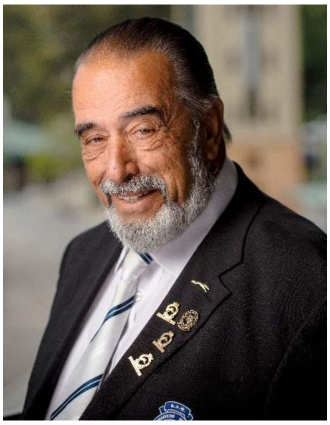
N.S.W.
GREYHOUND BREEDERS OWNERS & TRAINERS
ASSOCIATION
Est. 1939

A PROUD TRADITION – AN EXCITING FUTURE

FINANCE REPORT FOR FINANCIAL YEAR 2018/2019



CHAIRMAN'S REPORT

Joe Cotroneo

It is my pleasure to present this report for the financial year 1 July 2018 until 30 June 2019. The Financial report was sent out to all full members of the Association.

As you would be aware, Brenton Scott our committed and long serving Executive Officer made a decision late last year to finish his role with the Association. Brenton had been with the Association since 1995. On behalf of the Board and management, I extend my sincere thanks to Brenton for his tireless efforts over a 23 year period. His dedication and leadership in driving the strategy that overturned the Government's decision to ban greyhound racing in 2016/17 will always have the Association's deepest gratitude. In addition, his relentless work with NSW Government Premier and Cabinet on the Greyhound Reform Panel and included being Lead Executive - NSW Greyhound Industry Alliance (2016/17), Industry representative – Joint Working Group (2015/16) and numerous other roles was outstanding.

Brenton was extremely well respected amongst all industry stakeholders and we wish him every success and happiness.

Following Brenton's decision to move on, a full organisational review was conducted by the Board and remaining senior management so as to re-align the structure to meet the changing demands of the business. Ellen Harris was appointed interim General Manager.

The Board then advertised a new position of GBOTA General Manager with Sportspeople. Following a thorough process experienced sports administrator Stephen Noyce was appointed to the role and commenced duties in late June 2019. We look forward to working with Stephen to make a positive contribution to our business.

After 9 years of total commitment to the GBOTA and the industry, Ellen Harris also decided to leave the business this year. She was always a passionate supporter of the Association and the participants and this earned her great respect from all in the industry. Along with Brenton, she will always be highly regarded and fondly remembered for her leading role in overturning the ban. She worked tirelessly during this period to help save an industry that she loved and respected. I am sure that she will be a success in whatever path she next chooses and we wish her and her lovely family every happiness and success.

Advocacy remains a key pillar for the Association and after the State elections earlier this year we sent a congratulations letter to everyone who was elected and requested a meeting with the various sitting members to meet and discuss our wonderful industry and plans for moving forward. A large number of meetings have taken place and the response has been quite positive. The Board is presently reviewing our current advocacy framework so as to deliver better and quicker outcomes to members.

Naturally Judy Lind (GWIC) and Tony Mestrov (GRNSW) have now had more time to settle into their important roles and I am pleased with the level of co-operation that is being displayed amongst the industry bodies. Whilst internally we won't always see eye to eye it is critical that externally we show a strong, united and positive approach to our future. Both organisations have created powerful Strategic Plans and we appreciate the opportunities to work with them to deliver their agreed outcomes.

My genuine thanks are afforded to our new racing minister, the Honourable Kevin Anderson MP. Kevin is a country person with a strong passion and feel for his local community. I have no doubt he is a strong supporter of our great industry and Kevin has gone out of his way to show his support for the industry and in a very busy schedule has attended numerous industry functions, I am comfortable that we are in very good hands under Kevin's leadership for the industry. He has often been quoted as saying ---- "I don't just want the greyhound industry to survive I want it to thrive!!!" I believe that the Minister is well aware that the greyhound industry is grossly underfunded and we look forward to working with him and all the elected politicians to achieve our rightful share of the wagering pie.

Like every racing industry in Australia, we must all remain vigilant in relation to protecting and 100% upholding all aspects of racing integrity – there can be absolutely no grey areas. We will also continue to work with GWIC and GRNSW and our wonderful track managers and staff to ensure that we prepare and present first class tracks and facilities, for all participants, that deliver high quality and safe racing.

Despite a few early hick ups, I am confident that our new membership/point of sale system is now fully operational and I am looking forward to a strong focus of member rewards and benefits, and robust recruitment program during the year. A strong and vibrant membership basis represents a strong and vibrant Association.

As I indicated in my report last year, the Board budgeted for a deficit this financial year. Taking into account a large volume of one-off costs I believe our result for the year is acceptable and obviously in line with the previous year. Moving forward, I am looking forward to working with our new management team to achieve a positive financial result next year.

I would like to take this opportunity to extend my genuine thanks to all the owners, trainers breeders and supporters who invest their money and countless hours in support of our great industry. Your contribution is not taken for granted and is gratefully appreciated. Thanks also to the many volunteers who give so much to the industry.

Thank you to my fellow directors who work tirelessly and with great commitment to represent the members in everything they do. To the management and all of the GBOTA staff employed at all of our tracks, thank you for your positive support, dedication and commitment.

Finally, to our members, whose support I greatly admire and appreciate many, many thanks for the passion, love and commitment our industry that we all love. I am confident that there are enormous opportunities ahead for our Association and the industry and I am really excited about the year ahead and we all look forward to delivering exciting and positive outcomes to you.

Peter M Power
Auditor Number 730

PO Box 65
Mona Vale NSW 1660
Tel: 0407 665 122
Email: powerp1045@gmail.com

ABN 25 898 261 183

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE NEW SOUTH WALES GREYHOUND BREEDERS, OWNERS & TRAINERS' ASSOCIATION LIMITED

Scope

Report on the Financial Report

I have audited the accompanying financial report of the New South Wales Greyhound Breeders Owners & Trainers Association Limited, which comprises the statement of financial position at June 30, 2019 and the statement of profit and loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

I do not express any opinion on the allocation of income & expenditure on the Head Office and individual track accounts.

Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the internal control. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, provided to the Directors of the New South Wales Greyhound Breeders Owners & Trainers Association Limited on 29th October 2019, would be in the same terms if provided to the Directors as at the date of this Auditor's Report.

Auditor's Opinion

In my opinion:

the financial report of the New South Wales Greyhound Breeders Owners & Trainers Association Limited is in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the company's financial position as at June 30, 2019 and of their performance for the year ended on that date; and
- complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001

Auditor	
Name of Auditor:	Peter M Power
Address:	Suite 3, 11 Waratah Street Mona Vale NSW 2103
Dated:	30th October 2019

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE MEMBERS OF THE NEW SOUTH WALES GREYHOUND BREEDERS, OWNERS & TRAINERS' ASSOCIATION LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Auditor: ______________________

Peter M Power

Address: Suite 3, 11 Waratah Street Mona Vale NSW 2103

Dated: 29 October 2019

Directors Report

Directors

The names of each person who has been a Director during the financial year 2018/2019 are:

Director	Meetings	Present
Mr. J Cotroneo (Chairman)	11	10
Ms. S Absalom (Senior Deputy Chair)	11	11
Mr. G Minter (Deputy Chair)	11	11
Mr. J Bertinato	11	11
Mr. N Curby	11	11
Mr. G Mangafas	11	11
Mr. G L Rose	11	11
Mr. R Welsh	11	10
Mr. W Schwencke	11	10
Mr. B Young (Treasurer) (Appointed October 2018)	8	8

Company Secretary

The following person held the position of Company Secretary at the end of the financial year: Ellen Harris

Principal Activities

The principal activities of the economic entity during the year were to conduct greyhound racing in New South Wales.

Short and Long Term Objectives:

- Be the prominent provider of greyhound racing in NSW.
- Develop a strong business culture within our Club framework
- Investigate and where appropriate invest in diversification opportunities
- Grow race day and non-race day revenues and prize money to members and greyhound racing participants
- Significantly contribute to considerations which ensure ethical and sustainable operating frameworks for the NSW greyhound industry
- Build a strong and active member based community

Strategies to meet these objectives:

- Enhance racing and training facilities and programs so as to deliver stronger racing and prize money outcomes
- Finalise a Strategic Review of the Association, including governance, control and operational procedures so as to ensure appropriate commercial focus
- Manage our racecourse assets to effectively deliver operating activities
- Conduct race meetings throughout NSW, including 104 metropolitan race meetings per annum in NSW and a number of iconic events on the Australian racing and social calendar
- The provision of best practice procedures, safety and animal welfare strategies at Association racing and trialling venues
- The provision of membership, hospitality and event services across all venues
- Establishment and maintenance of respected and productive relationships with key stakeholders

Operating Results
The deficit before Income Tax amounted to $372,728 as compared to previous year's deficit $372,096.

Dividend Paid or Recommended
The entity did not declare or pay a dividend during the year.

Significant Changes
There were no significant changes in the state of affairs of the entity during the financial year.

Environmental Issues
The entity's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory.

Directors Benefits
During the 2018/19 financial year, no Director has received or become entitled to receive a benefit other than travelling expenses and out of pocket expenses.

Indemnifying Officers or Auditor
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or have been an officer or auditor of the entity.

Proceedings on behalf of the Entity
No person has applied for leave of court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party of the purposes of taking responsibility on behalf of the entity for all or any part of those proceedings.
The entity was not a party to any such proceedings during the year.

Auditors Independence Declaration
The Auditor's independence declaration for the year ended 30 June 2019 has been received and forms part of this financial document.
Signed in accordance with a resolution of the Board of Directors.
Director: **J. Cotroneo**
Dated: 19th October 2019

Directors Declaration
The Directors of the entity declare that:

1. The financial statements and notes in accordance with the Corporations Act 2001:
   a. Comply with Accounting Standards and the Corporations Regulations 2001; and
   b. Give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the entity
2. In the Directors opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: **J. Cotroneo**
Dated: 19th October 2019

Statement of Changes in Equity
For the year ended 30 June 2019

	Notes	Capital Reserve	Asset Revaluation Reserve	Retained earnings	Total equity
		$	**$**	**$**	**$**
Balance as at 1 July 2017		8,518,713	-	5,416,945	13,935,658
Surplus for the year		-	-	(372,096)	(372,096)
Other comprehensive income		-	-	-	-
Transfer of other income to Capital reserve		-	-	-	-
Total comprehensive income for the year		-	-	(372,096)	(372,096)
Transfer to Retained Earnings			-	-	
Depreciation on Assets funded by GRNSW transferred to reserve		(41,967)	-	-	(41,967)
Balance as at 30 June 2018		**8,476,746**	**-**	**5,044,849**	**13,521,595**
Surplus for the year		-	-	(372,728)	(372,728)
Other comprehensive income		12,982	-	(12,982)	-
Total comprehensive income for the year		12,982	-	(385,710)	(372,728)
Depreciation on Assets funded by GRNSW transferred to reserve		(42,658)	-	-	(42,658)
Prior year adjustment to Retained Earnings		-	-	(391,688)	(391,688)
Balance as at 30 June 2019		**8,447,070**	**-**	**4,267,451**	**12,714,521**

The accompanying Notes form part of these financial statements.

Statement of Financial Position
As at 30 June 2019

	NOTE	2019	2018
MEMBERS FUNDS			
Accumulated Funds		**4,267,451**	**5,044,849**
Capital Reserve		8,447,070	8,476,746
Asset Revaluation Reserve			
TOTAL MEMBERS FUNDS		**12,714,521**	**13,521,595**
Represented By:			
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	8,443,831	8,489,168
Other	6	1,827,331	1,827,331
		10,271,162	**10,316,499**
CURRENT ASSETS			
Cash	7a	911,219	2,094,393
Investments	7b	5,500,000	5,000,000
Receivables & Prepayments	8	1,410,091	1,711,969
Inventories		19,330	20,331
		7,840,640	**8,826,693**
TOTAL ASSETS		**18,111,802**	**19,143,192**
NON-CURRENT LIABILITIES			
Deferred Income	9	4,466,508	4,466,508
CURRENT LIABILITIES			
Creditors & Borrowings	10	584,729	823,976
Provisions	11	346,044	331,113
TOTAL LIABILITIES		**5,397,281**	**5,621,597**
NET ASSETS		**12,714,521**	**13,521,595**

The accompanying Notes form part of these financial statements.

Statement of Cash Flows
For the year ended 30 June 2019

	2019 $	2018 $
Cash Flows from Operating Activities		
Receipts from Customers	4,102,702	3,907,836
Payments to Suppliers & Employees	(10,985,401)	(9,885,249)
Interest Received	145,800	162,891
Distribution Received	6,312,483	6,004,672
Net Cash provided by Operating Activities Note 15 (b)	**(424,416)**	**190,150**
Cash Flows from Investing Activities		
Purchase of Property, Plant & Equipment	(266,576)	(144,397)
Proceeds from Sale of Property, Plant & Equipment	7,818	0
Funds from GRNSW for Asset Acquisition	0	0
Net Cash Used in Investing Activities	**(258,758)**	**(144,397)**
Cash Flows from Financing Activities		
Repayment of loans	0	0
Purchase of Wentworth Park Assets		
Purchase of Property, Plant & Equipment		
Sale of Property, Plant & Equipment		
Net Cash Used in Financing Activities	**0**	**0**
Net Increase in Cash Held	**(683,174)**	**45,753**
Cash at beginning of the year	7,094,393	7,048,640
Cash at the end of the year Note 7	**6,411,219**	**7,094,393**

Notes to the Financial Statements for the year ended 30 June 2019

1. General information and statement of compliance

The financial report includes the financial statements and notes of NSW Greyhound Breeders, Owners & Trainers' Association Ltd ('the Entity').

These financial statements are Tier 2 general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Registered Clubs Act (NSW) 1976 and the Corporations Act 2001. The Entity is a Not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 30 June 2019 were approved and authorised for issue by the Board of Directors on 19 October 2019.

2. Changes in accounting policies

2.1 New and revised standards that are effective for these financial statements

AASB 9 Financial Instruments
AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.
When adopting AASB 9, the ssociation has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings as at 1 July 2019.

The adoption of this amendment has not had a material impact on the Entity.

3. Summary of accounting policies
3.1 Overall considerations
The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

Going Concern
The financial statements have been prepared on the going concern basis, which contemplates normal business activities and the acquisition and realisation of assets and the discharge of liabilities in the normal course of business.

3.2 Revenue
Revenue comprises revenue from the sale of goods, grants, fundraising activities and contributions.

Revenue is measured by reference to the fair value of consideration received or receivable by the Entity for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Entity's different activities have been met. Details of the activity-specific recognition criteria are described below.

Sale of goods
Revenue from the sale of goods comprises revenue earned from the sale of goods donated and purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.

Grant income
The Entity receives grants from GRNSW. These grants are recognised on an accrual basis.
If conditions are attached to a grant which must be satisfied before the Entity is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Interest income
Interest income is recognised on an cash basis when deposited into the Entity's bank account.

3.3 Operating expenses
Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

3.4 Intangible assets
Expenditure which is expected to result in significant future benefits over more than one accounting period has been capitalised. This expenditure was incurred to enable the entity to hold an exclusive licence for the conduct of a minimum of 104 metropolitan race meetings per year as the single metropolitan race club and receive funding for same from GRNSW. The Metropolitan Racing Policy expired on 30 June 2018. The Association has, however, maintained its status as the single metropolitan racing club beyond 30 June 2019. The Association received 104 metropolitan racing dates and funding from GRNSW in the 2018/19 financial year. The Directors are not aware that its single metropolitan club status or the provision of 104 will not continue beyond 30 June 2020. The continuation of the asset is dependent on the continuation of receiving 104 racing meetings per year and maintaining the single metropolitan racing club status. Directors will review the single metropolitan club status and the ongoing provision of 104 metropolitan dates annually before 30 June each year. The expenditure will be written off on expiry of the benefit (or should it become clear the benefit is to expire by a given date) in a future accounting period or over a number of future accounting periods, based on the circumstances that apply at the time of annual assessment.

3.5 Property, plant & and equipment
Land
Land held for use in production or administration is stated at cost.

As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Buildings, plant and other equipment
Buildings, plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Entity's management.

Buildings, plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following useful lives are applied:

- buildings: 40 years
- plant and equipment: 3-10 years
- leasehold improvements: 40 years
- computer hardware: 3 - 6 years
- motor vehicles: 6-10 years
- office equipment: 3-13 years

In the case of leasehold property, expected useful lives are determined by reference to comparable owned assets or over the term of the lease, if shorter.

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

Under AASB 116 “Property, plant and equipment” the Entity would be required to include as part of the cost of its leasehold improvements, an estimate of the costs to remove those improvements at the end of the lease term where such an obligation exists to the lessor. A corresponding liability would also be recognised under AIFRS in accordance with AASB 137 “Provisions, Contingent Liabilities and Contingent Assets”. The Directors have determined that it is unlikely that the Entity will be required to vacate any of its lease premises in the foreseeable future. As such, no provision for removal of improvement on lease premises has been recognised.

Asset acquired as a result of funding by GRNSW
These assets have been recognised at acquisition cost. The directors have not yet determined the useful life of these assets. Any depreciation expenses charged agaist these assets will be offset against deferred income.

3.6 Lease Payments

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

3.7 Impairment testing of intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Entity’s management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset’s or cash-generating unit’s carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Entity’s latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management’s assessment of respective risk profiles, such as market and asset-specific risks factors.

Where the future economic benefits of an asset are not primarily dependent on the asset’s ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit’s recoverable amount exceeds its carrying amount.

3.8 Financial instruments
Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable)
For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.
Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent measurement financial assets
Financial assets at amortised cost
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Entity’s cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVPL)
Financial assets that are held within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Equity instruments at fair value through other comprehensive income (Equity FVOCI)
Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities - XY ltd that were previously classified as ‘available-for-sale’ under AASB 139.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.
The Entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.
In applying this forward-looking approach, a distinction is made between:
- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.
'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.
Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables
The Entity makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.
The Etnty assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Classification and measurement of financial liabilities
As the accounting for financial liabilities remains largely unchanged from AASB 139, the Entity's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.
The Entity's financial liabilities include borrowings and trade and other payables.
Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Entity designated a financial liability at fair value through profit or loss.
Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).
All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

3.9 Inventories
Inventories are valued at lower of cost and net realisable value. Costs are assigned on first-in, first-out basis.

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

3.11 Employee Benefits
Short-term employee benefits
Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The Entity's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees.

The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Entity presents employee benefit obligations as current liabilities in the statement of financial position if the Entity does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

Defined contribution plans

The Entity pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The Entity has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

3.12 Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Entity can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

3.15 Critical Accounting Estimates and Judgments

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Inventories
Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Long Service Leave
The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

3.16 Economic Dependence
The Entity is dependent on GRNSW for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe that GRNSW will not continue to support the Entity.

	2019 $	2018 $
4. NET SURPLUS/ (DEFICIT) HAS BEEN DETERMINED AFTER:-		
(a) CREDITING AS INCOME		
Interest Received - Non related company	145,800	162,891
(b) CHARGING AS EXPENSES		
Auditor's Remuneration		
Auditing the accounts	33,810	32,200
Other services	-	-
No other benefits were received by the auditors		
Interest Paid - Non related companies	137	1,840
Depreciation of Fixed assets	260,452	245,255
Provision for Annual & Long Service Leave	149,986	107,196

	2019	2018
5.NON-CURRENT ASSETS	**$**	**$**
FIXED ASSETS		
(a) FREEHOLD LAND & BUILDINGS		
At Cost	3,500,748	3,498,348
Less : Accumulated Depreciation	1,408,629	1,339,115
	2,092,119	**2,159,233**
(b) LEASEHOLD IMPROVEMENTS		
At Cost	1,671,275	1,625,886
Less : Accumulated Depreciation	347,726	307,731
	1,323,549	**1,318,155**
(c) ASSETS ACQUIRED AS A RESULT OF FUNDING BY GRNS		
At Cost	**4,466,208**	**4,466,208**
Less : Accumulated Depreciation	-	-
	4,466,208	**4,466,208**
(d) PLANT, EQUIPMENT, MOTOR VEHICLES & OTHER FIXED ASSETS		
At Cost	4,422,255	4,219,469
Less : Accumulated Depreciation	3,860,300	3,673,897
	561,955	**545,572**
(e) TOTAL PROPERTY, PLANT & EQUIPMENT	**8,443,831**	**8,489,168**
6.NON-CURRENT ASSETS OTHER		
Intangible Assets	1,823,583	1,823,583
Shares	3,748	3,748
TOTAL	**1,827,331**	**1,827,331**
CURRENT ASSETS		
7.CASH AND CASH EQUIVALENTS		
(a) Cash at Bank	907,495	2,088,193
Cash on Hand	3,724	6,200
	911,219	**2,094,393**
(b) Interest Bearing Deposits	5,500,000	5,000,000
TOTAL	**6,411,219**	**7,094,393**
8.RECEIVABLES		
Trade Debtors	118,671	205,733
	118,671	**205,733**
Prepayments		
Other Debtors	1,291,420	1,506,236
	1,291,420	**1,506,236**
TOTAL RECEIVABLES	**1,410,091**	**1,711,969**

	2019 $	2018 $
9.DEFERRED INCOME		
Deferred income	**4,466,508**	**4,466,508**
10.CREDITORS AND BORROWINGS		
Trade Creditors and Accruals	584,729	823,976
	584,729	**823,976**
11.PROVISIONS		
Annual Leave & Long Service Leave	346,044	331,113
	346,044	**331,113**

12. Financial Instruments

Financial Risk Management

(a) General Objectives, Policies and Processes

In common with all businesses, the entity is exposed to risks that arise from its use of financial instruments. This note describes the entity's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the entity's exposure to financial instrument risks, it's objectives, policies and processes for managing those risk or the methods used to measure them from previous periods unless otherwise stated in this note.

The Board has overall responsibility for the determination of the entity's risk management objectives and policies. The entity's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the company where such impacts may be material. The Board receives reports through which it reviews the effectiveness of the process put in place and appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce the risk as far as possible. Further details regarding these policies are set out below:

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the entity incurring a financial loss. This usually occurs when debtors or counterparties to derivative contracts fail to settle their obligations owing to the entity. There is no concentration of credit risk, and as a result, the credit quality of financial assets that are neither past due nor impaired is good.

The maximum exposure to credit risk at balance date is as follows:

	2019	**2018**
	$	**$**
Receivables	1,410,091	1,711,969

(c) Liquidity Risk

Liquidity risk is the risk that the entity may encounter difficulties raising funds to meet commitments associated with financial instruments that is creditors. It is the policy of the Board that the entity maintains adequate funds.

2019	**Carrying Amount**	**Contractual Cash Flows**	**<6 Months**	**>6 Months**
	$	**$**	**$**	
Financial Liabilities				
Non-Derivative				
Current Payables	584,729	584,729	584,729	
Secured Loans	-	-	-	-

2018	**Carrying Amount**	**Contractual Cash Flows**	**<6 Months**	**>6 Months**

	$	$	$	
Financial Liabilities				
Non-Derivative				
Current Payables	823,976	823,976	823,976	
Secured Loans	-	-	-	-

(d) Market Risk

Market risk arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk).

(e) Interest Rate Risk

The entity is constantly monitoring its exposure to trends and fluctuations in interest rates in order to manage interest rate risk.

Sensitivity Analysis
The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the entity's results (through the impact on adjusted interest rate).

2019	**Carrying Amount**	**+1% Interest Rate**	**-1% Interest Rate**
	$	**$**	**$**
Cash & Cash Equivalents	6,411,219	64,112	-64,112

2018	**Carrying Amount**	**+1% Interest Rate**	**-1% Interest Rate**
	$	**$**	**$**
Cash & Cash Equivalents	7,094,393	70,944	-70,944

(f) Net Fair Values

The net fair value of all assets and liabilities approximates their carrying value.

No financial assets or financial liabilities are traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

13. SEGMENT REPORTING
The Entity operates in the Greyhound Racing Industry throughout New South Wales.

14. Member's guarantee
The Entity is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Entity is wound up, the constitution states that each Full Member is required to contribute a maximum $2 each towards meeting any outstanding obligations of the entity. At 30 June 2019, the total amount that Full Members of the Entity are liable to contribute if the Entity wound up is $1,480 (2018: $1,718).

15. RECONCILIATION	2019 $	2018 $	2017 $
(a) Reconciliation of Cash			
Cash on Hand	3,724	6,200	7,060
Cash at Bank	907,495	2,088,193	1,041,580
Interest Bearing Deposits	5,500,000	5,000,000	6,000,000
	6,411,219	**7,094,393**	**7,048,640**

(b) Reconciliation of Net Cash Provided by Operating Activities to Operating Deficit after Tax

	2019	2018	2017
Surplus/ (Deficit) before Other Income & Income Tax	**(372,728)**	**(372,096)**	**(1,076,011)**
Depreciation and Amortisation	260,452	245,255	301,267
Other Non-cash items	(391,688)	(4,095)	(112,977)
Other Debtors & Prepayments	302,864	228,070	(633,077)
Inventories	1,001	2,904	(689)
Deferred income	-	-	-
Trade Creditors and Accruals	(239,247)	74,498	15,010
Provisions	14,931	15,615	65,893
Net Cash provided by Operating Activities	**(424,416)**	**190,150**	**(1,440,570)**

16. CAPITAL MANAGEMENT

Management control the capital of the entity to ensure that adequate cash flows are generated to fund obligations and that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective.

The Association’s capital consists of real property assets, leasehold improvements, supported by financial assets.

Management effectively manage the entity’s capital by assessing the Association’s financial risks and responding to changes in these risks and in the market.

There have been no changes to the strategy adopted by management to control the capital of the Association since previous year.

Statement of Profit and Loss and Other Comprehensive Income
For the year ended 30 June 2019

	NOTE	2019 $	2018 $
Revenue from grants		272,491	313,407
Other revenue	4	10,259,803	10,158,586
Employee benefits expense		3,308,720	3,346,100
Depreciation and amortisation	4	260,452	245,255
Repairs, maintenance and vehicle running expense		632,031	681,217
Fuel, light and power expense		396,223	384,732
Rental expense		1,599,063	1,760,323
Audit, legal and consultancy expense	4	340,905	235,328
Other expenses	4	4,367,628	4,191,134
Surplus/ (Deficit)		**(372,728)**	**(372,096)**
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
Revaluation of land, net of tax		0	0
Grants received from GRNSW for acquisition of Assets		(12,982)	0
Profit on on Sale of Land and buildings		0	0
Transfer of Profit on Sale of Land and buildings already recorded in Asset Revaluation Reserve in the prior periods		0	0
Other comprehensive income/(loss) for the year, net of income tax		(12,982)	0
Total Comprehensive income/(loss) for the year		**(385,710)**	**(372,096)**

NOTES

NSW GREYHOUND BREEDERS, OWNERS AND TRAINERS' ASSOCIATION

ACN 000 043 756

SUITE 3, LEVEL 2 WENTWORTH PARK SPORTING COMPLEX GRANDSTAND

WATTLE STREET, ULTIMO NSW 2037

D: 02 8587 1206 S: 02 9649 7166 E: GBOTA@GBOTA.COM.AU

WEBSITE: WWW.GBOTA.COM.AU

NSW GREYHOUND BREEDERS, OWNERS & TRAINERS ASSOCIATION

ADVOCACY

NSW GREYHOUND BREEDERS, OWNERS & TRAINERS ASSOCIATION

RACING