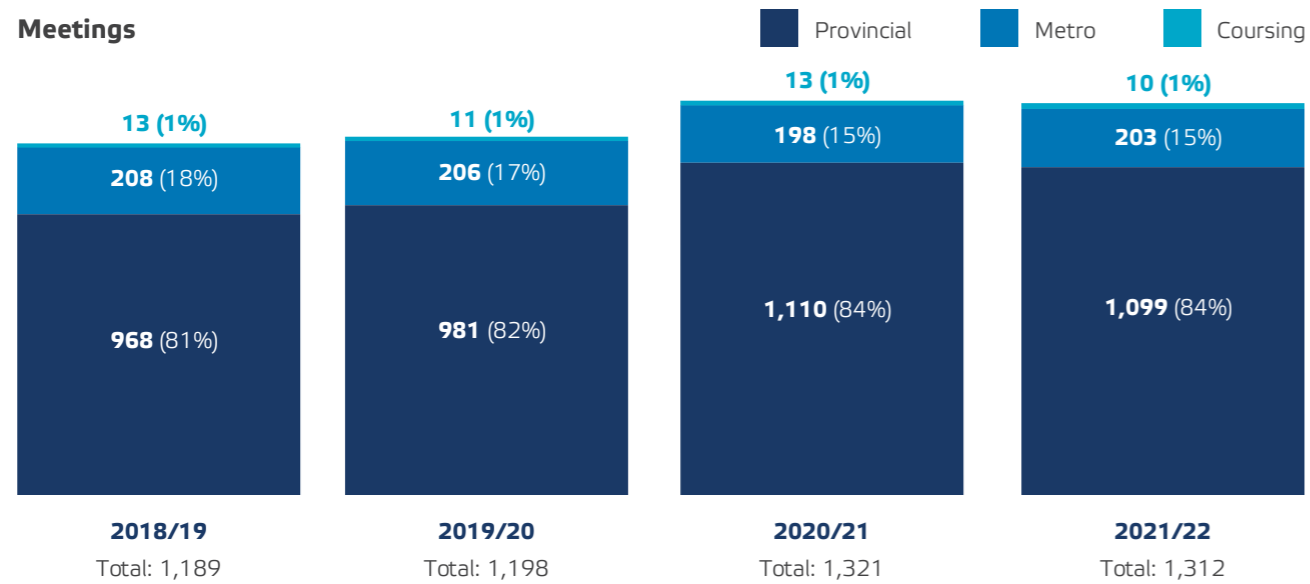
Swabbing	2018/19	2019/20	2020/21	2021/22
At race meetings	11,086	8,552	9,909	9,660
Out of competition	1,275	1,209	666	1,005
Swabs - elective	5	6	2	1
Total swabs taken	12,366	9,767	10,576	10,666
Returned positive or irregular	54	75	45	70
Long Term Storage samples re-submitted for testing	192	265	64	110

RACING

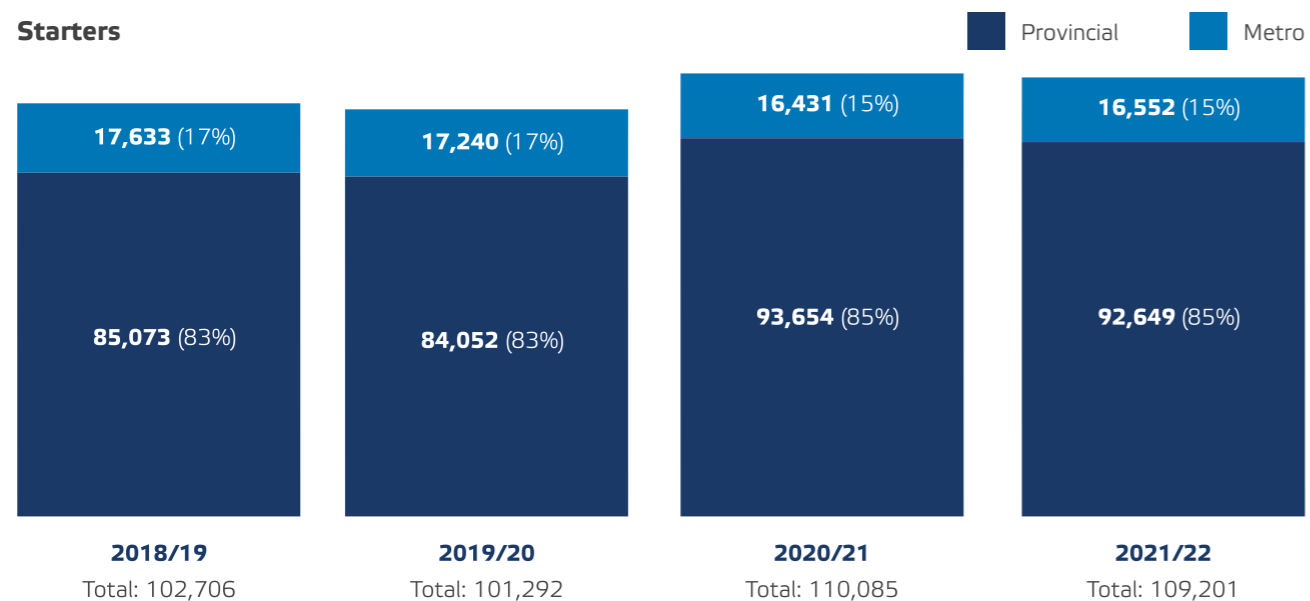
Races



Meetings



Starters



VICTORIAN GREYHOUND AWARDS

GRV presented the 2020-21 Victorian Greyhound Awards on 19 September 2021 via a virtual broadcast.



Greyhound and Sprinter of the Year, Shima Shine

- Greyhound of the Year: **Shima Shine**
- Sprinter of the Year: **Shima Shine**
- Stayer of the Year: **Houdini Boy**
- Metropolitan Trainer's Premiership: **Andrea Dailly**
- Metropolitan Trainer's Strike Rate Award: **Kelvyn Greenough**
- Provincial Trainer's Premiership: **Mark Delbridge**
- Provincial Trainer's Strike Rate Award: **Dallas Massina**
- Ken Carr Medal: **Rob Testa**
- Ned Bryant 'Silver Fox' Award: **Kayla Cottrell**
- Hall of Fame: **Karen Leek**
- Greyhound Hall of Fame: **Fanta Bale, Strand Belle**
- GRV Board Leadership Award: **Cynthia O'Brien**
- GRV Board Welfare Award: **Jodi Rechsteiner**

WAGERING

Total domestic wagering turnover on Victorian greyhound racing in 2021-22 increased by 10.2 percent to \$3.69 billion.

This growth was driven by the continued strong performances of corporate bookmakers and Betfair which grew a further 18.1 percent compared to the previous year and this sector now constitutes more than three-quarters of total national wagering turnover.

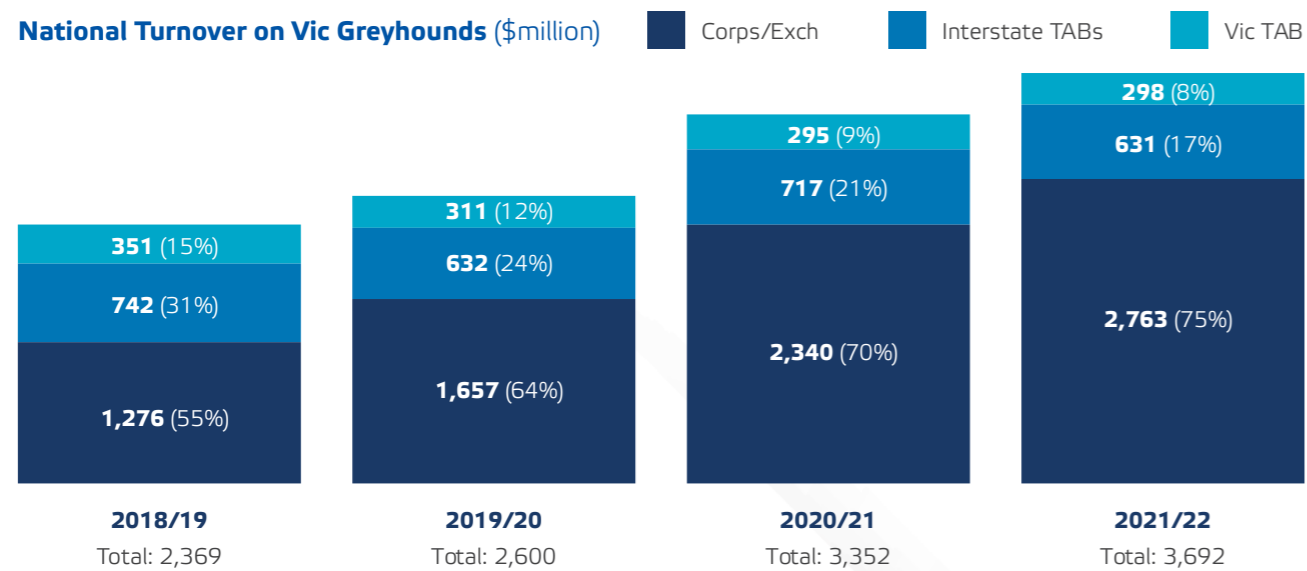
The Victorian TAB showed some preliminary signs of recovery following the removal of COVID-19 restrictions and the re-opening of the majority of their retail network in the second half of the year. This resulted in a stabilisation of

turnover with a slight increase of one percent compared to the severely COVID-19 impacted 2020-21 figure.

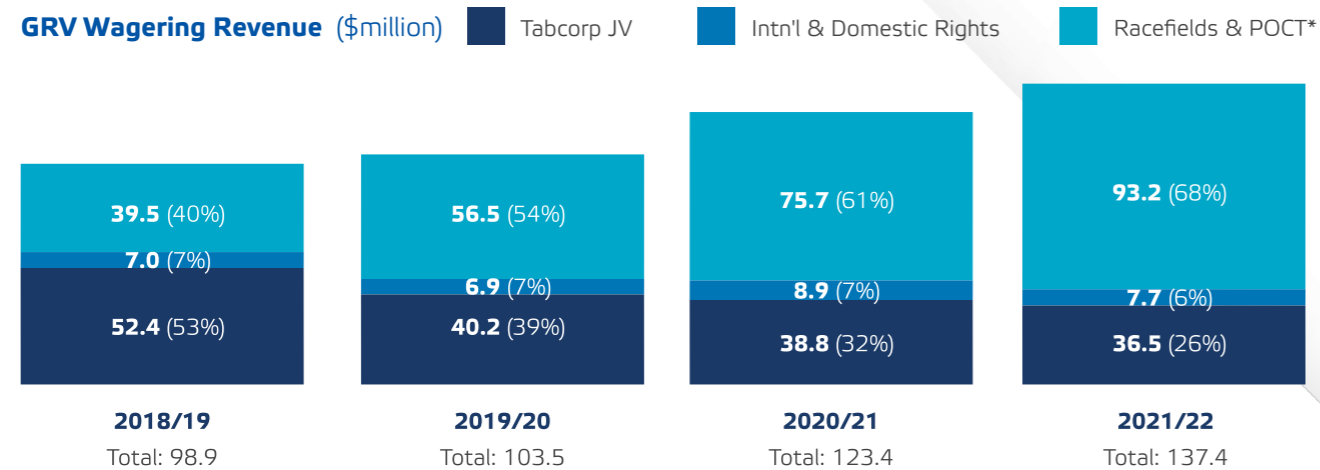
Interstate TABs were significantly affected by COVID-19 restrictions in the first six months of the financial year, particularly in NSW. Since the easing of COVID-19 measures, Interstate TABs have been slow to return to full capacity, declining 12 percent compared to last year's result.

The Victorian Racing Industry receives a share of Point of Consumption Tax (POCT) Revenue collected by the Victorian Government from Wagering Operators, which varies from year to year. In 2021-22, GRV received an annual increase of \$9.3 million in POCT revenue.

National Turnover on Vic Greyhounds (\$million)

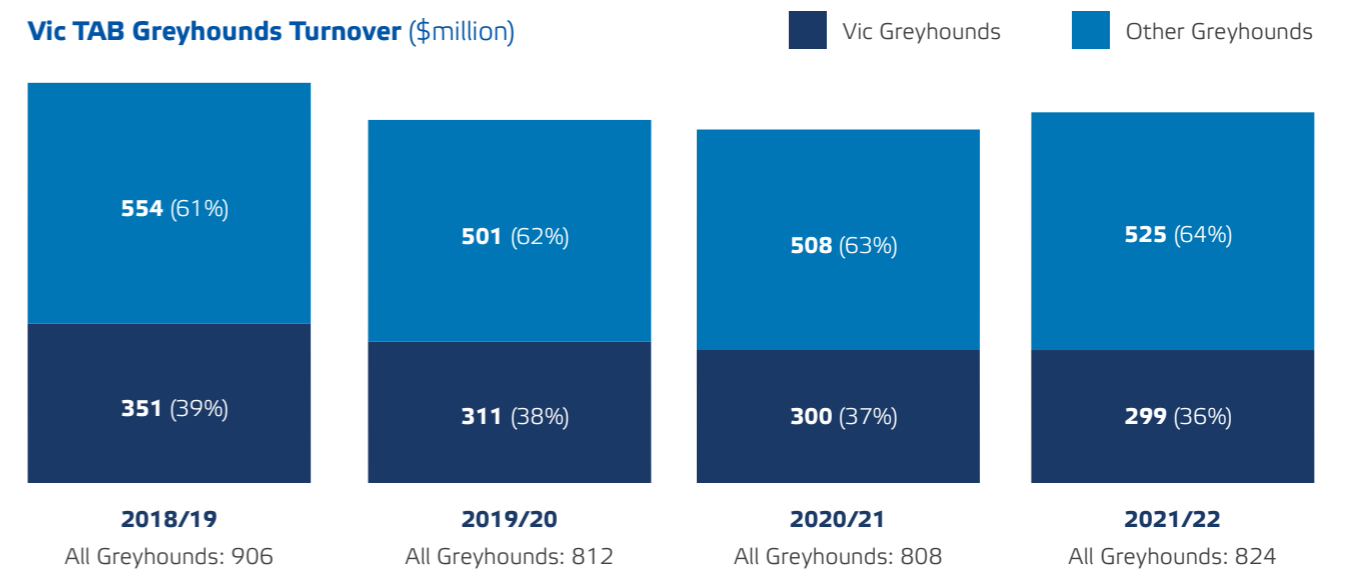


GRV Wagering Revenue (\$million)

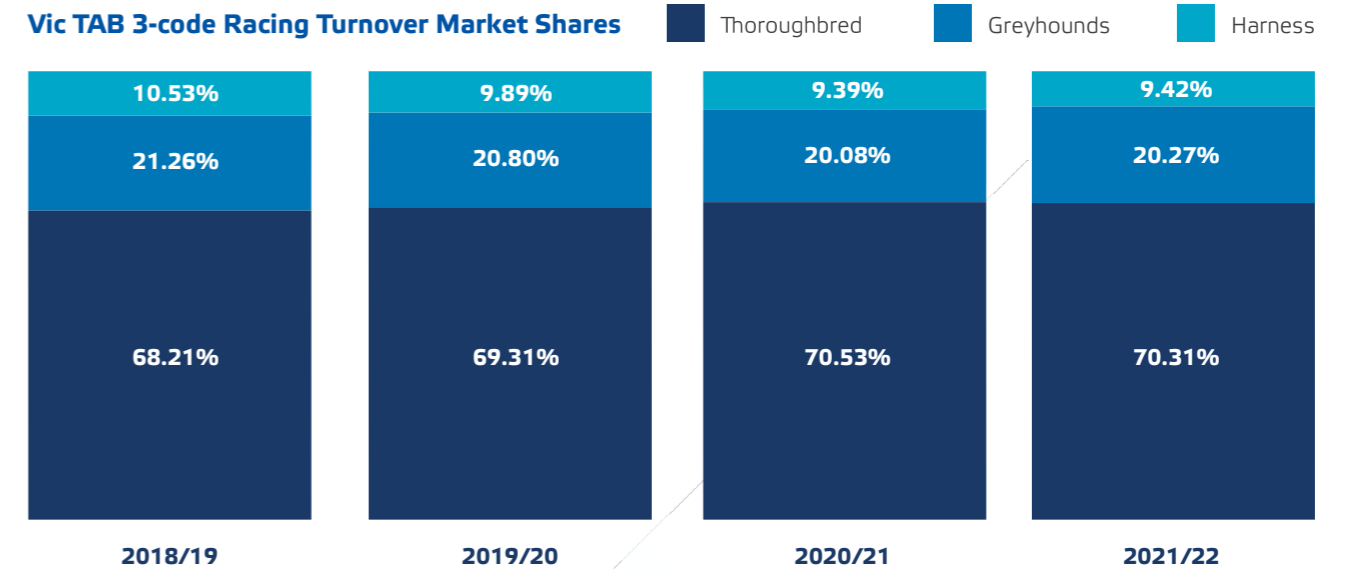


*Racefield Fees paid by VIC TAB are included with all Racefield Fees from 2019-20. They were included in Tabcorp JV Revenue in prior years.

Vic TAB Greyhounds Turnover (\$million)



Vic TAB 3-code Racing Turnover Market Shares



PARTICIPANT RETURNS AND SUPPORT

Prizemoney, Bonuses, Travel & Starters (\$)

	2018/19	2019/20	2020/21	2021/22
Prizemoney & Bonuses	39,439,908	38,752,997	44,732,123	55,140,649
VicGreys & Bonuses	1,064,425	1,049,500	1,154,400	1,164,925
Travel & Starters	5,834,700	5,725,570	6,340,420	6,236,699
Coursing	152,164	148,543	190,517	143,765
Participant Support	462,000	459,000	1,511,000	2,279,000
Total	46,953,197	46,135,610	53,928,460	64,965,038

2021-22 Participant Support Breakdown

 <p>Pup Naming Application Waiver \$139,500</p>	 <p>Club Trials Cost Cover \$1,024,100</p>	 <p>Result of Mating Waiver \$37,000</p>	 <p>Natural Service Registration Waiver \$3,700</p>	 <p>DNA Application Reimbursement \$73,000</p>
 <p>Pink Card Application Waiver \$59,500</p>	 <p>Pup Microchipping Cost Cover \$104,300</p>	 <p>DEDJTR Annual Greyhound Registration Cost Cover \$46,900</p>	 <p>Desexing & Dental Scheme Funding \$544,200</p>	 <p>Greyhound Recovery Initiative Funding \$246,800</p>

MARKETING AND MEDIA

GRV continued to promote the sport over the year, investing in free-to-air television for the third consecutive year partnering with Channel Seven and SEN to bring seven episodes of the Thrill Of The Chase to both new and returning audiences.

This series was broadcast on 7two, featuring live broadcasts of the TAB Melbourne Cup and the inaugural TAB Phoenix box draw and race. This third season of the Thrill of the Chase enjoyed a total of 509,000 viewers, up 30% on the audience for Season Two in 2020-21.

GRV's social media presence continued to grow in 2021-22 driven by improved scheduling of posts and a strong focus on timely content. Impressions on GRV's Facebook page were up by 280%, GAP Facebook impressions grew nearly 120%, and the Watchdog Twitter feed received nearly three million impressions.

	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
Facebook	Posts		Impressions		Reach	
GRV	1.86k	2.82k	14.74m	41.97m	9.11m	34.97m
Watchdog Racing	3.35k	3.25k	1.58m	1.25m	488k	1.22m
GAP	501	757	21.72m	48.14m	18.98m	41.27m

	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
Instagram	Posts		Impressions		Reach	
GAP	532	636	4.8m	2.15m	2.15m	2.01m

	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
Twitter	Posts		Impressions		Clicks	
GRV News	2.81k	2.15k	1.88m	852k	6.37k	3.68k
Watchdog Racing	3.74k	4.84k	2.91m	2.99m	4.19k	9.84k

VICTORIA'S GREYHOUND COMMUNITY

Victorian greyhound racing is an inclusive sport that welcomes people of all ages and genders from diverse backgrounds. More than 14,000 Victorians are directly involved in the sport as trainers, owners, breeders, attendants, catchers, club, race day and GAP staff and volunteers, all across the State. Many of them have a family involvement in the sport, spanning several generations.

Participants

At 30 June 2022, GRV had 6,891 registered Participants which included 2,024 trainers, 4,867 owners and 1,968 breeders also registered as either trainers or owners.

Clubs

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

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

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



Volunteers

Volunteers play a very important role across the sport, working in their local clubs, providing services and support on race days and helping to care for, foster and re-home greyhounds through GAP. Around 1,400 volunteers regularly take part in Club and Race Day activities and more than 870 volunteers are registered with GAP.

CONSULTATION SUMMARY

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

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

During 2021-22, GRV consulted with RSPCA Victoria, Animals Australia, Animal Welfare Victoria, the Australian Greyhound, Working and Sporting Dog Veterinarians Association, the Department of Jobs, Precincts and Regions, Dogs Victoria, the Greyhound Owners Trainers and Breeders Association Victoria, Greyhound Clubs Australia, Greyhound Clubs Victoria, Greyhound Safety Net, the Maddie Riewoldt Foundation, Office of the Racing Integrity Commissioner, Racing Analytical Services Laboratories, Victoria Police, Victorian Chamber of Commerce, the Victorian Racing Integrity Board, local government bodies and the general participant and wider community.

GRV's social media resources also play an important part in how GRV engages with participants, communities, and other stakeholders to provide information and encourage consultation on issues including rules and policy changes and codes of practice.

GRV BOARD



Bill Buccilli – Board Director

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

Mr Buccilli was appointed to the Board in May 2021.



Peita Duncan – Chair

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

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



Rob Greenall – Board Director

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

Mr Greenall was appointed to the Board in October 2015.



Emmett Dunne APM – Deputy Chair

Emmett Dunne brings significant experience to the GRV Board after serving as a police officer for almost 40 years before retiring in 2015. During his policing career, Mr Dunne was the Assistant Commissioner of Professional Standards Command between 2010 and 2013, and the Assistant Commissioner of the East Policing Region until 2015. He also served as the Chair of the Australian New Zealand Policing Advisory Agency Integrity Forum and was awarded the Australia Police Medal in 2011 for his significant contribution and involvement in the force's Operational Safety and Tactics Training Unit. Mr Dunne is a former VFL footballer, having played 115 games for Richmond between 1976 and 1983 and was a member of the Tigers' 1980 premiership side and is Vice-President of the Club.

Mr Dunne was appointed to the Board in September 2016 and stepped down in June 2022.



Marika McMahon – Board Director

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

Ms McMahon was appointed to the Board in September 2018.



Daniel Nugent – Board Director

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

Mr Nugent was appointed to the Board in May 2021.



Lisa Tripodi – Board Director

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

Ms Tripodi was appointed to the Board in May 2020.

BOARD MEETING AND COMMITTEE ATTENDANCE

	Peita Duncan	Emmett Dunne	Bill Buccilli	Robert Greenall	Marika McMahon	Daniel Nugent	Lisa Tripodi
Board Meetings							
Scheduled	10	10	11	11	11	11	11
Additional	5	5	5	6	5	6	5
Board Total	15	15	16	17	16	17	16
Committees							
Audit & Risk Committee	1	5				5	5
Welfare Committee		1	3	4			
People & Culture Committee	5			5	5		
Commercial & Marketing Committee	5				5	5	
Media Rights and Wagering Licence Committee	15				14	15	
Industry Consultation Committee	1	4	6				
Strategic Finance Committee						4	4
Committee Total	27	10	9	9	24	29	9

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

	2017/18	2018/19	2019/20	2020/21	2021/22	Var	Var %
Income from transactions							
Tabcorp Income*	60.4	59.4	47.0	47.7	44.0	(3.7)	(7.8%)
Race fields Income	35.0	37.5	52.2	69.5	77.8	8.3	11.9%
Other Income**	3.5	6.7	7.4	15.0	18.1	3.1	20.9%
Total Income	98.8	103.6	106.6	132.2	139.9	7.7	5.8%
Expenses from transactions							
Prizemoney/ Travel and Starter Fees/Breeders Schemes	45.1	46.5	45.7	52.4	62.7	10.3	19.6%
Expenses (excluding infrastructure)	50.7	53.6	56.7	60.1	64.1	4.0	6.8%
Infrastructure Expenses	7.8	5.5	4.5	9.2	10.4	1.2	12.7%
Total expenses from transactions	103.6	105.6	106.9	121.7	137.2	15.5	12.7%
Net result from Transactions (Net Operating Balance)	(4.9)	(1.9)	(0.2)	10.5	2.6	(7.9)	(74.8%)
Other economic flows	0.5	0.0	(0.9)	(0.9)	0.0	0.9	(100.0%)
Net Result	(5.4)	(1.9)	0.7	11.4	2.6	(8.8)	(76.8%)

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

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

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

GRV has recorded a net operating surplus of \$2.6 million for the 2021-22 financial year.

This positive result comes following the payment of record prizemoney and participant returns and increased investment in delivering the racing program, rehoming and greyhound welfare.

Victorian greyhound racing was fortunate to not only continue racing uninterrupted during the COVID pandemic, but also to maintain the expanded race program of 26 race meetings a week throughout the financial year.

Wagering revenue in 2021-22 grew significantly to \$137.2 million, representing an 11 percent increase on 2020-21 (\$123.4 million), driven by an \$8.3 million increase in racefields fees predominantly from corporate bookmakers and Betfair aided by an increased digital customer base and incremental revenue from a larger number of Wagering Service Provider (WSP) market entrants this year. Strong wagering growth and an increase in the Point of Consumption Tax (POCT) rate from 8 to 10 percent resulted in a \$9.3 million uplift in POCT revenue.

While the VicTAB Joint Venture showed preliminary signs of recovery following the removal of COVID-19 restrictions and the re-opening of the majority of their retail network in the second half of the year, Joint Venture revenue declined year on year by \$3.7 million.

2021-22 results include the full year impact of the expanded race program and a \$10.3 million increase in prizemoney and other returns to participants. All Metropolitan and Provincial class standard races received a 12 percent increase in prize money. In addition, fourth place prize money was added to all levels of racing and 36 race meetings during the year were elevated from Level 3 to Level 2 prize money.

GRV continued its commitment to participant support programs through free trials, the Greyhound Recovery Initiative and the Dental and Desexing Scheme at an increased cost of \$550,000 in 2021-22.

COVID continued to challenge the industry and GRV incurred additional expenditure in maintaining and protecting the race program and the health and safety of staff and participants through the engagement of COVID marshals, Event Aid health checks, provision of masks and rapid antigen test kits at race meetings.

Continuing GRV's safe racing strategic direction, an engineering review of key infrastructure at all tracks (lure rails, fencing, lighting, electrical works etc) was commissioned with the findings incorporated into a new Five-Year Infrastructure Plan.

In 2021 an external report was commissioned by GRV to identify options for the re-build of the Cranbourne track – either on site or at a new location. The key outcome of the report was to provide a set of options for consideration to provide a sustainable model for greyhound racing, training, and trialling facilities in the Cranbourne and Gippsland region. The current track and associated infrastructure is beyond repair and a complete re-build is now required. GRV are currently consulting with Cranbourne members and participants on plans for redevelopment of the track.

Through the continuation of racing and strong wagering results in 2021-22, GRV remains in a healthy financial position to support the sustainability and growth of the industry into the future.

FINANCIAL STATEMENTS

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- Statement of changes in equity

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3. The cost of delivering services
4. Key assets available to support output delivery
5. Other assets & liabilities
6. How we financed our operations
7. Risks, contingencies & valuation judgements
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Declaration in the Financial Statements

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of Greyhound Racing Victoria at 30 June 2022.

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 13 September 2022.



Stuart Laing
Accountable Officer
Date: 13 September 2022



Jacquetta Griggs
Chief Finance and Accounting Officer
FCPA
Date: 13 September 2022



Peita Duncan
Chair
Date: 13 September 2022

Independent Auditor's Report

To the Board of Greyhound Racing Victoria

Opinion	<p>I have audited the financial report of Greyhound Racing Victoria (the authority) which comprises the:</p> <ul style="list-style-type: none"> balance sheet as at 30 June 2022 comprehensive operating statement for the year then ended statement of changes in equity for the year then ended cash flow statement for the year then ended notes to the financial statements, including significant accounting policies declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern. evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE
19 September 2022



Simone Bohan
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT

For the Financial Year Ended 30 June 2022

		(\$ thousand)	
	Notes	2022	2021
Continuing Operations			
Revenue and Income from Transactions			
TABCORP Income	2.2.1	43,971	47,685
Racefields Fees Income	2.2.2	77,758	69,462
Income from other sources	2.3	18,135	15,002
Total Revenue and Income from Transactions		139,864	132,149
Expenses from Transactions			
Integrity, Welfare and Racing expenses	3.2	(21,031)	(19,547)
Stakemoney, Travel & Starters fees	3.3	(62,687)	(52,417)
Clubs expenses, Infrastructure and Maintenance	3.4	(27,614)	(25,874)
Industry expenses	3.5	(5,387)	(5,209)
Administrative expenses	3.6	(18,083)	(16,069)
Depreciation expense	4.1.1	(1,448)	(1,621)
Amortisation of intangible assets	4.3	(965)	(929)
Total expenses from transactions		(137,215)	(121,666)
Net result from transactions (net operating balance)		2,649	10,483
Other Economic Flows Included in Net Result			
Net Gain on Revaluation of Investment Property	4.2	-	41
Reversal of previous Asset revaluation decrements recognised through Comprehensive Operating Statement		-	880
Total Other Economic Flows Included In Net Result		-	921
Net result		2,649	11,404
Other Economic Flows - Other Comprehensive Income			
Items that will not be reclassified to net result			
Net gain on revaluation of non-financial assets	8.1.2	-	167
Changes to fair value of investment in radio 3UZ unit trust	8.1.3	-	88
Total Other Economic Flows - Other Comprehensive Income		-	255
Comprehensive result		2,649	11,659

The accompanying notes form part of these financial statements.

BALANCE SHEET

As at 30 June 2022

		(\$ thousand)	
	Notes	2022	2021
Assets			
Financial Assets			
Cash and deposits	6.2	26,600	8,989
Receivables	5.1	14,249	13,432
Investments and other financial assets	4.4	3,422	25,545
Prepayments		623	485
Total Financial Assets		44,894	48,451
Non-Financial Assets			
Property, plant and equipment	4.1	14,861	14,729
Intangible assets	4.3	8,483	4,798
Investment property	4.2	5,400	5,400
Total Non-Financial Assets		28,744	24,927
Total Assets		73,638	73,378
Liabilities			
Payables	5.2	5,702	8,102
Lease liabilities	6.1	996	737
Provisions	3.1.2	4,797	5,039
Other liabilities	5.3	166	172
TOTAL LIABILITIES		11,661	14,050
NET ASSETS		61,977	59,328
Equity			
Reserves	8.1	15,475	15,475
Contributed capital	8.1.4	1,924	1,924
Accumulated surplus		44,578	41,929
TOTAL EQUITY		61,977	59,328

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

For the Financial Year Ended 30 June 2022

	Notes	(\$ thousand)	
		2022	2021
Cash flows from operating activities			
Receipts			
Receipts in the course of operations		152,107	137,365
Interest received		60	96
Total Receipts		152,167	137,461
Payments			
Payments to suppliers, employees and industry		(143,502)	(117,353)
Net GST paid to the ATO		(7,206)	(7,987)
Total Payments		(150,708)	(125,340)
Net cash flows from operating activities	6.2.1	1,459	12,121
Cash flows from investing activities			
Receipts from redemption of investments		24,000	16,000
Net proceeds from club loans		123	45
Payment for property, plant and equipment		(5,164)	(2,600)
Payments for purchase of investments		(2,000)	(32,000)
Net cash flows from/(used in) investing activities		16,959	(18,555)
Cash flows from financing activities			
Repayment of lease liabilities		(807)	(1,077)
Net cash flows used in financing activities		(807)	(1,077)
Net increase / (decrease) in cash and cash equivalents		17,611	(7,511)
Cash and cash equivalents at beginning of financial year		8,989	16,500
Cash and cash equivalents at end of financial year	6.2	26,600	8,989

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2022

	Notes	(\$ thousand)					Total
		Distribution Reserve Fund	Physical Asset Revaluation Surplus	Financial Asset Revaluation Reserve	Accumulated Surplus	Contributed Capital	
Balance at 1 July 2020		7,500	7,644	76	30,525	1,924	47,669
Net result for the year		-	-	-	11,404	-	11,404
Other comprehensive income	8.1	-	167	88	-	-	255
Balance at 30 June 2021		7,500	7,811	164	41,929	1,924	59,328
Net result for the year		-	-	-	2,649	-	2,649
Balance at 30 June 2022		7,500	7,811	164	44,578	1,924	61,977

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 30 June 2022

1. ABOUT THIS REPORT

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

Reporting Entity

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

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

Basis of Preparation

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

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

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

Revisions to accounting estimates are recognised in the

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

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

Rounding

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

Compliance information

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

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

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

GRV's overall objectives are to:

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

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

Structure

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

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

		(\$ thousand)	
	Notes	2022	2021
TABCORP Income	2.2.1	43,971	47,685
Racefields Fees Income	2.2.2	77,758	69,462
Income from other sources	2.3	18,135	15,002
Total Revenue and Income from Transactions		139,864	132,149

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

Performance obligations and revenue recognition policies

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

2. FUNDING DELIVERY OF OUR SERVICES continued...

2.2 Revenue from contracts with customers

2.2.1 TABCORP Income

	(\$ thousand)	
	2022	2021
Racing Products Program Fee	12,442	12,540
Racing Products Fees	9,871	12,223
Vic Racing Industry Benefit (VRIB)	7,388	6,885
Vic Racing Joint Venture Profit	4,503	7,150
PGI, International & Domestic Vision Rights	9,767	8,887
Total TABCORP Income	43,971	47,685

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

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

2.2.2 Racefields Fees Income

	2022	2021
Racefields Fees Income	77,758	69,462

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

2.3 Income from other sources

	(\$ thousand)	
	2022	2021
Infrastructure VRIF Contribution	1,012	2,785
Other VRIF Contributions	522	4,841
Point of Consumption Tax (POCT)	15,473	6,209
Registration Fees	194	202
Interest Received	49	124
Fines	57	75
Sundry Income	638	592
Rent Received	190	174
Total Other Income	18,135	15,002

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

Point of Consumption Tax (POCT) applies at a rate of 10 per cent (2021: 8 per cent) of the net wagering revenue derived from all wagering and betting activity by customers located in Victoria. POCT revenue is recognised in the period that the amounts are received.

Interest income includes interest received on bank "at call" facility and term deposits. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

3. THE COST OF DELIVERING SERVICES

Introduction

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

Structure

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

3.1 Expenses incurred in delivery of services

	Notes	(\$ thousand)	
		2022	2021
Integrity, Welfare and Racing Expenses	3.2	21,031	19,547
Stake money, Travel and Starters Fees	3.3	62,687	52,417
Clubs Expenses, Infrastructure and Maintenance	3.4	27,614	25,874
Industry Expenses	3.5	5,387	5,209
Administrative Expenses	3.6	18,083	16,069
Total Expenses Incurred in Delivery of Services		134,802	119,116

3.1.1 Employee benefits in the comprehensive operating statement

	(\$ thousand)	
	2022	2021
Integrity, Welfare and Racing Expenses		
Stewards, Integrity, Welfare Inspector Employee Expenses	8,243	8,009
Welfare Employee Expenses	1,020	961
Greyhound Adoption Program Employee Expenses	2,525	2,217
Racing Employee Expenses	1,647	1,745
Judges & Lure Driver Employee Expenses	1,272	1,249
	14,707	14,181
Industry Expenses		
Strategic Communications Employee Expenses	2,353	2,115
Administrative Expenses		
Board Wages and Expenses	753	740
Administrative Employee Expenses	6,888	5,691
Technology Costs Employee Expenses	2,693	3,512
	10,334	9,943
Total Employee Expenses	27,394	26,239

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

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

3. THE COST OF DELIVERING SERVICES continued...

3.1 Expenses incurred in delivery of services continued...

3.1.2 Employee benefits in the balance sheet

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

	(\$ thousand)	
Current Provisions	2022	2021
Annual leave:		
Unconditional and Expected to Settle Within 12 Months	1,539	1,513
Unconditional and Expected to Settle After 12 Months	514	504
Long Service Leave:		
Unconditional and Expected to Settle Within 12 Months	68	74
Unconditional and Expected to Settle After 12 Months	1,110	1,206
	3,231	3,297
Provisions for On-Costs:		
Unconditional and Expected to Settle Within 12 Months	272	256
Unconditional and Expected to Settle After 12 Months	274	276
	546	532
Total Current Provisions for Employee Benefits	3,777	3,829
Non-Current Provisions		
Employee Benefits	873	1,042
On-Costs	147	168
Total Non-Current Provisions for Employee Benefits	1,020	1,210
Total Provisions for Employee Benefits	4,797	5,039
Reconciliation of Movement in On-Cost Provision		
Opening Balance	700	566
Additional Provisions Recognised	79	193
Reductions Arising From Payments/Other Sacrifices of Future Economic Benefits	(60)	(23)
Unwind Of Discount and Effect of Changes In Discount Rate	(26)	(36)
Closing Balance	693	700
Current	546	532
Non-Current	147	168
Total On-Costs	693	700

Annual leave

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

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

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

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

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

The components of this current LSL liability are measured at:

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

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

3.1.3 Superannuation contributions

Employees of GRV are entitled to receive superannuation benefits and GRV contributes to defined contribution plans.

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

	(\$ thousand)	
Fund	Paid Contribution for the Year	
	2022	2021
Defined contribution plans		
VicSuper	760	746
Other	1,578	1,247
Total	2,338	1,993

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

3. THE COST OF DELIVERING SERVICES continued...

3.2 Integrity, Welfare and Racing Expenses

	(\$ thousand)	
	2022	2021
Integrity Expenses		
Stewards and Integrity Employee Expenses	8,243	8,009
Swab Analysis	1,984	1,958
Legal and Appeals Expenses	247	229
Ear Branding and Micro Chipping	161	136
Integrity Initiatives	747	908
Sub Total	11,382	11,240
Victorian Racing Tribunal	344	298
Welfare Expenses		
Welfare incl. Employee Expenses	1,791	1,161
Greyhound Adoption Program incl. Employee Expenses	4,595	3,854
Sub Total	6,386	5,015
Racing & Wagering		
Employee Expenses	1,647	1,745
Judges & Lure Drivers	1,272	1,249
Sub Total	2,919	2,994
Total Integrity, Welfare and Racing Expenses	21,031	19,547

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

3.3 Stakemoney, Travel and Starters Fees

	(\$ thousand)	
	2022	2021
Stakemoney, Travel and Starters Fees	62,687	52,417

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

3.4 Clubs Expenses, Infrastructure and Maintenance

	2022	2021
On-Course Tote Commission	615	809
Distributions to Clubs	10,663	10,298
Insurance Allocation	522	326
Marketing and Promotions	1,320	1,322
Club Sky Channel Linking and Video Costs	2,881	2,750
RSN Broadcasting	1,249	1,178
Infrastructure and Maintenance	10,364	9,191
Total Club Expenses, Infrastructure and Maintenance	27,614	25,874

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

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

3.5 Industry Expenses

	(\$ thousand)	
	2022	2021
Advertising, Promotions, Industry Awards, Market Research and Publications	4,564	4,428
Registration Expenses	176	181
Racing Industry Costs	87	74
Fields and Form Guides	560	526
Total Industry Expenses	5,387	5,209

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

3.6 Administrative Expenses

	2022	2021
Board Wages and Expenses	753	763
Administrative Employee Expenses	6,888	5,691
Technology Costs incl. Employee Expenses	4,741	4,850
Audit, Legal and Consultancy	2,386	2,723
Fringe Benefits Tax	509	540
Insurance	190	144
Other Administrative Expenses	2,595	1,332
Interest expense	21	26
Total Administrative Expenses	18,083	16,069

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

GRV has made the judgement that property, plant, equipment and intangibles and other investments (including investments in associates and joint ventures) are key assets utilised to support GRV's objectives and outputs. They represent the resources that have been entrusted to GRV to be utilised for delivery of those outputs.

Structure

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

4.1 Total Property, Plant and Equipment

Gross carrying amount and accumulated depreciation	(\$ thousand)					
	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	2022	2021	2022	2021	2022	2021
Assets at Fair Value						
Land (i)	8,190	8,190	-	-	8,190	8,190
Buildings (ii)	5,118	4,931	(341)	-	4,777	4,931
Buildings (right-of-use)	261	261	(226)	(121)	35	140
Motor Vehicles (right-of-use)	3,374	2,510	(2,424)	(1,928)	950	582
Track and GAP Equipment	701	657	(413)	(347)	288	310
Furniture and Fittings	180	118	(72)	(60)	108	58
Computer and Office Equipment	1,581	1,315	(1,146)	(894)	435	421
Work in progress	78	97	-	-	78	97
Total	19,483	18,079	(4,622)	(3,350)	14,861	14,729

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

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

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

Property, Plant and Equipment - Initial recognition:

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

Right-of-use asset – Initial measurement:

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

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

Property, Plant and Equipment - Subsequent measurement:

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

Right-of-use asset – Subsequent measurement:

GRV depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment. The right-of-use assets are also subject to revaluation as required by FRD 103I however as at 30 June 2022 right-of-use assets have not been revalued.

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

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

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

4.1.1 Depreciation and impairment

Charge for the period	(\$ thousand)	
	2022	2021
Buildings	341	282
Buildings (right-of-use)	105	83
Motor Vehicles (right-of-use)	673	996
Track and GAP Equipment	65	65
Furniture and Fittings	13	9
Computer and Office Equipment	251	186
Total depreciation	1,448	1,621

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

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

Asset class	Useful life
Buildings	4-40 years
Buildings (right-of-use)	3-4 years
Motor Vehicles (right-of-use)	2-4 years
Track and GAP Equipment	2-7 years
Office Furniture and Fittings	2-10 years
Computer and Office Equipment	3-7 years

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

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

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

4.1 Total Property, Plant and Equipment continued...

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

	(\$ thousand)								
	Land	Buildings	Buildings (ROU)	Motor Vehicles (ROU)	Track and GAP Equipment	Furniture and Fittings	Computer and Office Equipment	Work in progress	Total
2022									
Opening Balance	8,190	4,931	140	582	310	59	420	97	14,729
Additions	-	187	-	1,066	43	20	211	78	1,605
Disposals	-	-	-	(25)	-	-	-	-	(25)
Transfers from (to) other asset class	-	-	-	-	-	42	55	(97)	-
Depreciation	-	(341)	(105)	(673)	(65)	(13)	(251)	-	(1,448)
Closing Balance	8,190	4,777	35	950	288	108	435	78	14,861
2021									
Opening Balance	8,871	3,366	90	1,135	303	68	427	-	14,260
Additions	-	118	133	443	72	-	179	97	1,042
Revaluations	(681)	1,729	-	-	-	-	-	-	1,048
Depreciation	-	(282)	(83)	(996)	(65)	(9)	(186)	-	(1,621)
Closing Balance	8,190	4,931	140	582	310	59	420	97	14,729

4.2 Investment Properties

	(\$ thousand)	
	2022	2021
Balance at the Beginning of Financial Year	5,400	5,359
Revaluation Increments recognised in other economic flows	-	41
Total Investment Property	5,400	5,400

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

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

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

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

Management has assessed that the assets carrying value still materially reflects its fair value, therefore full revaluation was not required this financial year.

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

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

4.3 Intangible Assets

	(\$ thousand)					
	Gross Carrying Amount		Accumulated Amortisation		Net Carrying Amount	
	2022	2021	2022	2021	2022	2021
Assets at Fair Value						
Intangible Assets - FastTrack	10,990	7,342	(6,393)	(5,428)	4,597	1,914
Work in progress	3,886	2,884	-	-	3,886	2,884
Total	14,876	10,226	(6,393)	(5,428)	8,483	4,798

Reconciliation of movements in carrying amount of intangible assets.

	(\$ thousand)					
	Intangible assets		Work in progress		Total	
	2022	2021	2022	2021	2022	2021
Assets at Fair Value						
Opening Balance	1,914	2,818	2,884	2,451	4,798	5,269
Additions	-	-	4,650	2,134	4,650	2,134
Transfers from (to) other asset class	3,648	25	(3,648)	(25)	-	-
Transfers to expenditure	-	-	-	(1,676)	-	(1,676)
Amortisation	(965)	(929)	-	-	(965)	(929)
Closing Balance	4,597	1,914	3,886	2,884	8,483	4,798

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

Initial recognition

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

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

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

Amortisation

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

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

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

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

Significant intangible assets

GRV's work in progress includes capitalised software development expenditure for the development of its FastTrack software. The carrying amount of the FastTrack capitalised software development expenditure included in work in progress is \$3.89 million.

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

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

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

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

Investment in Radio 3UZ Pty Ltd:

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

The investment in Radio 3UZ unit trust has been recognised at fair value. As Radio 3UZ unit trust is an unlisted trust and its units are not readily traded in an open market, an independent valuation was obtained as at 30 June 2022. The independent valuation provided an indicative valuation range for the Radio 3UZ unit trust of between \$9.02m and \$10.01m. The investment has been brought to account based on 8.75% of the valuation mid-point of \$9.515m. After allowing for a minority shareholder discount of 17.5%, it was determined that the value to GRV remains unchanged from 2021 of \$0.69m.

4.4 Investments and Other Financial Assets

	(\$ thousand)	
	2022	2021
Current Investments and Other Financial Assets		
Term Deposits	2,000	24,000
Loan - Sandown Greyhound Racing Club	123	90
Total Current Investments and Other Financial Assets	2,123	24,090
Non-Current Investments and Other Financial Assets		
Loan - Sandown Greyhound Racing Club	609	765
Investment in Radio 3UZ Pty Ltd	690	690
Total Non-Current Investments and Other Financial Assets	1,299	1,455
Total Investments and Other Financial Assets	3,422	25,545

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

5. OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

- 5.1 Receivables
- 5.2 Payables

5.1 Receivables

	(\$ thousand)	
	2022	2021
Current		
<i>Contractual</i>		
Trade Debtors	9,314	8,591
Other Receivables	4,471	4,283
Total Contractual	13,785	12,874
<i>Statutory</i>		
GST Recoverable	464	558
Total Statutory	464	558
Total Current Receivables	14,249	13,432

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

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

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

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

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

5.2 Payables

	(\$ thousand)	
	2022	2021
Current		
<i>Contractual</i>		
Trade Creditors	1,147	3,373
Other Payables	3,486	3,691
Total Contractual	4,633	7,064
<i>Statutory</i>		
GST Payable	965	948
Payroll Tax Payable	104	90
Total Statutory	1,069	1,038
Total Payables	5,702	8,102

Payables consist of:

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

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

Maturity analysis of contractual payables ^(a)

	(\$ thousand)		
	Carrying Amount	Nominal Amount	Maturity Dates Less than 1 month
2022			
Payables	4,633	4,633	4,633
Total	4,633	4,633	4,633
2021			
Payables	4,633	4,633	4,633
Total	4,633	4,633	4,633

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

5.3 Other Liabilities

	(\$ thousand)	
	2022	2021
Deferred Revenue		
Current		
Other	105	109
Total Current	105	109
Non-Current		
Other	61	63
Total Current	61	63
Total Deferred Revenue	166	172

Reconciliation of deferred revenue	2022
Opening balance brought forward from 30 June 2021	172
Add: Payments received for performance obligations yet to be completed during the period	586
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(592)
Total Deferred Revenue	166

Deferred revenue is primarily made up of amounts received from participants for member registrations, where performance obligations have not yet been met, as per AASB 15. Registrations will often be paid for in advance for 1 year up to a number of years. GRV will recognise these amounts as revenue in the financial period they relate to.

In addition, GRV has a balance of \$16,800 in relation to a grant received from the state government to help support metro prizemoney. This covers the period from June 2019 through to December 2022 and is recognised as revenue in the period it relates to.

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

6. HOW WE FINANCED OUR OPERATIONS

Introduction

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

Structure

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

6.1 Leases

	(\$ thousand)	
Lease Liability	2022	2021
Current		
Right-of-use lease liabilities	668	509
Non-current		
Right-of-use lease liabilities	328	228
Total lease liability	996	737

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

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

GRV recognised interest expense relating to lease liabilities of \$21,000.

6.2 Cash Flow Information and Balances

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

	2022	2021
Total cash and cash equivalents	26,600	8,989
Balance as per cash flow statement	26,600	8,989

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

		(\$ thousand)	
	Notes	2022	2021
Net Result for the Period		2,649	11,404
Non-cash movements			
Depreciation Expense	4.1.1	1,448	1,621
Amortisation of Intangible Assets	4.3	965	929
Transfers from Work in Progress to Expenditure	4.3	-	1,676
Net Gain on Revaluation of Investment Property	4.2	-	(41)
Net Gain on Revaluation of Non-Financial Assets	8.1.2	-	(880)
Movements in assets and liabilities			
Increase in Receivables and Prepayments		(955)	(3,625)
(Decrease) / Increase in Payables		(2,400)	3,794
(Decrease) / Increase in Employee Benefits		(242)	789
Decrease in Other Liabilities		(6)	(3,546)
Net Cash Flows From Operating Activities		1,459	12,121

6.3 Commitments for Expenditure

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

6.3.1 Total commitments payable

	(\$ thousand)		
Nominal amounts	Less than 1 year	1 - 5 years	Total
2022			
Club Infrastructure commitments payable	330	-	330
Other commitments payable	2,860	-	2,860
Total commitments (inclusive of GST)	3,190	-	3,190
Less GST recoverable	(290)	-	(290)
Total commitments (exclusive of GST)	2,900	-	2,900
2021			
Club Infrastructure commitments payable	3,084	-	3,084
Other commitments payable	2,804	2,860	5,664
Total commitments (inclusive of GST)	5,888	2,860	8,748
Less GST recoverable	(535)	(260)	(795)
Total commitments (exclusive of GST)	5,353	2,600	7,953

Club Infrastructure commitments payable

At 30 June 2022, GRV is obligated in the next year (2023) to meet commitments of \$0.3m for club infrastructure works (2021: \$3.084m).

Other commitments: On-course broadcasting services

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

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

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

Structure

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

7.1 Financial Instruments Specific Disclosures

Introduction

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

Categories of financial assets

Financial assets at amortised cost

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

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

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

GRV recognises the following assets in this category:

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

Financial assets at fair value through other comprehensive income

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

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

Categories of financial liabilities

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

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

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

7.1 Financial Instruments Specific Disclosures continued...

7.1.1 Financial instruments - Categorisation

		(\$ thousand)	
Categorisation of Financial Instruments		2022	2021
Contractual financial assets			
Cash and deposits	6.2 Cash and deposits	26,600	8,989
Receivables ^(a)	5.1 Financial assets at amortised cost (AC)	13,785	12,874
Loan - Sandown Greyhound Racing Club	4.4 Financial assets at amortised cost (AC)	732	855
Term deposit	4.4 Financial assets at amortised cost (AC)	2,000	24,000
Investment in Radio 3UZ unit trust	4.4 Financial assets measured at fair value through other comprehensive income (FVOCI)	690	690
Contractual financial liabilities			
Payables ^(a)	5.2 Financial liabilities at amortised cost (AC)	4,633	7,064
Lease liabilities	6.1 Financial liabilities at amortised cost (AC)	996	737

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

7.1.2 Financial risk management objectives and policies

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

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

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

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

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

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

Credit risk

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

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

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

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

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

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

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

Impairment of financial assets

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

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

Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the Board, which has in place a framework to manage GRV's short, medium and long term funding and liquidity. GRV operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

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

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

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

Market risk

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

Interest rate risk

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

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

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

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

7.1 Financial Instruments Specific Disclosures continued...

7.1.2 Financial risk management objectives and policies continued...

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

Interest rate exposure of financial instruments	Weighted Average Interest Rate	Carrying Amount	(\$ thousand)		
			Interest Rate Exposure		
			Fixed Interest Rate	Floating Interest Rate	Non Interest Bearing
2022					
Financial assets					
Cash and deposits	1.06%	26,600	-	26,600	-
Receivables ^(a)	-	13,785	-	-	13,785
Investments and other contractual financial assets:					
- Term deposit	0.25%	2,000	2,000	-	-
- Loans receivable	2.50%	732	732	-	-
- Investments	-	690	-	-	690
Total financial assets		43,807	2,732	26,600	14,475
Financial liabilities					
Payables ^(a)	-	4,633	-	-	4,633
Lease liabilities	2.25%	996	-	996	-
Total financial liabilities		5,629	-	996	4,633
2021					
Financial assets					
Cash and deposits	0.65%	8,989	-	8,989	-
Receivables ^(a)	-	12,874	-	-	12,874
Investments and other contractual financial assets:					
- Term deposit	0.07%	24,000	2,000	22,000	-
- Loans receivable	2.50%	855	855	-	-
- Investments	-	690	-	-	690
Total financial assets		47,408	2,855	30,989	13,564
Financial liabilities					
Payables ^(a)	-	7,064	-	-	7,064
Lease liabilities	2.25%	737	-	737	-
Total financial liabilities		7,801	-	737	7,064

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

Sensitivity disclosure analysis and assumptions

GRV reviews the sensitivity of its cash investments, noting GRV cannot be expected to predict movements in market rates and prices. A sensitivity analysis indicates what is "reasonably possible" over the next 12 months which allows for a movement of 100 basis points up and down (2021:100 basis points up and down) in market interest rates (AUD). GRV has assessed the impact of changes in market rates of 100 basis points to be immaterial.

Interest rate risk sensitivity

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

Other price risk

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

7.2 Contingent Assets and Contingent Liabilities

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

GRV has no contingent assets or liabilities as at 30 June 2022 (2021: None).

7.3 Fair Value Determination

Significant judgement: Fair value measurements of assets and liabilities

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

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

The following assets and liabilities are carried at fair value:

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

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

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

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

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

7.3 Fair Value Determination continued...

How this section is structured

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

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

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

7.3.1 Fair value determination of financial assets and liabilities

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

- Level 1 - the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

- Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

GRV currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2021-22 reporting period.

These financial instruments include:

Financial Assets	Financial Liabilities
Cash and deposits	Payables
Investments and other financial assets:	Lease liabilities
- Term deposits	
- Loan Receivable	
Receivables	

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

Financial assets and liabilities measured at fair value

Lease Liability	(\$ thousand)							
	2022				2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
Investment - Radio 3UZ Unit Trust			690	690	-	-	690	690
Total	-	-	690	690	-	-	690	690

There have been no transfers between levels during the period.

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

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

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

	Valuation technique	Significant unobservable inputs	Assumption Range %	Sensitivity of fair value measurement to changes in significant unobservable inputs
Unlisted Security (Radio 3UZ unit trust)	Discounted cashflow method	Reduction in cash inflows for subsequent years average decrease	30-40%	10% increase or decrease on the cash inflow assumption would result in an increase or decrease of \$46,199 in fair value of our investment

Reconciliation of Level 3 fair value movements

	(\$ thousand)	
Investment in Radio 3UZ unit trust	2022	2021
Opening balance	690	602
Total gains or losses recognised:		
Valuation Gain recognised in Other Comprehensive Income	-	88
Closing balance	690	690
Total gains or losses for the period included in profit or loss for assets held at the end of the period	-	-

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

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

7.3 Fair Value Determination continued...

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

Assets at Fair Value	(\$ thousand)									
	Written down value		Fair value measurement at end of reporting period using:							
	2022	2021	Level 1		Level 2		Level 3			
		2022	2021	2022	2021	2022	2021	2022	2021	
Land	8,190	8,190	-	-	8,190	8,190	-	-		
Buildings	4,777	4,931	-	-	3,140	3,329	1,637	1,602		
Buildings (right-of-use)	35	140	-	-	-	-	35	140		
Motor Vehicles (right-of-use)	950	582	-	-	-	-	950	582		
Track and GAP Equipment	288	310	-	-	-	-	288	310		
Furniture and Fittings	108	58	-	-	-	-	108	58		
Computer and Office Equipment	435	421	-	-	-	-	435	421		
Total	14,783	14,632	-	-	11,330	11,519	3,453	3,113		

There have been no transfers between levels during the period.

Non-specialised land, and non-specialised buildings

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

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

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

Asset valuation impact

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

Specialised buildings

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

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

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

Plant and equipment

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

There were no changes in valuation techniques throughout the period to 30 June 2022.

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

Description of significant unobservable inputs to Level 3 valuations

Plant and equipment

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

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

Specialised buildings

Valuation technique: Market value approach of comparative properties.

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

Significant unobservable inputs have remained unchanged since June 2021.

Reconciliation of Level 3 fair value movements

	(\$ thousand)	
	Buildings - GAP	
	2022	2021
Opening balance	1,602	1,958
Additions	187	118
Revaluations	-	(320)
Transfer in from (out to) another class	-	-
Depreciation	(151)	(154)
Subtotal	1,638	1,602

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

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

	(\$ thousand)									
	Written down value		Fair value measurement at end of reporting period using:							
	2022	2021	Level 1 ⁽ⁱ⁾		Level 2 ⁽ⁱ⁾		Level 3 ⁽ⁱ⁾			
		2022	2021	2022	2021	2022	2021	2022	2021	
Investment Property	5,400	5,400	-	-	5,400	5,400				

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

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

NOTES TO THE FINANCIAL STATEMENTS continued...
For the Financial Year Ended 30 June 2022

8. OTHER DISCLOSURES

Introduction

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

Structure

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

8.1 Reserves

	(\$ thousand)	
	2022	2021
Distribution Reserve Fund	7,500	7,500
Physical Asset Revaluation Surplus	7,811	7,811
Financial Assets Revaluation Surplus	164	164
Total Reserves	15,475	15,475
Contributed Capital	1,924	1,924
Accumulated Surplus	44,578	41,929
Total Contributed Capital and Surpluses	46,502	43,853
Total Equity	61,977	59,328

8.1.1 Distribution Reserve Fund (DRF)

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

8.1.2 Physical Asset Revaluation Surplus

	2022	2021
The physical assets revaluation surplus arises on the revaluation of land and buildings.		
Balance at beginning of financial year	7,811	7,644
Valuation Gain recognised in Other Comprehensive Income	-	167
Balance at end of financial year	7,811	7,811

The last full revaluation was performed in June 2021. Management has assessed that the assets carrying value still materially reflects its fair value, therefore full revaluation was not required this financial year.

8.1.3 Financial Asset Revaluation Reserve

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

	(\$ thousand)	
	2022	2021
Balance at beginning of financial year	164	76
Valuation Gain recognised in Other Comprehensive Income	-	88
Balance at end of financial year	164	164

8.1.4 Contributed Capital

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

8.2 Responsible Persons

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

Portfolio Minister:

The Minister for Racing The Hon. Martin Pakula, MP from 01.07.2021 to 24.06.2022

The Minister for Racing The Hon. Anthony Carbines, MP from 25.06.2022 to 30.06.2022

Governing Board:

Position	Member	From	To
Chair	Ms. P. Duncan	1.07.2021	30.06.2022
Member	Mr. E. Dunne	1.07.2021	14.06.2022
Member	Mr. R. Greenall	1.07.2021	30.06.2022
Member	Ms. M. McMahon	1.07.2021	30.06.2022
Member	Mr. D Nugent	1.07.2021	30.06.2022
Member	Ms. L Tripodi	1.07.2021	30.06.2022
Member	Mr. B Buccilli	1.07.2021	30.06.2022

Accountable Officer:

Mr. A.K. Clayton - from 01.07.2021 to 23.02.2022
Mr. S. Laing - from 24.02.2022 to 30.06.2022

The total remuneration of Responsible Persons is summarised in the table below

Income band	Total Remuneration	
	2022 No.	2021 No.
\$0 to \$9,999	-	2
\$10,000 to \$19,999	-	1
\$20,000 to \$29,998	-	1
\$40,000 to \$49,999	6	4
\$70,000 to \$79,999	1	1
\$140,000 to \$149,999	1	-
\$420,000 to \$429,999	1	-
\$440,000 to \$449,999	-	1
Total Numbers	9	10
Total Remuneration (\$ thousand)	918	756

The total remuneration detailed above excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is disclosed in the State's Annual Financial Report.

8. OTHER DISCLOSURES continued...

8.3 Remuneration of Executives

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

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

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

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

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

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

	(\$ thousand)	
	2022	2021
Remuneration of Executive Officers		
Short-term employee benefits	2,330	2,511
Post-employment benefits	213	205
Other long-term benefits	25	78
Termination benefits	-	63
Total remuneration (a)	2,568	2,857
Total number of Executives	11	11
Total annualised employee equivalents (b)	9	10

Notes:

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

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

8.4 Related Parties

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

Related parties of GRV include:

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

Key management personnel of GRV includes:

- (1) the Portfolio Minister: The Minister for Racing The Hon. Martin Pakula, MP (to 24 June, 2022), The Hon. Anthony Carlines, MP (from 25 June, 2022);
- (2) the Governing Board (refer to Note 8.2 for list of Board members);
- (3) the Accountable Officer: Mr. A.K. Clayton (to 24 Feb, 2022), Mr S. Laing (from 24 Feb, 2022); and
- (4) members of the Leadership Team, which includes:
 - Mrs. J. Griggs
 - Mrs. P. Riley
 - Mr. S. Gillard
 - Ms K. Romanova
 - Mr. S. Laing
 - Ms. T. Benfield
 - Ms. L. Martin
 - Mr. G. Kerr
 - Mr. G. Goble
 - Mr. M. Wells

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is disclosed in the State's Annual Financial Report.

	(\$ thousand)	
	2022	2021
Compensation of KMPs		
Short-term employee benefits (a)	3,128	3,167
Post-employment benefits	314	290
Other long-term benefits	44	93
Termination benefits	-	63
Total	3,486	3,613

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

Transactions and balances with key management personnel and other related parties

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

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

Mr S.Gillard as a Director on Racing Analytical Services which provided swabbing services at a total cost of \$1,984 (2021: \$1,958).

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

	(\$ thousand)	
Significant transactions with government-related entities	2022	2021
(a) Department of Jobs, Precincts and Regions		
- Deferred revenue held at the end of the financial year	17	19
<i>These are contributions received for COVID-19 Emergency Funding, to assist with maintaining levels of prizemoney and club distributions.</i>		
- Amounts recognised as income in the Comprehensive Operating Statement.		
<i>Contributions received for COVID-19 Emergency Funding, to assist with maintaining levels of prizemoney and club distributions.</i>	-	3,695
<i>Contributions received from Victoria Racing Industry Fund (VRIF) which are to help with infrastructure, prizemoney and raceday attraction projects.</i>	1,534	3,931
(b) Treasury Corporation of Victoria (TCV)		
- At call facility balance at end of the financial year.	22,000	22,000
- Amounts recognised as income in the Comprehensive Operating Statement.	27	9
<i>Interest earned on at call facility with TCV.</i>		

8. OTHER DISCLOSURES continued...

8.5 Remuneration of Auditors

	(\$ thousand)	
	2022	2021
Victorian Auditor-General's Office		
Audit of the financial statements	29	19

8.6 Subsequent Events

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

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

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

8.7 Other Accounting Policies

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

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

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

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

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

8.8 Australian Accounting Standards Issued that are Not Yet Effective

Certain new and revised accounting standards have been issued but are not effective for the 2021-22 reporting period. These accounting standards have not been applied to GRV's Financial Statements. GRV is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

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

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

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

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

- AASB 17 *Insurance Contracts*.
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates*.
- AASB 2021-6 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*.
- AASB 2021-7 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*.

STATUTORY INFORMATION

ESTABLISHMENT AND FUNCTIONS

Greyhound Racing Victoria (GRV) is a statutory body established under the *Racing Act 1958*.

Its functions are to:

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

GRV functions and responsibilities are also defined under the:

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

GRV's head office is located at 46-50 Chetwynd Street, West Melbourne, Victoria, 3003, Tel: (03) 8329 1100 Fax (03) 8329 1000.

ORGANISATIONAL STRUCTURE

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

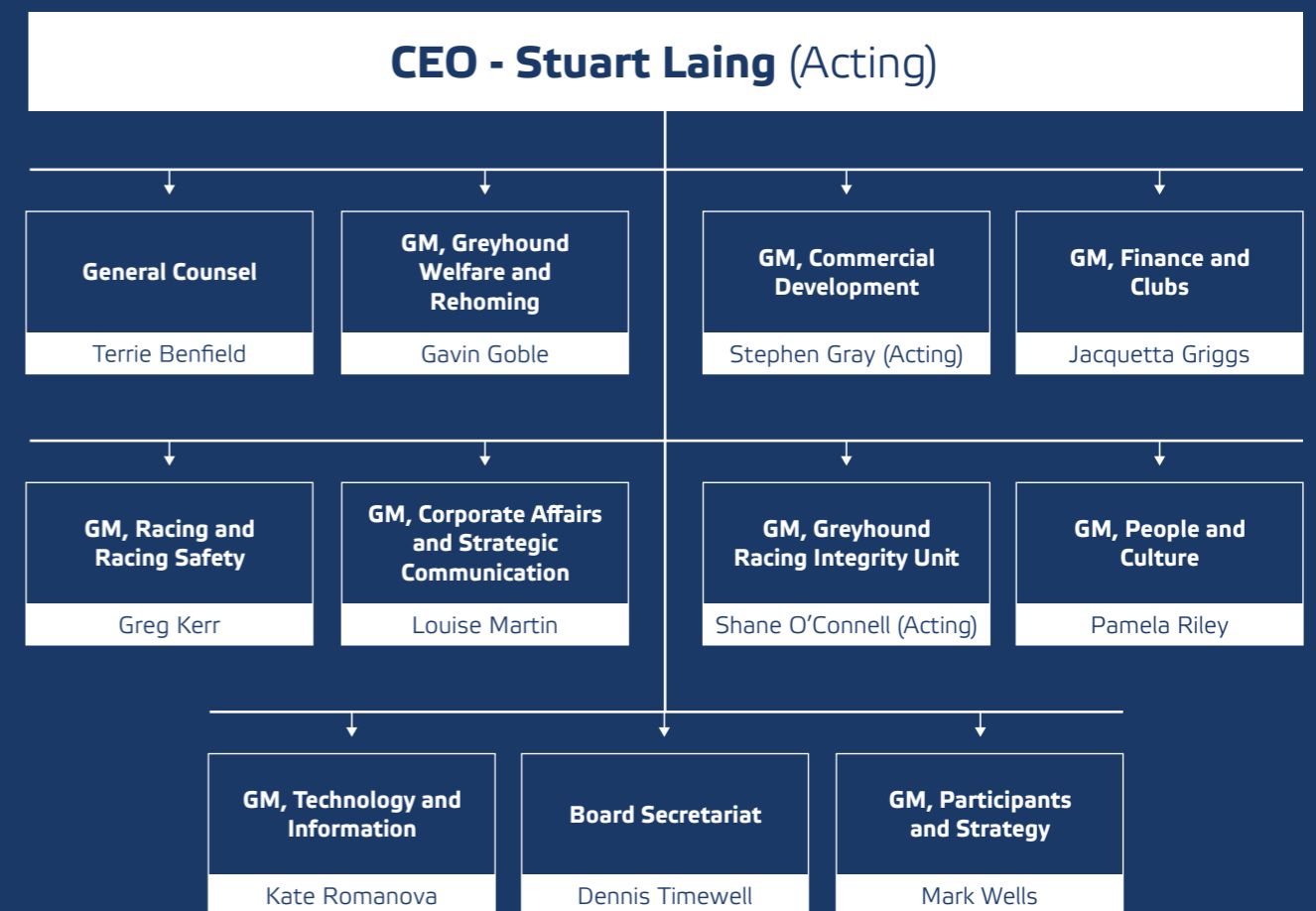
GRV Board (at 30 June 2022)

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

GRV Leadership Team (at 30 June 2022)

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

- Stuart Laing: Chief Executive Officer (Acting)
- Terrie Benfield: General Counsel
- Gavin Goble: General Manager, Greyhound Welfare and Rehoming
- Stephen Gray: General Manager, Commercial Development (Acting)
- Jacquetta Griggs: General Manager, Finance and Clubs
- Greg Kerr: General Manager, Racing and Racing Safety
- Louise Martin: General Manager, Corporate Affairs and Strategic Communication
- Shane O'Connell: General Manager, Greyhound Racing Integrity Unit (Acting)
- Pamela Riley: General Manager, People and Culture
- Kate Romanova: General Manager, Technology and Information
- Dennis Timewell: Manager, Board Secretariat
- Mark Wells: General Manager, Participants and Strategy



GRV has the following oversight committees and bodies.

- Audit and Risk Committee
- Welfare Committee
- Industry Consultative Group
- People and Culture Committee
- Commercial & Marketing Committee
- Strategic Finance Committee
- Media Rights & Wagering Licence Committee

FREEDOM OF INFORMATION

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

During 2021-22, there were three FOI requests received by GRV. All three had a response provided by GRV.

FEEDBACK OFFICE

GRV's Feedback Office manages responses to complaints, feedback and suggestions received from greyhound racing participants, the general public and external stakeholders.

The Office's primary role is to provide an impartial service when handling complaints and suggestions. It coordinates complaint investigations and proposes resolutions and provides feedback to departments and complainants as required. All data relating to complaints and feedback is recorded and made available to GRV's Leadership Team, Board, CEO and the Office of the Racing Integrity Commissioner, and provides valuable information for improving GRV policies and processes.

NATIONAL COMPETITION POLICY

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

PROTECTED DISCLOSURES ACT 2012

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

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

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

WORKFORCE DATA

	Ongoing employees				Fixed term and casual
	Number Headcount	Full time Headcount	Part time Headcount	FTE	FTE
June 2021	240	136	22	147.34	54.5
June 2022	234	121	26	135.46	65.88

Executive Level Positions	June 2021	June 2022
	10 + CEO	10 + CEO

	June 2021				June 2022			
	Ongoing		Fixed term & casual		Ongoing		Fixed term & casual	
	Number Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE
Gender								
Male	87	82.49	51	31.8	80	74.11	54	26.45
Female	70	63.85	32	23.7	67	61.35	33	39.43
Age								
Under 25	4	4	10	5.63	6	5.6	6	3.84
25-34	32	31.16	17	10.66	38	36.33	21	14.1
35-44	44	41.21	14	11.5	40	37.09	17	15.56
45-54	38	35.73	19	14.5	33	29.51	21	16.07
55-64	35	32.04	15	8.68	24	21.86	16	13.27
Over 65	4	2.2	8	4.53	6	5.07	6	3.04

EQUAL EMPLOYMENT OPPORTUNITY

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

OCCUPATIONAL HEALTH AND SAFETY (OHS)

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

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

ENVIRONMENTAL POLICY

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

BUILDING STANDARDS

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

CARERS RECOGNITION ACT

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

GREYHOUND RACING VICTORIA FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

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



Peita Duncan

Chair, Board of Greyhound Racing Victoria

LOCAL JOBS FIRST POLICY

The Victorian Government's Local Jobs First Policy is comprised of the Victorian Industry Participation Policy and the Major Projects Skills Guarantee. Departments and public bodies are required to apply the policy in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria. In 2021-22, GRV released the Sale Greyhound Track Upgrade tender which will see \$3 million spent with local suppliers and contractors.

CONSULTANCIES

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

Strategic Direction	Consultant	Summary	\$
Innovation to Drive Revenue	AP2 ADVISORY PTY LTD	Commercial strategy development	144,000.00
	JWS Research	Industry research update	33,000.00
	Askable Pty Ltd	Digital platform experience research	36,801.00
One Industry	Comprara Group Pty Ltd	VGPB Framework expansion	31,512.26
	KPMG	Financial modelling	35,000.00
	KB2 Consulting Pty Ltd	Technology review	10,175.00
	Robert Masters and Associates Pty Ltd	Engagement support	88,867.50
	S. M. EWART	Financial Plan review	70,000.00
	Taylor's Development Strategists Pty Ltd	Infrastructure masterplan	65,000.00
	IR Results Pty Ltd	Industrial relations support	53,026.60
	Tanner Menzies Pty Ltd	Organisation review	56,363.00
	Michael Blumer	Information Management review	50,000.00
	Racing Safety & Greyhound Welfare	Avance Logic Pty Ltd	Infrastructure program support
Capability Network Pty Ltd		Strategic Racing review	55,250.00
University of Technology Sydney		Track development services	375,000.00
Desmond P Gleeson		Track practices review	10,000.00
JL Keane & LA Ryan		Racing services support	17,500.00
Total < \$100,000			\$519,000.00
Total > \$100,000			\$705,079.70
Total			\$1,224,079.70





Greyhound Racing Victoria

46-50 Chetwynd Street, West Melbourne, VIC 3003

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grv.org.au

gap.grv.org.au

fasttrack.grv.org.au

greyhoundcare.grv.org.au