Western Australian Greyhound Racing Association

2019-20
ANNUAL REPORT

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STATEMENT OF COMPLIANCE

HON PAUL PAPALIA CSC MLA
Minister for Tourism; Racing and Gaming;
Small Business; Defence Issues;
Citizenship and Multicultural Interests

In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Western Australian Greyhound Racing Association for the financial year ended 31 July 2020.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006 and the Treasurer's Instructions.

Yours sincerely,

Richard Humphries
Chairperson
Date: 7 October 2020

Sophie Dwyer
Deputy Chairperson
Date: 7 October 2020

ABOUT US

Mission Statement

- Achieve sustainable profit to invest in the development of greyhound racing facilities in Western Australia.
- Be affordable and accessible for industry participants, patrons and members.
- Provide an exciting entertainment product.

WAGRA's present tasks are to:

- Ensure the operation and development of Greyhounds WA venues are recognised as premier racing facilities within Australia.
- Raise the profile of the sport and the industry.
- Provide convenience and comfort to patrons.
- Focus on the delivery of quality service and standards to both internal and external customers.
- Maximise sustainable growth in returns from the RWWA Distribution, food & beverage sales and oncourse wagering and gaming operations.
- Explore and develop additional revenue streams.

Aims and Objectives

The Western Australian Greyhound Racing Association (WAGRA) is established under the provisions of the Western Australian Greyhound Racing Association Act 1981 and is a body corporate.

With the inception of controlling authority Racing & Wagering Western Australia (RWWA) and for the purpose of its role in the state's racing industry, WAGRA assumes the status as "designated greyhound racing club".

The functions of WAGRA are to:

- Provide for the optimum level of facilities as well as racing and trialling opportunities for the Association's industry participants.
- Consult with the controlling authority on all issues relative to greyhound racing inclusive of the racing programme and the review of stakemoney levels.
- Provide an optimum level of facilities for the Association's oncourse patrons.
- Exercise and discharge such powers, functions and duties as are conferred on the WAGRA by this Act or any other Act.

Internal Audit Charter

WAGRA's Internal Audit Committee provides independent, objective assurance and consulting activities that add value and improve WAGRA operations.

The primary objective is to assist the WAGRA Committee and General Manager (CEO) in corporate governance and the effective discharge of their responsibilities.

Charter

- In consultation with Racing and Wagering Western Australia (RWWA), develop and implement strategies to ensure the long-term growth and continued success of greyhound racing in Western Australia.
- Provide and maintain an efficient administration to service and support the needs of participants within greyhound racing and the general public.
- Ensure appropriate mechanisms are in place and forums established to allow input into the club's conduct of greyhound racing.
- Provide a range of services and facilities for the benefit of industry participants and the general public.
- Provide training for all WAGRA personnel to ensure continuously improving delivery of customer service.

Corporate Governance Principles

- Lay solid foundations for management and responsibility.
- Structure the Committee to add value.
- Promote ethical and responsible decision-making.
- Safeguard integrity in financial reporting.
- Recognise and manage risk.
- Encourage enhanced and sustainable performance.
- Remunerate fairly and responsibly.
- Recognise the legitimate interest of stakeholders.

WAGRA BOARD

The Western Australian Greyhound Racing Association (WAGRA) and the Committee are committed to achieving the highest standards of corporate governance.

The Chairman and Committee members are responsible to the Minister for Tourism; Racing and Gaming; Small Business; Defence Issues; Citizenship and Multicultural Interests for the performance of the organisation and seek to achieve objectives in keeping with WAGRA's Charter and Mission Statements.

Day to day management of the Association and the implementation of organisational strategy and policy initiatives are formally delegated by the Committee to the General Manager (CEO) and Senior Management.

The Committee's overall responsibilities include:

- Providing strategic direction and approving corporate strategies.
- Monitoring management and financial performance and recording.
- Monitoring and ensuring the maintenance of adequate risk management controls and reporting mechanisms.
- Ensuring the business is conducted ethically and transparently.

Mr Richard Humphries

Chairman
First appointed
December 2014
Appointed Chairman
June 2018

Ms Sophie Dwyer

Deputy Chairperson
First appointed
February 2018

Mr Peter Casey

First appointed
October 2016

Ms Cheryl Isaac

First appointed
July 2019

Mr Wayne Barrett

First appointed
February 2019

CHAIRMAN'S REPORT

It is my privilege, for my third occasion, to present the Chairman's Report for the Western Australian Greyhound Racing Association activities for 2019/20 racing season, a racing year defined by substantial impacts for our Association and the greyhound racing code.

The 2019/20 racing year commenced with the hosting of the first ever Greyhounds National Symposium and the National Sprint and Distance Championships held at our Cannington race track for the ninth occasion. Significantly, the Association, in conjunction with Greyhound Clubs Australia, developed an event that celebrated the pre-eminence of the Nationals Championships racing format and for the first time in our code history hosted a symposium that promoted nation-wide organisational collaboration between industry stakeholders to address the contemporary challenges that face the greyhound racing code.

As an industry and a community, racing was and remains faced with unprecedented times with the global COVID-19 pandemic. Operationally, from March 2020, the Association adjusted to the prevailing directives from Government(s) and the Racing Authority, RWWA, to ensure access to our tracks were only persons essential to the running of racing, including race meetings and public trials. Certainly, there were effects on our enterprise trading operations, there being no public access to the tracks, the truncation of the Avon Valley season and an effective four-month business hiatus that imposed revenue generation restrictions on the Association. However, it is with a considerable measure of pride that there have been no breaches of restrictions that could have jeopardised lives, livelihoods and the overall welfare of the greyhounds.

During the early COVID-19 restrictions, greyhound racing expanded in Western Australia to seven day racing in late March 2020 increasing from our six day format. The Association, being the WA greyhound racing club, now provides our racing venues on a daily basis for the conduct of greyhound racing, the only race club in Australia of any code to conduct this level of racing expectation.

Saturday, 24 August 2019 was a stellar night for WA racing as Cannington hosted the 2019 National Finals. The 2019/20 racing season will be remembered as the first year WA produced the winners of the both the Nationals Sprint & National Distance Finals.

The Christine Bennett-trained Reidy's Runner proved too good in the Distance Final defeating the interstate odds-on favourite Tornado Tears, proving himself to be a top line stayer. Reidy's Runner was also crowned as the 2019 WA Greyhound of the Year.

In the National Sprint Final WA, newly crowned 2019 Australian Greyhound Trainer of the Year, Chris Halse made it back to back Nationals wins with Premium Share defeating Good Odds Harada. Halse had won the race in 2018 with West On Augie.

The 2020 Group 1 Perth Cup was the last meeting held before COVID-19 crowd restrictions commenced and it was Victorian chaser Simon Told Helen taking the honours over locals Zack Monelli and Buster The Brute.

For the second year running Rockstar Patriot caused a boil over in the 2020 Group 1 Galaxy. This year he was in the care of Trainer Paul Stuart who had patiently brought the dog back from a long injury layoff. Rockstar Patriot joined the legendary Miata as the only two greyhounds to have won back to back Galaxy Finals.

Victorian greyhound Catch The Thief took out the Group 2 WA Derby final whilst in the care of local trainers Steve and Krystal Shinners. Due to COVID restrictions Victorian trainer Michael Clark was not able to travel to WA. Ironically, the runner up was the Shinners-trained Buster The Brute.

The WA Oaks final saw Kody Charles train his first Group winner when Cobargo claimed Mermaid Monelli right on the line. Other Group winners were SA chaser Alicante Bouchet in the Group 2 All Stars and the Shayne Williams trained Danica Keeping in the Group 3 Young Stars. The 2020 Miata final was won by consistent bitch Grace Ali. At Mandurah, Naughty Gunn won the Mandurah Cup whilst Fabs Gem took out the Birthday Cup. The main feature final at Northam, the 2019 Anniversary Cup was won by the Margaret Hepple-trained Azzura Que.

The financial trading performance has seen the Association return a deficit position of $66,988 for the 2019/20 financial year. The COVID-19 pandemic has and continues to impact our revenue generation. The declining revenue base has been offset with prudent expenditure control measures to mitigate a large loss.

The Association remains focussed on sharing our exciting and unique racing experience. The promotion and marketing of our racing and entertainment activities saw the return to mainstream visual media, particularly in the Peel and South West regions coupled with a heightened presence in traditional broadcast media. Further market penetration through our social media channels continued to extend our reach to the communities in which we operate. Our visibility promotes the and supports our industry participation and seeks to grow the positivity of our code.

Non-racing events such as schools and community events at our Mandurah facility continue to build on connections to local communities. Cannington is the wider community's go to option for families to enjoy a great New Year's Eve night out, fireworks, entertainment, competitive racing. Additionally, in co-operation with the Canning Show, two more fireworks evenings coupled with a racing program were conducted for the community.

On behalf of WAGRA I would like to thank Hon. Paul Papalia CSC MLA, Minister for Tourism; Racing and Gaming; Small Business; Defence Issues; Citizenship and Multicultural Interests and his staff for the ongoing support provided to the Association and to the Western Australian Government for providing guidance to permit our sector of the racing industry to continue through the early COVID-19 restrictions.

I welcome the Western Australian Professional Trainers Association Greyhounds, formed to represent and advocate for our greyhound code professional stakeholders. The WAGRA Board remains interactive with the greyhound industry and RWWA through the WAGRA Consultative Committee, inclusive of WAGBOTA and WAPTAG, as well as the RWWA Greyhound Racing Consultative Group. As Chairman, I would like to acknowledge the commitment of Board members undertaking increased and diverse roles during the 2019/20 year to cement industry relationships.

Acknowledgement goes to the WA Racing Authority, RWWA, for the ongoing support and assistance to the Association during this financial year. RWWA remains fundamental to the future sustainability and success of the greyhound code. RWWA has continued to build industry welfare and racing sustainability initiatives to support participants, greyhounds and our Association.

I continue to welcome the strong industry partnership that is driven by RWWA Chairman Mr Jeff Ovens, Greyhound Industry representative and Chairman of the Greyhound Racing Committee Mr Gary Gliddon and other members of the RWWA Board. RWWA CEO Mr Richard Burt and the Executive team continue to interact with the Association to further underpin our code and our place in the Western Australian Community.

I wish to express my continuing thanks and that of the Board to the WAGRA Executive and Staff team for their embrace and management of the COVID-19 operating environment. The addition of Sunday racing has seen presentation of 328 successful race meeting this year. The WAGRA team is greatly respected, maintaining and extending our function to deliver, as partners with industry and RWWA, the greyhound racing experience.

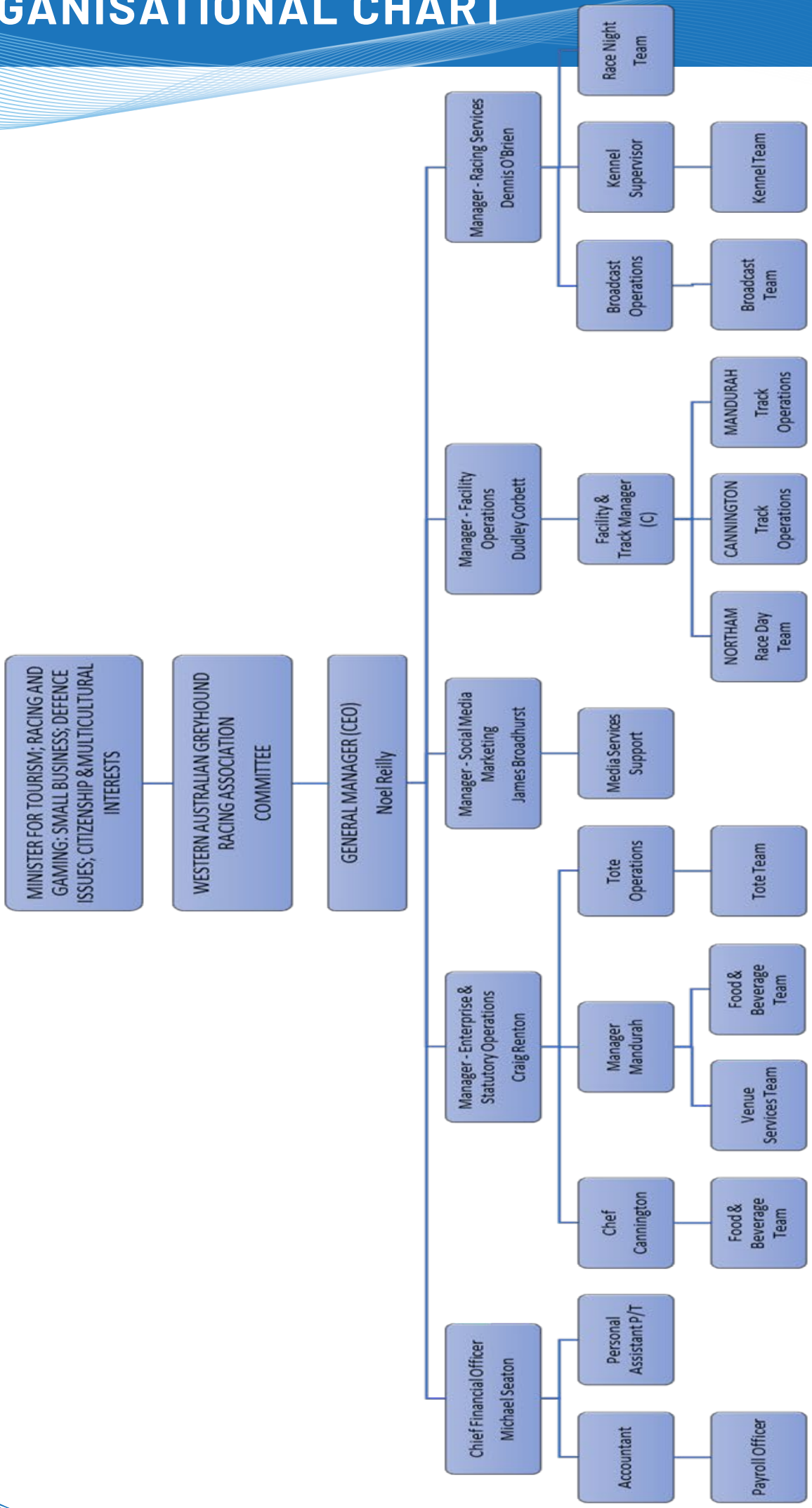
In closing, WAGRA acknowledges our wonderful industry participants. The embrace and adherence to the pandemic driven racing environment is a testimony to the resilience, commitment and dedication to the welfare of greyhounds and the sport. Greyhound racing is strengthened by an integral animal welfare regime, an industry norm driven by RWWA and adopted by industry as an ongoing and increasing non-negotiable.

I look forward to the 2020/21 racing year, confident the fundamentals of welfare, integrity and cooperation will reinforce the growth of our code and the Association's role.

RICHARD HUMPHRIES

CHAIRMAN

ORGANISATIONAL CHART



SENIOR OFFICERS

GENERAL MANAGER/CEO
Noel Reilly

Responsible to the WAGRA Committee for the effective performance of the Association's functions and duties.

CHIEF FINANCIAL OFFICER
Michael Seaton

Generates financial management information and accounting reports to the Committee and Management. Determines and interprets operating results and establishes accounting policies and practices.

MANAGER ENTERPRISE & STATUTORY OPERATIONS
Craig Renton

Responsible for Gaming and Food & Beverage procedures at Cannington and Mandurah. Administers Occupational Health & Safety Committee function, and other statutory reporting requirements. Liaises with WAGRA's insurance company.

MANAGER RACING SERVICES
Dennis O'Brien

Ensures the effectiveness of the Association's racing product, including programmed race meetings and trials. Manages the expansion of the racing product.

MANAGER SOCIAL MEDIA MARKETING
James Broadhurst

Manages the Association's social media and marketing strategies. Implements the administration and supervision of the Association's Marketing function. Liaises with media and industry participants

MANAGER FACILITY OPERATIONS
Dudley Corbett

Manages the Association's operational policies and procedures to deliver on the requirements of racing. Manages the facilities services, projects and coordinates strategic maintenance plans.

MANAGER MANDURAH
Alina Cattana

Manages the Association's Mandurah regional operational activities to deliver on requirements of Racing and venue food and beverage services.

COMMITTEES

WAGRA Consultative Committee

The WAGRA Consultative Committee provides industry input on issues important to the conduct and promotion of greyhound racing in Western Australia. As at 31 July 2020 the Consultative Committee comprised of Richard Humphries (Chair), Noel Reilly, Alina Cattana, Craig Renton, Dennis O'Brien, James Broadhurst, Dudley Corbett, Tim Mullany David Robartson, Stephanie Catchpole, Linda Britton, Lynne Vagg.

RWWA Chief Steward (Greyhounds) Mr Carlos Martins, RWWA Racing Manager (Greyhounds), Mr Peter Howell and RWWA Manager Animal Welfare, Dr Anna Smet attend as relevant matters arise.

The forum continues to provide Consultative Committee members with an opportunity to express points of view on a range of industry-related matters to WAGRA Management and officials. Many topics were forwarded for discussion at the RWWA Greyhound Racing Consultative Group.

RWWA Board Representation

It is a requirement of the RWWA Act 2003 for the eligible greyhound racing bodies to nominate a member and an alternative member of the RWWA Board of Directors, and a member of the RWWA Selection Panel, for a term not exceeding three years.

The eligible greyhound racing bodies, WAGRA and WAGBOTA provided joint nominations in June 2018.

RWWA members Mr Gary Gliddon (Board Member), Mr Jeff Schrull (Alternative Member) were appointed for a three year term from 1 August 2018.

WAGRA Audit And Risk Committee

The Audit and Risk Committee is responsible for recommending financial policies, goals, and budgets that support the strategic goal of the organisation. The Committee also reviews the Association's financial performance against its goals and targets.

The Committee is also responsible for ensuring that the Association's systems and internal controls are maintained in a manner that are compliant with its policies and procedures.

As at 31 July 2020, consistent with the Treasurer's Instruction TI 1201, the WAGRA Audit and Risk Committee comprised of Horst Bemmerl (Chair, Independent Member), Ms Sophie Dwyer Member, Cao Weichao (Staff), Santo Casilli (Appointed Internal Audit Company).

RWWA Greyhound Racing Consultative Group

The RWWA Greyhound Racing Consultative Group comprised:

RWWA	
Mr Gary Gliddon	Director (Chairman)
Mr Richard Burt	Chief Executive Officer
Ms Charlotte Mills	General Manager Racing
Mr Denis Borovica	General Manager Racing Integrity
Mr Peter Howell	Manager Greyhound Racing
Mr David Hunter	Manager Racing Commercial and Planning
WAGRA	
Mr Richard Humphries	Chairman
Mr Noel Reilly	General Manager (CEO)
WAGBOTA	
Mr Max Julien	President
Ms Stephanie Catchpole	Vice President
WAPTAG	
Mr Tim Mullany	
Ms Linda Britton	
INDEPENDENT	
Ms Gary Weston	
Mr Ken Norquay	

Western Australian Greyhound Breeders, Owners and Trainers' Association

At the WAGBOTA Annual General Meeting at Cannington on 27 October 2019 the following were elected and remain current:

President:	Mr Max Julien
V/President:	Ms Stephanie Catchpole
Treasurer:	Ms Lynne Vagg
Secretary:	Ms Kylie Bija Wells
Committee:	Leanne Nelson Graeme Hall John Righetti Phil Worthington

Western Australian Professional Trainers Association Greyhounds

At the WAPTAG Formation Meeting on 3 May 2020 the following were elected and remain current:

President:	Mr Steve Shinners
V/President:	Ms Linda Britton
Executive Officer:	Mr Tim Mullany
Committee:	Steve Withers Paul Stuart Chris Halse Dave Robartson Shayne Williams Nat Crook Ben McLean

EMPLOYEE PROFILE

	2019/20			2018/19			2017/18		
Category	M	F	T	M	F	T	M	F	T
Permanent Full-Time									
Level 1	-	-	-	-	-	-	-	-	-
Level 2	-	-	-	-	-	-	-	-	-
Level 3	1	2	3	1	2	3	1	3	4
Level 4	1	1	2	1	1	2	1	1	2
Level 5	1	-	1	1	-	1	1	-	1
Level 6	3	1	5	4	1	5	3	-	3
Level 7	-	-	-	-	-	-	1	-	1
Level 8	3	-	3	3	-	3	2	-	2
Level 9	-	-	-	-	-	-	1	-	1
F&B Level 5	-	-	-	-	-	-	-	-	-
F&B Level 6	2	-	2	2	-	2	2	-	2
Class 4	1	-	1	1	-	1	0	-	0
Track & Grounds	8	1	9	6	-	6	7	-	7
SUB TOTAL	**20**	**5**	**25**	**19**	**4**	**23**	**19**	**4**	**23**
Permanent Part-Time									
Level 1	-	-	-	-	-	-	-	-	-
Level 2	-	1	1	-	1	1	-	1	1
Level 3	-	-	-	-	-	-	-	-	-
Level 4	-	-	-	-	-	-	-	-	-
Level 5	-	-	-	-	-	-	-	-	-
Track & Grounds	-	-	-	1	-	1	-	-	-
Racing	1	-	1	1	-	1			
SUB TOTAL	**1**	**1**	**2**	**2**	**1**	**3**	**0**	**1**	**1**
Casual	52	85	137	65	109	174	60	85	145
TOTAL	**73**	**91**	**164**	**86**	**114**	**200**	**79**	**90**	**169**

LEGEND:
F&B: Food and Beverage

FIVE YEAR STATISTICAL SUMMARY

	2020	2019	2018	2017	2016
Racing					
Race Meetings:					
Cannington	147	127	145	113	41
Mandurah	166	155	131	167	198
Northam	15	33	41	28	69
TOTAL	**328**	**315**	**317**	**308**	**308**
Races	3731	3487	3545	3600	3624
Starters	27,614	25,750	25,945	27,401	27,705
Average Starters per Race	7.4	7.4	7.3	7.6	7.6
Financials $000					
Operating Surplus/(Deficit)	(67)	(72)	252	26	(860)
Net Cash Provided/(Used) by Operating Activities	44	98	803	331	(147)
TAB Distribution *	20,736	19043	17,928	17,709	17,201
Grants (Off-course)	944	784	1,551	831	472
Stakes/Trophies & BOIS	15,009	13,574	12,868	13,062	12,793
Stakes/TAB Distribution %	72.38%	71.28%	71.78%	73.60%	74.21%
Betting Turnover $000					
Oncourse Turnover (Tote) $000	1,615	4,231	4,137	4,738	3,498
TAB on WAGRA meetings	57,657	62,238	60,288	63,091	72,130
Membership					
Total Members	0	107	274	273	205

* Includes Tax rebates and discretionary TAB payments.

OUTPUT MEASURES

	2019/20 Actual	2019/20 Target	Reason for Significant Variance
Quantity			
On-course Totalisator Profit	$176,066	$255,009	Declining on-course attendance, closure due to COVID-19 and the attractiveness of online betting has led to lower actual.
Stakemoney*	$13,918,676	$13,596,938	
Quality			
On-course Totalisator Profit: Number of racing opportunities for on-course investment (average number of races held/meeting).	11.39	12.00	
Off-course Commission: Number of meetings where live off-track vision was made possible through MDS or satellite services.	328	316	
Stakemoney: Number of feature races conducted as opportunity for higher stakemoney and continued quality of programme.	50	50	
Timeliness			
On-course Totalisator Profit: Number of meetings conducted in accordance with programme.	233 (1)	316	
Stakemoney: % stakemoney payments available. (excludes swabs) within 4 working days of entitlement).	100%	100%	
Cost			
On-course Totalisator Profit: Average profit/meeting	$725	$807	The attractiveness of online betting has led to lower on-course turnover.
Stakemoney: Average stakemoney/ meeting	$42,435	$43,028	

Notes

* Excludes trophies and Breeders & Owners Incentive Scheme (BOIS)

(1) A further 98 meetings were run during COVID-19 conditions. No members of the public were admitted and no oncourse totaliser operated. These meetings have been excluded from these measures calculations.

SKY Racing
Perth Cup
Consolation (2)
Saturday 14 March 2020
Cannington 520m
SKY RACING

COMPLIANCE STATEMENTS

Advertising Expenditure

In accordance with section 175ZE of the Electoral Act 1907, the Association incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

Total expenditure for 2019/2020 was $189,427 and was incurred as:

Advertising Agencies/ Organisations	$
West Australian Newspaper	7,909
White Pixel	8,767
Community Newspapers	8,786
Crocmedia	135,154
Western Sports Media	7,125
Blue Sky Media	695
McLeod Publishing	775
Fairfax Media Publications	12,166
Nine Radio Operations	3,550
WIN Television Network	300
WIN Television WA	4,200
Total Expenditure	**189,427**

Compliance with Public Sector Standards and Ethical Codes

In accordance with the Public Sector Management Act 1994, S31(1), WAGRA complies with the Public Sector Standards in Human Resource Management, Grievance Resolution and Ethical Codes. We continue to monitor and assess our compliance.

Recordkeeping Plan

In accordance with the State Records Act 2000, S61, and the State Record Commission Standards, Standard 2: Principle 6; WAGRA is reviewing and updating a Recordkeeping Plan together with an approved Retention and Disposal Schedule. That plan is currently under review for future submission to the State Records Commission.

Disability Access and Inclusion Plan Outcomes

In accordance with the Disability's Services Act 1993, WAGRA continues to ensure, wherever possible, that services and facilities are provided in accordance with the principles of universal access to all members of the community.

Consideration of the needs of disabled persons, both general public and employees, is included in routine building maintenance, capital works projects and information technology improvements. WAGRA is committed to develop and promote the aspirations and potential of people with a disability within the community.

We continue our commitment to the Companion Card program.

WAGRA is committed to the principles of substantive equality and the elimination of systemic discrimination from within our policies, practices and services.

Corruption Prevention

In accordance with Premier's Circular 2005/02: Corruption Prevention, WAGRA is required to report on measures taken to reduce the risk of corruption and misconduct.

In a proactive manner, WAGRA continues to focus on identifying potential areas of risk with a view to developing treatment plans to minimise exposure. Potential areas of risk are included in WAGRA's ongoing risk management evaluation scheme and staff are educated in risk reduction.

The Public Interest Disclosure Act 2003 defines special action that must be taken in relation to disclosures of public interest information that may show that a public authority, officer or contractor has been, or proposes being involved in, improper conduct, committing an offence, or misuse of public resources.

WAGRA has an appointed Public Interest Disclosure Officer and there were no reported disclosures during the 2019/2020 year.

Occupational Safety and Health

In accordance with Premier's Circular 2007/12: Code of Practice: Occupational Safety and Health in the Western Australian Public Sector all agencies are required to report on occupational safety, health and injury management performance, policies and initiatives.

WAGRA complies with the injury management requirements of the Workers' Compensation and Injury Management Act 1981 by adhering to a documented Injury Management Policy which is available for all staff, by educating staff regarding safe work practices, maintaining a safe and healthy environment and by holding regular risk-assessment meetings to identify and rectify potential problems.

Standard Operating Procedures provide staff with written instructions to ensure safe use of equipment.

WAGRA continued its program of offering flu vaccinations as part of an employee wellness program.

Staff are encouraged to undertake Senior First Aid courses and Automated External Defibrillators are installed within our workplaces.

Only two workers' compensation claims were lodged during the 2019/2020 year and both have been settled.

Annual Performance Indicator	**2019/20**
Number of fatalities	0
Number of severe claims	0
Number of Lost time injury/ diseases (LTI/D)	2
Lost time injury severity rate	0.0000

Sustainability

Commitment 1.2 of the Sustainability Code of Practice for Government Agencies and Resource Guide for Implementation requires agencies to report on compliance with the Code and other sustainability achievements.

WAGRA provides opportunities for all members of society to engage in recreational activity that provides enrichment in people's lives through hobby participation and general race meeting attendance, and improves connections amongst the wider community.

In the 2019/2020 year WAGRA continued to adopt sustainable practices in line with Government policies when procuring goods and services and in the delivery of its services.

In respect to waste management and recycling, energy and water conservation, vehicle and fuel efficiencies, WAGRA will continue to work towards enhancing its performance and is committed to developing policies and practices to encourage its employees to continue to adopt and improve sustainable practices.

Contracts with Senior Officers

At the date of reporting, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with WAGRA other than normal contracts of employment.

Freedom of Information

WAGRA received no Freedom of Information applications during this reporting period.

EVENTS

TPBtouch
TPBtouch
24 August 2019
Cannington
1

VOLUNTEER

TPBtouch Park
CANNINGTON
GREYHOUNDS
GREYHOUNDS
1

30.20
TABtouch Park
TABtouch Park
Park CANNINGTON

24 August 201
Cannington

FINANCIALS

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Certification of Financial Statements

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

The accompanying financial statements of the Western Australian Greyhound Racing Association (WAGRA) have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 31 July 2020 and the financial position as at 31 July 2020.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

RICHARD HUMPHRIES
WAGRA Chairperson
Date: 06 October 2020

SOPHIE DWYER
WAGRA Deputy Chairperson
Date: 06 October 2020

MICHAEL SEATON
Chief Financial Officer
Date: 06 October 2020

Statement of Comprehensive Income

Western Australian Greyhound Racing Association
Statement of Comprehensive Income
For the year ended 31 July 2020

Income	Note	2020 $	2019 $
Racing:			
RWWA Distribution	8	20,736,066	19,043,900
On-course Totalisator	8	440,325	649,479
Food and Beverage Sales	8,9	1,275,485	1,636,796
Admissions	8	14,718	17,891
Sponsorship	8	246,356	124,221
Other Racing Revenue	8	162,095	97,338
Total Racing Revenue		22,875,045	21,569,625
Administration			
Interest Revenue	8	8,118	21,672
Other Administration Revenue	8	964,773	681,126
Total Administration Revenue		972,891	702,798
Gains			
Gain on disposal of non-current assets	8,10	26,305	1,623
Total Income		23,874,241	22,274,046
Expenses			
Racing:			
Stakemoney and Trophies	11	15,009,126	13,574,715
Employee Benefits Expense	12	2,348,180	2,244,693
Marketing, Advertising and Promotions		396,125	180,487
CCTV, Photo and Telecasting Link		45	1,462
Food & Beverage Cost of Sales	9	587,574	658,360
Other Racing Expenses	13	853,721	915,731
Total Racing Expenses		19,194,771	17,575,448
Administration:			
Employee Benefits Expense	14	2,874,771	2,717,068
Depreciation and Amortisation	15	1,070,676	938,125
Corporate Utilities and Services		305,824	426,987
Lease	17	55,594	259,660
Maintenance		321,619	317,340
Other Administration Expenses	16	1,062,414	896,344
Total Administration Expenses		5,690,898	5,555,524
Total Expenses		24,885,669	23,130,972
(Deficit) Before Grants and Subsidies from State Government		(1,011,428)	(856,926)
Grants and subsidies from State Government			
Grants and subsidies received	8	944,440	784,330
Surplus (Deficit) for the Period		**(66,988)**	**(72,596)**
Total Comprehensive Income for the Period		**(66,988)**	**(72,596)**

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes

Statement of Financial Position

	Note	2020 $	2019
ASSETS			
Current Assets			
Cash and Cash Equivalents	18,30	1,856,522	1,814,384
Inventories	9,19	58,859	75,151
Receivables	20	1,012,264	1,264,603
Total current Assets		2,927,645	3,154,138
Non Current Assets			
Property, Plant and Equipment	21(a)	13,027,282	13,688,488
Intangible Assets	23	15,834	18,035
Right-of-Use Assets	22	2,733,063	-
Total Non Current Assets		15,776,179	13,706,523
Total Assets		18,703,824	16,860,661
LIABILITIES			
Current Liabilities			
Payables	24	1,145,997	1,404,026
Lease Liabilities	26	79,443	-
Provisions	25	1,229,532	1,240,570
Total Current Liabilities		2,454,972	2,644,596
Non-Current Liabilities			
Payables	24	14,359,772	14,837,879
Lease Liabilities	26	2,607,347	-
Provisions	25	6,775	36,240
Total Non-Current Liabilities		16,973,894	14,874,119
Total Liabilities		19,428,866	17,518,715
Net Assets/(Liabilities)		**(725,042)**	**(658,054)**
Equity			
Retained Earnings	27	(725,042)	(658,054)
(Equity Deficit)/Total Equity		**(725,042)**	**(658,054)**

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes In Equity

	Note	Retained earnings $	Total equity $
Balance as at 1 August 2018		(585,458)	(585,458)
Total Comprehensive income for the period		(72,596)	(72,596)
Balance at 31 July 2019		**(658,054)**	**(658,054)**
Balance as at 1 August 2019		**(658,054)**	**(658,054)**
Total Comprehensive income for the period		(66,988)	(66,988)
Balance at 31 July 2020	**27**	**(725,042)**	**(725,042)**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flow

	Note	2020 $	2019 $
Cash Flows from Operating Activities			
Receipts:			
Receipts from RWWA		21,176,391	19,693,379
Receipts from Customers		2,909,862	2,043,130
Interest Received	8	8,118	21,672
GST Receipts on Sales		303,981	318,920
Payments:			
Payments to Suppliers		(3,727,878)	(2,872,037)
Payment of Stakemoney		(15,009,126)	(13,574,715)
Payments to Employees		(5,263,456)	(4,931,387)
Payments for Rent		(55,594)	(259,660)
GST Payments on Purchases		(298,078)	(331,929)
Net Cash Provided by/(Used by) Operating Activities		44,220	107,373
Cash Flows from Investing Activities			
Receipts:			
Proceeds from Sale of Plant & Equipment	10	26,305	1,623
Payments:			
Purchases for Intangible Assets		-	(13,840)
Purchases for Property, Plant & Equipment		(288,439)	(263,190)
Net Cash Used in Investing Activities		(262,134)	(275,407)
Cashflows from Financing Activities			
Payments			
Principal elements of lease		(206,282)	-
Net Cash used in Financing Activities		(206,282)	-
Cash Flows from State Government			
Other grants and subsidies		466,334	266,171
Net Cash from State Government		466,334	266,171
Net Increase/(Decrease) in Cash and Cash Equivalents		**42,138**	**98,137**
Cash and Cash Equivalents at beginning of the period		1,814,384	1,716,247
Cash and Cash Equivalents at end of the period	30	**1,856,522**	**1,814,384**

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. Nature of operations

The Association is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Association is a not-for-profit entity (as profit is not its principal objective).

The functions of the Association are-

(a) to promote greyhound racing, including the keeping and training of greyhounds;
(b) to conduct greyhound racing and provide facilities to enable greyhounds to compete in trial and be trained in racing;
(c) to exercise and discharge such powers, functions and duties as are conferred on the Association by the *Western Australian Greyhound Racing Association Act 1981* **(the Act)** or any other Act.

These financial statements for the year ended 31 July 2020 were approved for issue by the Accountable Authority of the Association on 30 September 2020.

2. General information and statement of compliance

These general purpose financial statements have been prepared in accordance with:

(a) *The Financial Management Act 2006* **(FMA)**
(b) The Treasurer's Instructions **(the Instructions or TI)**
(c) The Act
(d) Australian Accounting Standards **(AAS)** including applicable interpretations
(e) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The FMA and the TI take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has a material or significant financial effect upon the reported results, details of the modification and the resulting financial effect are disclosed in the notes to the financial statements.

3. Basis for preparation

The financial statements are presented in Australian dollars applying the accrual basis of accounting using the historical cost convention, except for land and buildings structures and improvements which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The Association is a going concern despite the net liability position. The Association's Total Current Assets exceeds the Total Current Liabilities by $472,673. The Non Current Payables will be released over the life of the New Cannington lease, another 20 years.

4. Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates 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.

5. Summary of significant accounting policies

(a) **Income**

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sales of goods and services

Sales revenue is recognised from revenue earned from the sale of goods and services net of returns, allowances, expenses and GST as the services are provided. Other revenue is fully described in the Statement of Comprehensive Income.

Distributions received

Distribution from RWWA is based on an agreed formula taking into account the performance of Greyhound Racing both on and off-course in WA and is recognised as it is earned. Reimbursement of expenses from external entities is accounted for as revenue in the Statement of Comprehensive Income and not netted off against expenditure.

Notes to the Financial Statements

5. Summary of significant accounting policies (Continued)

Grants
If conditions are attached to the grant which must be satisfied before the Association is eligible to receive the contribution, recognition of the grant is deferred until those conditions are satisfied.

Interest
Revenue is recognised as interest accrues
Gains
Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets.

(b) **Property, Plant and Equipment**
Capitalisation/Expensing of assets
Items of property, plant and equipment costing $5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property plant and equipment costing less than $5,000 are expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement
Property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment and infrastructure acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent measurement
Subsequent to initial recognition as an asset, all items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation
All non-current assets having a limited useful life are systemically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is generally calculated using the straight line basis, at rates that allocate the asset's value, less any estimated residual value, over it's estimated useful life. Motor vehicles are depreciated by the diminishing value method. Estimated useful lives for each class of depreciable asset are:

Furniture and equipment	10 to 15 years
Motor vehicles	4 to 6 years
Leasehold improvements	5 to 30 years

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

c) **Intangible Assets**
Capitalisation/expensing of assets
Acquisitions of intangible assets costing $5,000 or more and internally generated intangible assets costing $5,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the Association have a finite life and zero residual value.
The expected useful lives for each class of intangible asset are:

Software [(a)]	3 years
Website Costs	10 years

(a)Software that is not integral to the operation of any related hardware

Notes to the Financial Statements

5. Summary of significant accounting policies (Continued)

Computer software
Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than $5,000 is expensed in the year of acquisition.

Website costs
Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent future economic benefits.

(d) **Impairment of assets**

Property, plant and equipment, right-of-use assets and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit and loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Association is a not-for-profit entity, the recoverable amount of regularly revalued speacialised asset is anticipated to be materially the same as fair value.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in the useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

(e) **Right-of-use Assets**

Right-of-use assets are measured at cost including the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs, including dismantling and removing the underlying asset.

The Association has elected not to recognise right-of-use assets, and lease liabilities for short term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of $5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement
The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the underlying assets.
If ownership of the asset transfer's to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is out lined in note 5(d).

Notes to the Financial Statements

5. Summary of significant accounting policies (Continued)

(f) **Financial instruments**

In addition to cash and bank overdraft, the Association has three categories of financial instrument:

- Receivables;
- Held-to-maturity investments (commercial bills and term deposits); and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
  - Cash and cash equivalents
  - Receivables
  - Term deposits
- Financial Liabilities
  - Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(g) **Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise cash on hand and short term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(h) **Accrued Salaries**

Accrued salaries and wages (see Note 24 Payables) represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Association considers the carrying amount of accrued salaries to be equivalent to its fair value.

(i) **Inventories**

Inventories are measured at the lower of cost or net realisable value. Costs are assigned by the method most appropriate to each class of inventory, with the majority being valued on a first in first out basis.

(j) **Receivables**

Receivables are recognised at original invoice amount less an allowance for any uncollectable amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is raised where is objective evidence that the Association will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(k) **Payables**

Payables, are recognised at the amounts payable when the Association becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Notes to the Financial Statements

5. Summary of significant accounting policies (Continued)

Long service leave
Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore recognised and measured at the present value of amounts expected to be paid when liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and period of service. The expected future payments are discounted to present values using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service provisions are classified as current liabilities as the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Per-conditional and conditional long service leave provisions are classified as non-current liabilities because the Association has a unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

A liability for long service leave is recognised after a salary employee has completed 4 years of service and wages staff have completed 7 years of service. An actuarial assessment of long service leave and annual leave is undertaken by PriceWaterhouseCoopers Actuaries as at 31 July 2019.

Superannuation
The Association has no liabilities under the Pension or GSS Schemes.

In joining the contributory Government Employees Superannuation Scheme in 1995, WAGRA has no liabilities for unfunded superannuation. Under current arrangements the liability for superannuation charges incurred under the *Government Employees Superannuation Act* is extinguished by fortnightly payment of employer contributions to the Government Employees Superannuation Board.

Employment on-costs
Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Association's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(l) **Comparative figures**
Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

6. Key sources of estimation uncertainty
Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Long Service Leave
Several estimations and assumptions used in calculating the Associations long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

7. Disclosure of changes of an Australian Accounting Standard and corrections of Prior Period Errors
Initial Application of an Australian Accounting Standard
The Association has applied the following Australian Accounting Standards effective or adopted, for annual reporting periods beginning on or after 1 August 2019 that impacted on the Association.

(a) AASB 16 Leases.
AASB 16 *Leases* replaces AASB 117 *Leases* and related Interpretations. AASB16 primarily affects lease accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both Lessees and lessors.

Notes to the Financial Statements

7. Disclosure of changes of an Australian Accounting Standard and corrections of Prior Period Errors (continued)

Initial Application of an Australian Accounting Standard

The Association applies AASB 16 Leases from 1 August 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees the require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position, as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than $5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Association takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

a) Right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payment, discounted using the incremental borrowing rate of (5.1%) on 1 August 2019.
b) Depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income and
c) The total amount of cash paid as a principal amount, which is presented in the cashflows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.

The right-of-use assets are assessed for impairment at the date of transition and the Association has not identified any impairments in the right-to use asset.

On transition the Association has elected to apply the following practical expedients in the assessment if their leases that were previously classified as operating leases under AASB 117:
(a) A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics;
(b) The Association has relied on its assessment of whether existing leases were onerous in applying AASB 137 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. The Association has adjusted the ROU asset at 1 August 2019 by the amount of any provisions included for onerous leases recognized in the statement of financial position at 31 July 2019.
(c) Where the lease term at initial application ended within 12 months, the Association has accounted for as short term leases;
(d) Initial direct costs have been excluded from the measurement of the right-of-use asset;
(e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

The Association has not reassessed whether existing contracts are, or contained a lease at 1 August 2019. The requirements of paragraphs 9-11 of AASB 16 are applied to contracts that came into existence post 1 August 2019.

Notes to the Financial Statements

7. Disclosure of changes of an Australian Accounting Standard and corrections of Prior Period Errors (Continued)

Measurement of lease liabilities	**$**
Operating Lease Commitments disclosed as at 31 July 2019	**5,963,380**
Discounted using incremental borrowing rate at date of initial application[1]	**2,888,753**
Less	
Short-term leases not recognised at 1 August 2019	**36,861**
Lease liabilities recognised at 1 August 2019	**2,851,892**
Current lease liabilities	**92,482**
Non-current lease liabilities	**2,759,410**

(1) The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.

b) **AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not -for Profit Entities**

AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue* and ASB 111 *Construction Contracts* for annual reporting periods, on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Revenue is recognized by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 *Income of Not-for-Profit Entities*. Income recognition under AASB 1058 depends on whether the transaction gives rise to liabilities or a contribution owners related to an asset(such as cash or another asset) recognised by the Association.

The Association adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No Comparative information is restated under this approach, and the Association recognises the cumulative effect of initially applying the Standard as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, the Association elects not to apply the standards retrospectively to non-completed contracts at the date of initial application.

There is no material effect of adopting AASB 15 and AASB 1058 as at 1 August 2019.

Notes to the Financial Statements

		2020 $	2019 $
8.	**Revenue**		
	The Association's revenue may be analysed as follows for each service category		
	Distribution		
	• Stakemoney	14,982,976	13,550,895
	• Other	5,753,090	5,493,005
		20,736,066	19,043,900
	Totalisator		
	• Oncourse Commission	447,730	667,132
	• Unclaimed Dividends	17,705	17,899
	• Goods and Services Tax	(25,110)	(35,552)
		440,325	649,479
	Food and Beverage		
	• Sales	1,275,485	1,636,796
	Admissions		
	• Admission Charges	14,718	17,891
	Sponsorship		
	• Sponsorship	246,356	124,221
	Other Racing Revenue		
	• Trial Income	43,816	43,882
	• Racebook Sales	9,949	13,683
	• Sundry Racing Income	108,330	39,773
		162,095	97,338
	Grants and subsidies from State Government		
	• Sundry Grants	919,330	748,778
	• GST Recoup from State Government	25,110	35,552
		944,440	784,330
	Other Administration Revenue		
	• Venue Hire	7,171	11,161
	• Printing	53,532	57,809
	• Sundry Administration Income	904,070	612,156
		964,773	681,126
	Investment Income		
	• Interest	8,118	21,672
		24,792,376	23,056,753
	Other Income		
	Net Gain on disposal of property, plant and equipment	26,305	1,623
		26,305	1,623
		24,818,681	23,058,376
9.	**Trading Profit**		
	Food and Beverage Sales	1,275,485	1,636,796
	Cost of Sales:		
	Opening Inventory	(75,151)	(58,059)
	Purchases	(571,282)	(675,452)
		(646,433)	(733,511)
	Closing Inventory	58,859	75,151
	Cost of goods sold	(587,574)	(658,360)
	Trading Profit	687,911	978,436

Notes to the Financial Statements

		2020 $	2019 $
10.	**Net Gain on Disposal of Non Current Assets**		
	Proceeds from Disposal of Non Current Assets:		
	Plant and Equipment	26,305	1,623
	Carrying amount of assets sold:		
	Plant and Equipment	-	-
	Net (Loss)/Gain on disposal of Non-Current Assets	26,305	1,623
11.	**Stakemoney & Trophies**		
	Stakemoney	13,918,676	12,658,745
	Breeders Bonus	1,064,300	892,150
	Trophies	26,150	23,820
		15,009,126	13,574,715
12.	**Employee Benefits Expense - Racing**		
	Salaries and Wages – Oncourse Totalisator	187,255	231,723
	Salaries and Wages – Food and Beverage	682,666	644,704
	Salaries and Wages – Printing	2,710	28,667
	Other Casual Wages	1,475,549	1,339,599
		2,348,180	2,244,693
	AASB16 Non-monetary benefits: Non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of the Vehicle and Housing benefit are measured at the cost incurred by the Association.		
13.	**Other Racing Expenses**		
	Direct Expenses – Oncourse Totalisator	59,216	124,588
	Direct Expenses – Food and Beverage	20,723	19,959
	Veterinary Fees	281,157	258,034
	Printing Expense	109,628	113,611
	Security	85,144	99,753
	Cleaning and Laundry	121,436	122,000
	Sundry Racing Expenses	176,417	177,786
		853,721	915,731
14.	**Employee Benefits Expense - Administration**		
	Salaries	1,306,435	1,279,561
	Ground Staff Salaries and Wages	702,848	667,500
	Annual Leave	200,921	216,932
	Long Service Leave	156,646	101,922
	Fringe Benefit Tax	24,764	19,123
	Training – Other	950	4,478
	Employee Benefits	5,464	3,145
	Admin Temp/Contract Staff	35,135	8,429
	Superannuation	441,608	415,978
		2,874,771	2,717,068
	AASB16 Non-monetary benefits: Non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of the Vehicle and Housing benefit are measured at the cost incurred by the Association.		

Notes to the Financial Statements

		2020 $	2019 $
15.	**Depreciation & Amortisation Expenses - Administration**		
	Depreciation:		
	Furniture and Equipment	151,279	150,202
	Motor Vehicles	23,656	23,918
	Leasehold Improvements	774,711	761,501
	Right-of-Use Asset	118,829	-
		1,068,475	935,621
	Amortisation:		
	Intangible Assets	2,201	2,504
		2,201	2,504
		1,070,676	938,125
16.	**Other Administration Expenses**		
	Insurance	255,061	112,845
	Motor Vehicle Expenses	69,939	72,879
	Travel, Accommodation & Conferences	165,569	24,127
	Legal Expenses	1,200	-
	Postage and Stationery	7,397	4,109
	Rates and Taxes	51,745	80,693
	Payroll Tax	183,546	252,266
	Interest Expense	41,182	-
	Staff Recruitment Expenses	569	1,135
	Sundry Administration Expenses	286,206	348,290
		1,062,414	896,344
17.	**Leases**		
	Lease expenses for period	55,594	259,660
	Rental expenses included short-term leases with a lease term of 12 months or less.		
18.	**Cash and Cash Equivalents**		
	Current		
	Short Term Deposits	1,732,795	1,709,072
	Cash at Bank	33,658	23,049
	Cash on Hand	90,069	82,263
		1,856,522	1,814,384
	Short term deposits are held with BankWest on an at call basis.		

Notes to the Financial Statements

		2020	2019
		$	$
19.	**Inventories**		
	Current		
	As at balance date inventories held by the Association were:		
	Restaurant food stocks	10,852	18,513
	Restaurant beverage stocks	48,007	56,638
		58,859	75,151
20.	**Receivables and Prepayments**		
	Current		
	Accounts receivable for goods and services supplied	635,449	739,681
	GST Receivable	139,770	146,217
	Prepayments	236,895	377,909
	Accrued Income	150	796
		1,012,264	1,264,603
21.	**Property, Plant & Equipment**		
(a)	**Non Current**		
	Furniture and Equipment at Cost	2,986,517	2,733,769
	less accumulated depreciation	(1,809,373)	(1,720,093)
		1,177,144	1,013,676
	Motor Vehicles at Cost	295,095	295,095
	less accumulated depreciation	(192,594)	(168,938)
		102,501	126,157
	Leasehold Improvements at Cost	15,095,363	15,023,894
	Less accumulated depreciation	(3,423,210)	(2,648,499)
		11,672,153	12,375,395
	Capital Works in Progress	75,484	173,260
		75,484	173,260
	Total Property Plant and Equipment	13,027,282	13,688,488

21. Property, Plant and Equipment (Continued)

(b) The reconciliation of carrying amounts of property, plant and equipment at the beginning and end of the current financial year is set out below.

2020	Furniture & Equipment $	Motor Vehicles $	Leasehold Improvements $	Capital Works in Progress $	Total $
Carrying amount at start of the year	1,013,676	126,157	12,375,395	173,260	**13,688,488**
Plus					
Additions	173,467	-	39,489	75,484	**288,440**
Transfers between asset classes	141,280	-	31,980	(173,260)	**-**
Less					
Net Disposals	-	-	-	-	**-**
Depreciation	(151,279)	(23,656)	(774,711)	-	**(949,646)**
Carrying amount at end of the year	1,177,144	102,501	11,672,153	75,484	**13,027,282**

2019	Furniture & Equipment $	Motor Vehicles $	Leasehold Improvements $	Capital Works in Progress $	Total $
Carrying amount at start of the year	1,121,363	122,392	13,057,452	59,712	**14,360,919**
Plus					
Additions	22,945	27,683	52,292	173,260	**276,180**
Transfers between asset classes	19,570		27,152	(59,712)	**(12,990)**
Less					
Net Disposals	-	-	-	-	**-**
Depreciation	(150,202)	(23,918)	(761,501)	-	**(935,621)**
Carrying amount at end of the year	1,013,676	126,157	12,375,395	173,260	**13,688,488**

Notes to the Financial Statements

		2020	2019
		$	$
22.	**Right-of-Use Assets**		
	Land	2,733,063	-
		2,733,063	-

Additions to right-of-use assets during the 2020 financial year were $nil.

Initial Recognition

Right-of-Use assets are measured at cost including the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs, including dismantling and removing the underlying asset.

The Association has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of $5,000 or less. Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.
If ownership of the leased asset transfers to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 5(d)

Notes to the Financial Statements

		2020	2019
		$	$
22.	**Right-of-Use Assets (Continued)**		
	The following amounts have been recognised in the Statement of Comprehensive Income		
	Depreciation Expense of right-to-use assets	118,829	-
	Lease Interest Expense	41,182	-
	Short-term Leases	55,594	-
		215,605	-
	The total cash outflow for leases in 2020 was $261,847		
	The Association's leasing activities and how these are accounted for:		
	CANNINGTON - LAND: The Association has a lease with the Canning Agricultural, Horticultural and Recreational Society (Inc) for the lease of the Cannington Racecourse land for a period of 30 years from 27th July 2011 with options of renewal for further period of 30 years. Lease payments totaling $183,049 per annum are adjusted annually for CPI and a market review after 10 years.		
	From the 1 August 2019 this lease has been recognised as a Right-of-Use Asset and corresponding lease liabilities are disclosed in note 26		
	Welshpool – Office Complex: The Association leases an office complex in Welshpool. This 12 month lease expired on 30 April 2020.A six month lease expiring on 31 October 2020 was subsequently signed.		
	This lease has not been recognised under AASB 16 as it is of short term nature.		
23.	**Intangible Assets**		
	Intangible Assets – Computer Software	48,622	48,622
	less accumulated amortisation	(32,788)	(30,587)
		15,834	18,035
	Reconciliation		
	Computer Software		
	Carrying amount at start of period	18,035	6,699
	WIP Additions	-	12,990
	Additions	-	850
	Less		
	Amortisation	(2,201)	(2,504)
	Carrying amount at end of period	15,834	18,035

Notes to the Financial Statements

		2020	2019
		$	$
24.	**Payables**		
	Current		
	Accounts Payable	433,495	633,155
	Accrued Expenses	215,914	152,410
	Other Liabilities: Fees in Advance	496,588	618,461
		1,145,997	1,404,026
	Non-Current		
	Other Liabilities: Grants in Advance	14,359,772	14,837,879
		14,359,772	14,837,879
		15,505,769	16,241,905
	All financial liabilities are unsecured. The Association considers the carrying amounts of creditors, accrued expenses and other payables approximate to their net fair values.		
25.	**Provisions**		
	Current		
	Employee benefits Provisions:		
	Annual Leave [(a)]	465,398	440,507
	Long Service Leave [(b)]	674,467	709,570
		1,139,865	1,150,077
	Other Provisions		
	Employment On Costs [(c)]	89,667	90,493
		89,667	90,493
	Total Current Provisions	1,229,532	1,240,570

Notes to the Financial Statements

		2020	2019
		$	$
25.	**Provisions (Continued)**		
	Non-Current		
	Employee benefits Provisions:		
	Long Service Leave [b]	6,287	33,623
		6,287	33,623
	Other Provisions		
	Employment On Costs [c]	488	2,617
		488	2,617
	Total Non Current Provisions	6,775	36,240
	Total Provisions	1,236,307	1,276,810

(a) Annual Leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	210,307	219,061
More than 12 months after the end of the reporting period	255,091	221,446
	465,398	440,507

(b) Long Service Leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	283,767	303,522
More than 12 months after the end of the reporting period.	396,987	439,671
	680,754	743,193

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in Note 14 Employee Benefits Expense – Administration

Movement in each class of Provisions during the period other than employee benefits are set out below:

Employment on-cost Provision:

Carrying amount at start of period	93,110	85,572
Additional/(reversals of) provisions recognised	(2,955)	7,538
Carrying amount at end of period	90,155	93,110

Notes to the Financial Statements

		2020	2019
		$	$
26.	**Lease Liabilities (Continued)**		
	Current	79,443	-
	Non-current	2,607,347	-
		2,653,790	-

The Association measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Association uses the incremental borrowing rate provided by the Western Australian Treasury Corporation.

Lease payments included by the Association as part of the present value calculation of lease liability include:

- Fixed Payments (including in-substance fixed payments), less any lease incentives receivable,
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at commencement date,
- Amounts expected to be payable by the lessee under residual value guarantees,
- The exercise price of purchase options (where these are reasonably certain to be exercised)
- Payments for penalties for terminating a lease, where the lease term reflects the association exercising an option to terminate the lease.

The interest on the lese liability is recognised in the profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by the extension or termination options are only included in the lease term by the Association if the lease us reasonably certain to be extended (or not terminated).

This section should be read in conjunction with Note 22.

Subsequent Measurement
Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect lease payments made; and measuring the carrying amount at amortised cost: subject to adjustments to reflect any reassessment or lease modifications.

Notes to the Financial Statements

		2020 $	2019 $
27.	**Retained Earnings**		
	Balance at start of year	(658,054)	(585,458)
	Result for period	(66,988)	(72,596)
	Balance at end of year	(725,042)	(658,054)
	In accordance with a September 2016 Cabinet Decision, WAGRA transferred the Mandurah Land and Buildings to Racing and Wagering Western Australia in a non-reciprocal transfer. In accordance with Treasurers Instruction 955 this transfer is to be treated as a Distribution to Government, and in lieu of any equity injection from Government the amount was to be transferred to Retained Earnings. As a consequence of this transfer, liabilities exceed assets and therefore there is no residual interest in the assets of WAGRA.		
28.	**Remuneration of Auditor**		
	The total of fees paid or due and payable for the financial year is as follows:		
	Auditing the accounts, financial statements and key performance indicators	75,861	75,861
29.	**Compensation of Key Management Personnel**		
	The Association has determined that key management personnel include Ministers, board members and senior officers of the Association. However the Association is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the Annual Report on State Finances:		
	(i) Compensation of members of the accountable association		
	Compensation Bands:		
	$0-$10,000	3	4
	$10,000 -$20,000	2	1
	Short term employee benefits	47,948	41,254
	Post employment benefits	4,555	2,676
	The total compensation of members of the accountable association	**52,503**	**43,930**
	No members of the Accountable Association are members of the Pension Scheme.		

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Notes to the Financial Statements

		2020 $	2019 $
29.	**Compensation of Key Management Personnel (Continued)**		
	(ii) Compensation of Senior Officers		
	Compensation Bands:		
	$100,001 - $120,000	-	1
	$120,001 - $140,000	1	2
	$140,001 - $160,000	2	-
	$160,001 - $180,000	-	2
	$180,001 - $200,000	2	1
	$200,001 - $220,000	2	1
	Short term employee benefits	1,047,055	907,208
	Post employment benefits	107,955	159,252
	Other long term benefits	32,936	32,936
	Total compensation of senior officers	1,187,946	1,099,396
	No senior officers are members of the Pension Scheme		
30.	**Notes to the Statement of Cash Flows**		
	Reconciliation of Cash		
	Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
	Cash at Bank	33,658	23,049
	Investments	1,732,795	1,709,072
	Cash on Hand	90,069	82,263
		1,856,522	1,814,384

31. Explanatory Statement

All variances between estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are greater than:

- 10% and $1,000,000 for Statements of Comprehensive Income, Cash Flows, and the Statement of Financial Position.

Statement of Comprehensive Income Variances

	Variance Note	Estimate 2020 $	Actual 2020 $	Actual 2019 $	Variance between Estimate and Actual $	Variance between actual results for 2020 and 2019 $
Income						
Racing:						
RWWA Distribution		20,025,714	20,736,066	19,043,900	710,352	1,692,166
On-course Totalisator		715,034	440,325	649,479	(274,709)	(209,154)
Food and Beverage Sales		1,812,359	1,275,485	1,636,796	(536,874)	(361,311)
Admissions		11,000	14,718	17,891	3,718	(3,173)
Sponsorship		71,500	246,356	124,221	174,856	122,135
Other Racing Revenue		108,645	162,095	97,338	53,450	64,757
Total Racing Revenue		22,744,252	22,875,045	21,569,625	130,793	1,305,420
Administration						
Interest Revenue		20,186	8,118	21,672	(12,068)	(13,554)
Other Administration Revenue		607,708	964,773	681,126	357,065	283,647
Total Administration Revenue		627,894	972,891	702,798	344,997	270,093
Gains						
Gain on disposal of non-current assets		-	26,305	1,623	26,305	24,682
Total Income		23,372,146	23,874,241	22,274,046	502,095	1,600,195

31. Explanatory Statement (Continued)

Statement of Comprehensive Income Variances (Continued)

	Variance Note	Estimate 2020 $	Actual 2020 $	Actual 2019 $	Variance between Estimate and Actual $	Variance between actual results for 2020 and 2019 $
Expenses						
Racing:						
Stakemoney and Trophies	(a)	14,629,658	15,009,126	13,574,715	379,468	1,434,411
Employee Benefits Expense		2,246,839	2,348,180	2,244,693	101,341	103,487
Marketing, Advertising, and Promotions		249,099	396,125	180,487	147,026	215,638
CCTV, Photo and Telecasting Link		10,000	45	1,462	(9,955)	(1,417)
Food and Beverage Cost of Sales		716,421	587,574	658,360	(128,847)	(70,786)
Other Racing Expenses		880,919	853,721	915,731	(27,198)	(62,010)
Total Racing Expenses		18,732,936	19,194,771	17,575,448	461,835	1,619,323
Administration						
Employee Benefits Expense		2,643,832	2,874,771	2,717,068	230,939	157,703
Depreciation and Amortisation		820,096	1,070,676	938,125	250,580	132,551
Corporate Utilities and Services		379,530	305,824	426,987	(73,706)	(121,163)
Lease		256,820	55,594	259,660	(201,226)	(204,066)
Maintenance		221,720	321,619	317,340	99,899	4,279
Other Administration Expenses		984,843	1,062,414	896,344	77,571	166,070
Total Administration Expenses		5,306,841	5,690,898	5,555,524	384,057	135,374
Total Expenses		24,039,777	24,885,669	23,130,972	845,892	1,754,697
(Deficit) Before Grants and Subsidies from State Government		(667,631)	(1,011,428)	(856,926)	(343,797)	(154,502)
Grants and subsidies from State Government		743,849	944,440	784,330	200,591	160,110
Surplus (Deficit for the Period)		76,218	(66,988)	(72,596)	(143,206)	5,608
Total Comprehensive Income for the Period		76,218	(66,988)	(72,596)	(143,206)	5,608

Notes to the Financial Statements

31. Explanatory Statement (Continued)

Statement of Comprehensive Income Variances (Continued)

Major Estimate and Actual (2020) Variance Narratives
Nil

Major Actual (2020) and Comparative (2019) Variance Narratives
(a) Payment of Stakemoney increased by $1,434K (10.57%). RWWA increased the Stakemoney for the 2019/20 year and more race-days were held following the introduction of Sunday racing in March 2020.

31. Explanatory Statement (Continued)

Statement of Financial Position Variances

	Variance Note	Estimate 2020 $	Actual 2020 $	Actual 2019 $	Variance between Estimate and Actual $	Variance between actual results for 2020 and 2019 $
Assets						
Current Assets:						
Cash and Equivalents		2,251,841	1,856,522	1,814,384	(395,319)	42,138
Inventories		58,059	58,859	75,151	800	(16,292)
Receivables		737,352	1,012,264	1,264,603	274,912	(252,339)
Total Current Assets		3,047,252	2,927,645	3,154,138	(119,607)	(226,493)
Non-Current Assets						
Property, Plant and Equipment		13,249,764	13,027,282	13,688,488	(222,482)	(661,206)
Right-of-use Assets	1(b)	-	2,733,063	-	2,733,063	2,733,063
Intangible Assets		3,762	15,834	18,035	12,072	(2,201)
Total Non-Current Assets		13,253,526	15,776,179	13,706,523	2,522,653	2,069,656
Total Assets		16,300,778	18,703,824	16,860,661	2,403,046	1,843,163
Liabilities						
Current Liabilities:						
Payables		787,244	1,145,997	1,404,026	358,753	(258,029)
Lease Liabilities		-	79,443	-	79,443	79,443
Provisions		1,475,758	1,229,532	1,240,570	(246,226)	(11,038)
Total Current Liabilities		2,263,002	2,454,972	2,644,596	191,970	(189,624)
Non-Current Liabilities						
Payables		14,361,512	14,359,772	14,837,879	(1,740)	(478,107)
Lease Liabilities	2(c)	-	2,607,347	-	2,607,347	2,607,347
Provisions		23,107	6,775	36,240	(16,332)	(29,465)
Total Non-Current Liabilities		14,384,619	16,973,894	14,874,119	2,589,275	2,099,775
Total Liabilities		16,647,621	19,428,866	17,518,715	2,781,245	1,910,151
Net Assets		(346,843)	(725,042)	(658,054)	(378,199)	(66,988)
Equity						
Retained Earnings		(346,843)	(725,042)	(658,054)	(378,199)	(66,988)
Total Equity		(346,843)	(725,042)	(658,054)	(378,199)	(66,988)

31. Explanatory Statement (Continued)

Statement of Financial Position Variances (Continued)

Major Estimate and Actual (2020) Variance Narratives

1) Right-of-use Assets were not included in estimates. The introduction of the AASB 16 created the Right-of-use Asset, the Cannington land leased from CAHRS.
2) Non-Current Lease Liabilities as part of the introduction of AASB 16, the Right-of-use Assets created a Lease liability to offset the value of the leased land.

Major Actual (2020) and Comparative (2019) Variance Narratives

(b) Right-of-use Assets were introduced by the AASB 16 and is represented by the Cannington land leased from CAHRS.
(c) Non-Current Lease Liabilities as part of the introduction of AASB 16, the Right-of-use Assets created a Lease liability to offset the value of the leased land

31. Explanatory Statement (Continued)

Statement of Cash Flows Variances

	Variance Note	Estimate 2020 $	Actual 2020 $	Actual 2019 $	Variance between Estimate and Actual $	Variance between actual results for 2020 and 2019 $
Cash Flows from Operating Activities						
Receipts						
Receipts from RWWA Distribution		6,111,090	6,167,265	6,118,664	56,175	48,601
Stakemoney Received	(d)	14,629,658	15,009,126	13,574,715	379,468	1,434,411
Receipts from Customers		2,611,212	2,909,862	2,043,130	298,650	866,732
Interest received		20,186	8,118	21,672	(12,068)	(13,554)
GST Receipts on Sales		450,000	303,981	318,920	(146,019)	(14,939)
Payments						
Payments to Suppliers		(3,442,532)	(3,727,878)	(2,872,037)	(285,346)	(855,841)
Payment of Stakemoney	(e)	(14,629,658)	(15,009,126)	(13,574,715)	(379,468)	(1,434,411)
Payments to Employees		(4,819,338)	(5,263,456)	(4,931,387)	(444,118)	(332,069)
Payments for Rent		(256,820)	(55,594)	(259,660)	201,226	204,066
GST Payments on Purchases		(450,000)	(298,078)	(331,929)	151,922	33,851
Net Cash Provided by/(Used by) Operating Activities		223,798	44,220	107,373	(179,578)	(63,153)
Cash Flows from Investing Activities						
Receipts						
Proceeds from Sale of Plant and Equipment		-	26,305	1,623	26,305	24,682
Payments						
Purchases for Property, Plant and Equipment		(141,000)	(288,439)	(263,190)	(147,439)	(25,249)
Purchases for Intangible Assets		-	-	(13,840)	-	13,840
Net Cash Used in Investing Activities		(141,000)	(262,134)	(275,407)	(121,134)	13,273
Cash Flows from Financing Activities						
Payments						
Principal Elements from Lease		-	(206,282)	-	(206,282)	(206,282)
Net Cash Used in Financing Activities		-	(206,282)	-	(206,282)	(206,282)
Cash Flows from State Government						
Other Grants and Subsidies		246,586	466,334	266,171	219,748	200,163
Net Cash from State Government		246,586	466,334	266,171	219,748	200,163

31. Explanatory Statement (Continued)

Statement of Cash Flows Variances (Continued)

	Variance Note	Estimate 2020 $	Actual 2020 $	Actual 2019 $	Variance between Estimate and Actual $	Variance between actual results for 2020 and 2019 $
Net Increase in Cash and Cash Equivalents		329,384	42,138	98,137	(287,246)	(55,999)
Cash and Cash Equivalents at beginning of the period		1,922,457	1,814,384	1,716,247	(108,073)	98,137
Cash and Cash Equivalents at end of period		2,251,841	1,856,522	1,814,384	(395,319)	42,138

Major Estimate and Actual (2020) Variance Narratives

NIL

Major Actual (2020) and Comparative (2019) Variance Narratives

d) Stakemoney Received increased by $1,434K (10.57%). RWWA increased the Stakemoney for the 2019/20 year and more race-days were held following the introduction of Sunday racing in March 2020.

e) Payment of Stakemoney increased by $1,434K (10.57%). RWWA increased the Stakemoney for the 2019/20 year and more race-days were held following the introduction of Sunday racing in March 2020.

Notes to the Financial Statements

		2020	2019
		$000	$000

32. Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

Financial Assets		
Cash and cash equivalents	1,856	1,814
Receivables[(a)]	635	739
Financial Liabilities		
Payables	649	786
Lease Liabilities	2,687	

(a)The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

33. Impairment of Assets

There are no indications of impairment to property, plant and equipment, infrastructure or intangible assets at 31 July, 2020.

The Association held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

34. Contingent liabilities and contingent assets

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed and, if quantifiable, are measured at the best estimate.
Contingent Assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent Liabilities
There are no contingent liabilities at the end of the financial year.

Contingent Assets
The assets of Avon Valley Greyhound Racing Association (AVGRA) will be passed on to WAGRA if the club is dissolved. The potential financial impact, subject to fair valuation at the time of transfer, is an increase in the following assets:-

Buildings and improvements	87,000	92,000
Furniture and Equipment	102,000	111,000
	189,000	203,000

35. Affiliated Bodies

There are no affiliated bodies with respect to the Association's operation

36. Related Bodies

There are no related bodies with respect to the Association's operation.

Notes to the Financial Statements

37. Related Party Transactions

The Association is wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Association is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to state.

Related parties of the Association include:

- All Ministers and their close family members, and their controlled or jointly controlled entities;
- All Board members and their close family members, and their controlled or jointly controlled entities;
- All senior officers and their close family members, of Racing and Wagering Western Australia and Western Australian Greyhound Racing association and their controlled or jointly controlled entities;
- Other departments and public sector entities , including related bodies included in the whole of government consolidated financial statements;
- Associates and joint ventures, that are included in the whole of government consolidated financial statements; and
- The Government Employees Superannuation Board (GESB)

Significant transactions with government related entities

Significant transactions include:

- Distribution for Stakemoney and Other from Racing Wagering Western Australia (RWWA) (Note 8)
- Oncourse commission from RWWA (Note 8)
- Goods and Services Tax from RGL(Note 8)
- Superannuation payments to GESB(Note 14)
- Audit Fees to Office of the Auditor General (Note 28)
- Insurance Premiums to Riskcover (Note 16)

Material transactions with related parties

All other transactions (including general citizen type transactions between the Association and Ministers/Board Members/senior officers or their close family members or their controlled (or jointly controlled) entities are not material for disclosure.

		2020 $	2019 $
38.	**Events occurring after the end of the reporting period**		
	There were no events occurring after the reporting date that impact on the financial statements.		
39.	**Supplementary financial information**		
(a)	**Write-offs**		
	Bad debts Written off during the financial year	-	-
		-	-
(b)	**Losses through theft, defaults and other causes**		
	Losses of public money and public and other property through theft or default	-	-
	Amounts recovered	-	-
		-	-
(c)	**Gifts of public property**		
	Gifts of public property by the Association	-	-
		-	-

Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

WESTERN AUSTRALIAN GREYHOUND RACING ASSOCIATION

Report on the financial statements

Qualified Opinion

I have audited the financial statements of the Western Australian Greyhound Racing Association which comprise the Statement of Financial Position as at 31 July 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matter referred to in the Basis for Qualified Opinion section of my report, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Western Australian Greyhound Racing Association for the year ended 31 July 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Qualified Opinion

In prior years, grants received from Racing and Wagering Western Australia to fund construction costs for the new Cannington track were not recognised as income in accordance with Australian Accounting Standard AASB 1004 "Contributions". Instead, these grants were recorded as Non Current Liabilities – Payables, with income being recorded progressively over the life of the asset. This accounting treatment has continued in the current year.

As a result, for the year ended 31 July 2020, 'Non Current Liabilities – Payables' are overstated by $14,359,772 in 2020 and $14,837,879 in 2019. Retained Earnings are understated by the same amount for each respective year. In addition 'Grants and Subsidies received from State Government' in the Statement of Comprehensive Income is overstated by $478,108 (2019: $497,262).

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of my report. I am independent of the Association in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500 FAX: 08 6557 7600

Responsibility of the Association for the financial statements
The Association is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Association determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Association is responsible for assessing the entity'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 the Western Australian Government has made policy or funding decisions affecting the continued existence of the Association.

Auditor's responsibility for the audit of the financial statements
As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are 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 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 the financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on controls

Opinion
I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Greyhound Racing Association. The controls exercised by the Association are those policies and procedures established by the Association to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Western Australian Greyhound Racing Association are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 July 2020.

The Association's responsibilities
The Association is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities
As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls
Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the key performance indicators

Opinion
I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Greyhound Racing Association for the year ended 31 July 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Western Australian Greyhound Racing Association are relevant and appropriate to assist users to assess the Association's performance and fairly represent indicated performance for the year ended 31 July 2020.

The Association's responsibility for the key performance indicators
The Association is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Association determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Association is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Western Australian Greyhound Racing Association for the year ended 31 July 2020 included on the Association's website. The Association's management is responsible for the integrity of the Association's website. This audit does not provide assurance on the integrity of the Association's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.

CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
6 October 2020

Key Performance Indicators

Desired Outcome: The efficient administration, promotion and maintenance of greyhound racing.

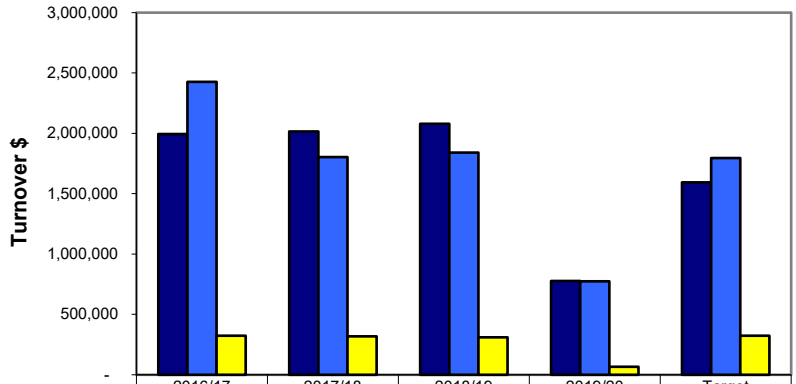
Service: Entertainment and opportunity through greyhound racing.

The overall service includes the supporting activities of:

Services and Facilities: The provision of optimum quality services and facilities to encourage maximum participation in greyhound racing by participants and spectators.

Industry Promotion: The encouragement of direct participation in the greyhound racing industry by providing appropriate quality and quantity of infrastructure, incentives and opportunities to participate.

On-course Totalisator Turnover Comparison by Venue 2016/17 to 2019/20



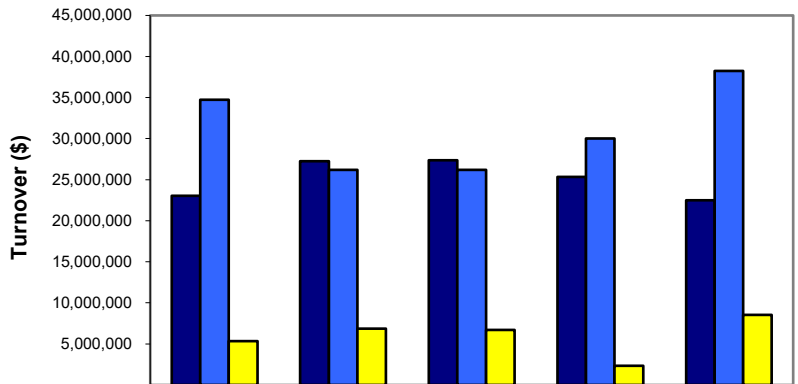
	2016/17	2017/18	2018/19	2019/20	Target
Cannington	1,994,709	2,016,320	2,079,944	776,206	1,594,990
Mandurah	2,426,200	1,803,641	1,841,183	773,787	1,794,694
Northam	323,264	317,229	309,712	65,811	324,624

Effectiveness

On-course Totalisator turnover is directly related to the Association's on-course tote commission and is a major income source for operations. The importance of this commission also reflects WAGRA's commitment to attract on-course patrons.

The four month closure to the public due to the Covid-19 pandemic had a big impact on the on-course betting.

Off-course Totalisator Turnover Comparison by Venue 2016/17 to 2019/20



	2016/17	2017/18	2018/19	2019/20	Target
Cannington	23,031,084	27,245,360	27,358,116	25,321,862	22,500,000
Mandurah	34,720,686	26,195,602	26,177,336	29,997,800	38,250,000
Northam	5,339,359	6,846,759	6,703,036	2,337,406	8,550,000

Effectiveness

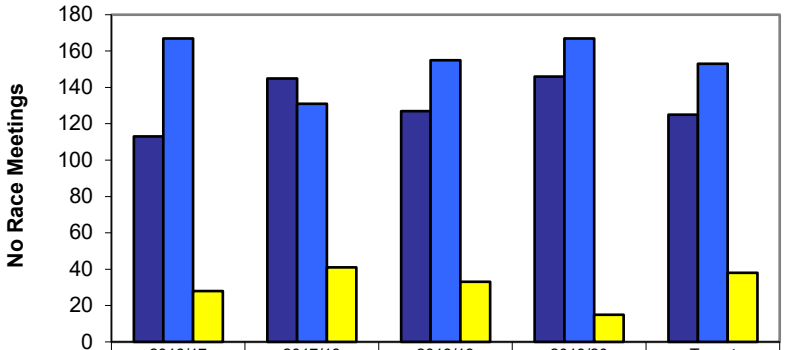
Coverage of local and interstate race meetings through TAB agencies, quality of race meetings, stakemonies and the overall promotion of this racing code in WA are collectively important to maximise the interest of off-course investors. The success of this business output is paramount to the achievement of the desired business outcome.

The Mandurah target figure for Betting Turnover was based on a return to those levels from 2015/16 which did not eventuate.

The Northam season did not restart in April as planned due to the Covid-19 pandemic travel restrictions.

Key Performance Indicators

Racing Opportunities Comparison by Venue 2016/17 to 2019/20



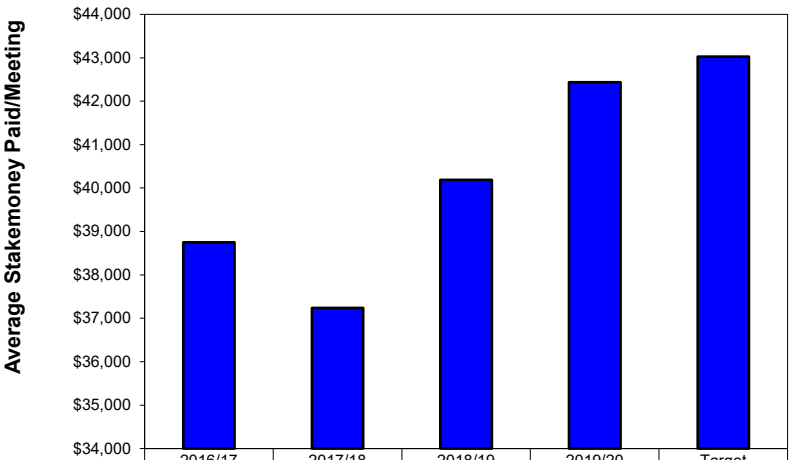
	2016/17	2017/18	2018/19	2019/20	Target
Cannington	113	145	127	146	125
Mandurah	167	131	155	167	153
Northam	28	41	33	15	38

Effectiveness

Race meetings held at the three locations provide the opportunity for owners, as well as trainers, to race their greyhounds. From mid-March the Association commenced racing on Sunday. This provides more opportunity for the owners and trainers.

Whilst the graph logs race meetings, the number of races held in 2019/20 was 3,731 as compared to 3,487 the previous year. The increase reflecting the addition of a 7th race meeting during the year,

Average Stakemoney paid/Meeting Comparison 2016/17 to 2019/20



	2016/17	2017/18	2018/19	2019/20	Target
Av Stakemoney	38,750	37,239	40,186	42,435	43,028

Effectiveness

Stakemonies paid in conjunction with the number of race meetings held provide the incentive for new and existing owners as well as trainers, to increase their interest in the sport.

In 2019/20 stake-money totaled $13,918,676 being paid over 328 race meetings and an additional $1,090,450 was allocated in the form of trophies and incentives.

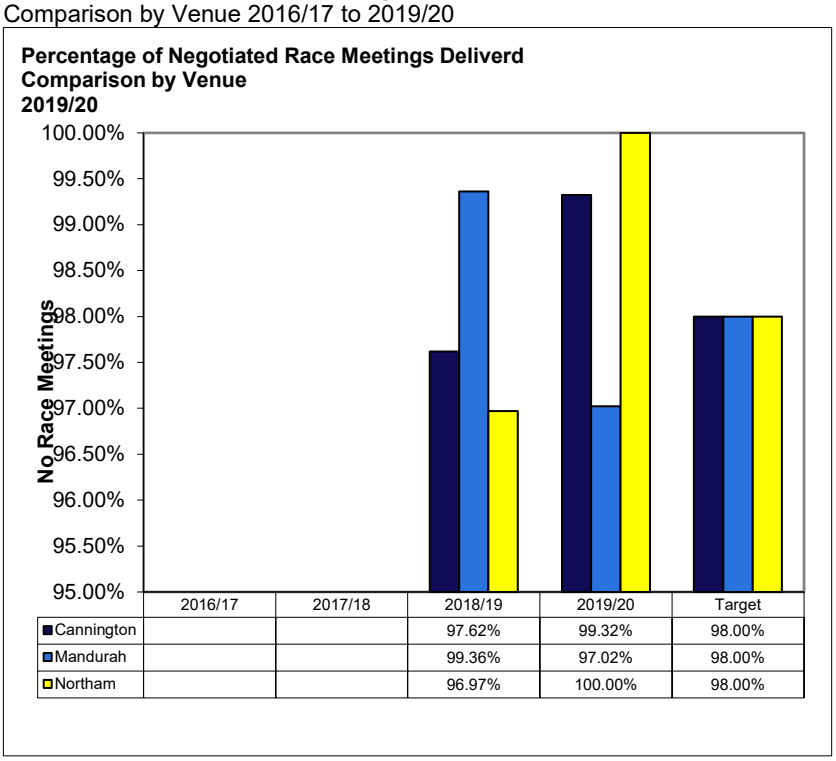
Country stake-money for Northam racing reduces the average stakemoney paid per meeting.

The increase in average reflects increased Stakemoney Distribution by RWWA.

Key Performance Indicators

Effectiveness

WAGRA Costs per $000 of Betting Turnover
Comparison by Venue 2016/17 to 2019/20



	2016/17	2017/18	2018/19	2019/20	Target
Cannington			97.62%	99.32%	98.00%
Mandurah			99.36%	97.02%	98.00%
Northam			96.97%	100.00%	98.00%

Race meetings held at the three locations provide the opportunity for owners, as well as trainers, to race their greyhounds. Successfully completing those meetings is paramount in demonstrating that the Association is efficient at administering, promoting and maintenance of grey hound racing. This is a new KPI shows that meetings are started and completed (first race to last race) during 2019/20 three entire meetings were lost due to circumstances beyond the Associations control (2 due to excessive heat and the welfare of the greyhounds and one due to bushfire). Two of these meetings were at Mandurah, a further three Mandurah meetings were not completed due to lightning or equipment issues, resulting in the total being below the target,

PERIOD	TOTAL BETTING TURNOVER $000	OPERATING EXPENSES $000	COST/$000 BETTING TURNOVER
Target	**73,014**	**23,423**	**320.80**
2019/20	**59,273**	**24,298**	**409.94**
2018/19	**64,469**	**22,469**	**348.52**
2017/18	**64,425**	**21,717**	**337.10**
2016/17	**67,835**	**21,265**	**313.47**

Operating Expenses to Betting Turnover

The table shows total operating expenses to total turnover for betting assessed as a global indicator for the overall operations of WAGRA, in particular the output of maximum participation in greyhound racing by investors and spectators.

The operating expenses are identified as a relevant and measurable output to generate customer investment through betting sales.

Increasing costs, especially for stake-money has led to the increased cost of Betting Turnover.

The target figure for Betting Turnover was based on a return to those levels from 2015/16 which did not eventuate.

Operating expense amounts above exclude expenses relating to Food and Beverage cost of sales.

Certification of Key Performance Indicators

CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Greyhound Racing Association's (WAGRA) performance, and fairly represent the performance of WAGRA for the financial year ended 31 July 2020.

RICHARD HUMPHRIES
WAGRA Chairperson
06 October 2020

SOPHIE DWYER
WAGRA Deputy Chairperson
06 October 2020

Statement of Comprehensive Income

Income	2021 $ BUDGET	2020 $ ACTUAL
Racing:		
RWWA Distribution	21,109,604	20,736,066
On-course Totalisator	673,289	440,325
Food and Beverage Sales	1,877,482	1,275,485
Admissions	11,000	14,718
Sponsorship	181,400	246,356
Other Racing Revenue	155,961	162,095
Total Racing Revenue	24,008,736	22,875,045
Administration		
Interest Revenue	4,799	8,118
Other Administration Revenue	658,217	964,773
Total Administration Revenue	663,016	972,891
Gains		
Gains on disposal of non-current assets	-	26,305
Total Income	24,671,752	23,874,241
Expenses		
Racing:		
Stakemoney and Trophies	14,792,541	15,009,126
Employee Benefits Expense	2,826,280	2,348,180
Marketing, Advertising and Promotions	260,044	396,125
CCTV, Photo and Telecasting Link	10,000	45
Food & Beverage Cost of Sales	698,999	587,574
Other Racing Expenses	934,871	853,721
Total Racing Expenses	19,522,735	19,194,771
Administration		
Employee Benefits Expense	2,882,346	2,874,771
Depreciation and Amortisation	1,070,509	1,070,676
Corporate Utilities and Services	348,360	305,824
Lease	55,544	55,594
Maintenance	301,980	321,619
Other Administration Expenses	1,175,036	1,062,414
Total Administration Expenses	5,833,775	5,690,898
Total Expenses	25,356,510	24,885,669
Surplus/(Deficit) Before Grants and Subsidies from State Government	(684,758)	(1,011,428)
Grants and subsidies from State Government		
Grants and Subsidies Received	748,441	944,440
Surplus / (Deficit) for the Period	**63,683**	**(66,988)**

This Statement is not subject to Audit.

Statement of Financial Position

	2021 Budget $	2020 Actual $
ASSETS		
Current Assets		
Cash and Cash Equivalents	1,731,893	1,856,522
Inventories	75,151	58,859
Receivables	764,603	1,012,264
Total current Assets	2,571,647	2,927,645
Non Current Assets		
Property, Plant and Equipment	12,476,858	13,027,282
Right-of-use Asset	2,614,234	2,733,063
Intangible Assets	13,334	15,834
Total Non Current Assets	15,104,426	15,776,179
Total Assets	17,676,073	18,703,824
LIABILITIES		
Current Liabilities		
Payables	704,026	1,145,997
Lease Liabilities	79,443	79,443
Provisions	1,211,770	1,229,532
Total Current Liabilities	1,995,239	2,454,972
Non-Current Liabilities		
Payables	13,956,662	14,359,772
Lease Liabilities	2,317,526	2,607,347
Provisions	36,240	6,775
Total Non-Current Liabilities	16,310,428	16,973,894
Total Liabilities	18,305,667	19,428,866
Net Assets	**(629,594)**	**(725,042)**
Equity		
Retained Earnings	(629,594)	(725,042)
Total Equity	**(629,594)**	**(725,042)**

This Statement is not subject to Audit.

Statement of Cash Flows

	2021 Budget $	2020 Actual $
Cash Flows from Operating Activities		
Receipts:		
Receipts from RWWA	21,782,893	21,176,391
Receipts from Customers	2,884,059	2,909,862
Interest Received	4,799	8,118
GST Receipts on Sales	450,000	303,981
Payments:		
Payments to Suppliers	(3,729,289)	(3,727,878)
Payment of Stakemoney	(14,792,541)	(15,009,126)
Payments to Employees	(5,823,277)	(5,263,456)
Payments for Rent	(55,544)	(55,594)
GST Payments on Purchases	(450,000)	(298,078)
Net Cash Provided by/(Used by) Operating Activities	271,100	44,220
Cash Flows from investing Activities		
Receipts:		
Proceeds from Sale of Plant & Equipment	-	26,305
Payments:		
Purchases for Intangible Assets	-	-
Purchases for Property, Plant & Equipment	(390,000)	(288,439)
Net Cash Used in Investing Activities	(390,000)	(262,134)
Cash Flows from Financing Activities		
Payments		
Principal Elements of Lease	-	(206,282)
Net Cash Used in Financing Activities	-	(206,282)
Cash Flows from State Government		
Other grants and subsidies	251,178	466,334
Net Cash from State Government	251,178	466,334
Net Increase/(Decrease) in Cash and Cash Equivalents	**132,278**	**42,138**
Cash and Cash Equivalents at beginning of the period	1,599,615	1,814,384
Cash and Cash Equivalents at end of the period	**1,731,893**	**1,856,522**

This Statement is not subject to Audit.

Head Office
2 Adrian Street
Welshpool WA 6106
(08) 6350 4600

Cannington
Station Street
Cannington WA 6107
(08) 6350 4600

Mandurah
Gordon Road
Mandurah WA 6210
(08) 9581 7188

Northam
Clarke Road
Northam WA 6401
(08) 9622 5794

www.greyhoundswa.com.au