

Bord na gCon
2015 Annual Report

Bord na gCon Annual Report 2015

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WELCOME

De réir théarmaí Ailt 19(2) de Achtanna Tionscail na gCon, 1958 agus 1993, cuireann Bord na gCon a Thuarascáil um Chuntais don Bhliain dar Críoch 31 Mí na Nollag, 2014, faoi bhráid An Roinn Talmhaíochta, Bia agus Mara.

In accordance with section 19(2) of the Greyhound Industry Acts, 1958 and 1993, Bord na gCon presents its Annual Report and Financial Statements for the year ended 31st December 2015, to the Minister for Department of Agriculture, Food and the Marine.

Bord na gCon is a commercial semi-state body, which is responsible for the control and development of the greyhound industry in Ireland. The Board was established pursuant to the Greyhound Industry Act (1958) which gives the Board wide powers to regulate all aspects of greyhound racing, from licensing of stadia to the issue of permits to officials, bookmakers and trainers.

All 17 stadia licensed by Bord na gCon operated during the year 2015. Seven of these licensed stadia are owned and operated by private enterprise.

Funding for Bord na gCon is sourced by admission fees, income generated from bar and restaurant facilities at their stadia; by a percentage deduction from Totalisator (tote) pools operated at all licensed stadia; by a turnover charge on on-course bookmaker betting; and Exchequer funding. Receipts from these sources are used to augment prizemoney, grant-aid development at stadia to enable them improve spectator facilities, to develop public auction sales, to advertise greyhound racing, to promote greyhound welfare and to administer and regulate the industry including the operation of a national drug testing laboratory.

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CHAIRMAN'S REPORT

As Chairman of Bord na gCon I am pleased to deliver the annual report for the year end 31 December 2015. It continues to be a great honour and privilege to be given the opportunity to serve as Chairman for this traditional industry.

It is welcomed that in 2015 Bord na gCon returned to reporting an operating surplus and generated positive cash flows. Achievement of this surplus has allowed the Board to increase race grants by 25%, effective from January 2016, and introduce other racing supports for the benefit of the racing public. The Board of Bord na gCon are committed to additional increases in prize-money to further encourage participation in the sport.

As has been the experience in industries similar to the Greyhound Industry on-course wagering has experienced a decline albeit at a much-reduced level when compared to previous years. It is however welcomed that the impact on Tote turnover has been reduced through the introduction of numerous international co-mingling customers and the growth in on-line wagering on Tote following the introduction of the Barking Buzz App.

Protecting the integrity of greyhound racing and the welfare of greyhounds is at the heart of the efforts of the Board. In this regard, I wish to acknowledge the steps being taken to introduce the recommendations offered through Professor Morris' report. The Board also supports the tremendous efforts and expertise being offered by all members of the Scientific Committee along with the ongoing efforts of the Irish Retired Greyhound Trust who are reporting significant increases in their rehoming efforts. Fundamental to the future growth of the Greyhound Industry is the confidence the public places in the integrity of our racing and the manner in how our greyhounds are cared for.

It is a welcome fact that the support for the flagship events of the Industry continued to increase in 2015 and again in 2016. The effort and support of the entire BoyleSport.com team towards this success was obvious with the capacity crowd experienced on the final night of the 2016 Derby.

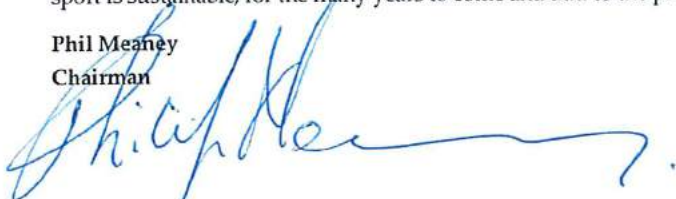
I must also acknowledge both Ministers of Agriculture and the officials within the Department of Agriculture Food and the Marine for their continued support and efforts towards the greyhound industry.

On behalf of my fellow Board members I would also like to pay tribute to the management team and staff at Bord na gCon and at all the tracks which is ably led by the Chief Executive Geraldine Larkin.

I am supported in the role of Chairman by my fellow Board members, all of whom bring a unique set of skills to the table. I would like to take this opportunity to acknowledge the loyalty and great efforts offered to the industry by both Tim Gilbert and Tony McNamee during their tenure as Board members. Each of these gentlemen made significant contributions to the greyhound industry and their experience and counsel to the Boardroom table was always welcomed. I wish both Tony and Tim every success in the future.

The Board has been further strengthened though the addition of Pat Creed and Frank Nyhan. Each of these gentlemen with their own unique skill sets along with their shared passion for the greyhound industry plus their ambitions to achieve further developments in the industry are a tremendous support to all fellow members of the Board. I wish them continued success and support in their endeavors. With this vast experience and skills available to the Board and resulting to the Industry I am confident this Board will be able to enact a robust plan to ensure the sport is sustainable, for the many years to come and add to the progress achieved to date.

Phil Meaney
Chairman



07 December 2016

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CHIEF EXECUTIVE 'S REPORT

2015 was a progressive year for Bord na gCon. As indicated last year, Indecon informed decisions and, together with expenditure control of operations, provided greater efficiencies within the industry thereby directly benefitting a wider audience.

Bord na gCon welcomed the announcement of the additional allocations from the Horse and Greyhound Racing Fund in recent Budgets which together with group operating surpluses will allow Bord na gCon address some significant issues raised by Indecon including, but not limited to, the long standing deficit within the defined benefit pension scheme, increase in prize money to the industry which commenced in 2016, investing in welfare and regulation resources, increased marketing and promotion of the Industry as well as commencing repayment of the Board's bank loan. 2015 also saw the Board seek to utilise stadia infrastructure for other events and hosted three very successful equestrian events in association with Horse Sport Ireland.

2015 marked the start of Bord na gCon bringing its food and beverage operations in house. This resource facilitates direct control and greater influence over an integral part of the leisure offering and enables stadia to leverage new audiences and markets by tailoring offerings to customers' tastes and requirements.

In line with the commitment to Indecon, the calibration of race meetings was completed but despite this average gate income along with average attendance all increased over 2014 averages along with increased Food & Beverage concession fees generated through Events & Hospitality Services. This is largely due to improved efficiencies, additional investment and integration of marketing activities; a significant step in targeting new and retaining current customers. Quality and value for money in the highly competitive entertainment arena are key components in attracting today's discerning consumers. This is becoming increasingly challenging as competition from the leisure market becomes more intense.

Notwithstanding the reduction in race meetings, Tote turnover per race meeting continued to grow in 2015. This was also assisted with the continued expansion of betting on Irish Greyhound racing from international markets. The introduction of the new mobile platform 'Barking Buzz' also achieved significant growth. Bord na gCon plan to further enhance the Tote product, supported by the new contract with Sportech that will upgrade tote equipment at all tracks.

Bord na gCon is encouraged with the feedback received from the broadcasting of live greyhound racing from Mullingar, Youghal and Tralee to bookmakers' shops and looks forward with anticipation to increased recognition of Irish greyhound racing content receiving wider international recognition. This project together with other international co-mingling arrangements is a unique opportunity to showcase Irish greyhound racing to an international audience and bring new interest to Irish greyhound racing.

On the regulatory front, significant advancements were made in the intelligence led approach to testing which resulted in the revocation of a trainers licence and two successful cases were brought before the Control Committee for the use of anabolic steroids. The establishment of a Scientific Committee further underlines the Board's commitment to implementing high standards of deterrence against the minority who seek to gain advantage by cheating in our sport. The work of this group is critical going forward in ensuring that for the minority who cheat, policies are informed by expert contributions from those dealing in all aspects of medication control and anti-doping. 2015 also saw the establishment of increased cooperation between all animal sports regulators creating an environment where all these bodies can work together to address common problems.

The welfare of all greyhounds is very important to the Board and to this end Bord na gCon continue to use all statutory powers available to pursue those who do not maintain similar standards. Bord na gCon has utilised the full armoury of statutory powers for those who do not hold the same standards.

In this my second year as CEO of Bord na gCon, I greatly appreciate the continued engagement with those of you involved in the many diverse aspects of the sport. Thank you for your continued support and commitment; it is only through the active involvement of all stakeholders that we can fulfil our potential.

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CHIEF EXECUTIVE 'S REPORT *continued*

I want to pay special acknowledgement of the key role of sponsors of the industry for their on-going support of racing activities.

I wish to thank my colleagues in Bord na gCon and also in the Department of Agriculture Food and Marine. Particular acknowledgement of my Bord na gCon colleagues whose work was recognised at a number of marketing and hospitality awards during the year. Finally, I wish to acknowledge the time and commitment of all Board members and in particular to Chairman Phil Meaney for their work on behalf of the industry.

Geraldine Larkin

Chief Executive Officer



07 December 2016

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FINANCIAL REVIEW

2015 saw Bord na gCon increase the group operating surplus¹ to €2,305,720 in 2015 from €698,920 in 2014. Group income from racing activities was €28.2m (€25.0m in 2014), albeit including gross profits of €4.7 million generated from food & beverage sales of €7.3 million, with related costs disclosed in the attached financial statements under operating cost of racing activities.

While some challenges as experienced in 2014 continued in 2015, the achievement of the surplus as noted allowed Bord na gCon to address the following;

- Following Indecon recommendations the number of race meetings was calibrated from 1,736 race meetings in 2014 to 1,642 meetings during 2015. While some headline turnover figures were reduced as a result the overall costs of these meetings resulted in an improved return from those tracks affected.
- Renewal of the bank overdraft facilities was concluded in May 2015. Not only does this agreement secure appropriate operational cash flow facilities for the next three years, it introduces a structure to address the bank overdraft facilities which required to be remedied for quite some time. By the end of December 2015 total capital repayments of €1.35 million has been completed and reducing this loan from its original value of €6.0m to €4.65m by then end of 2015.
- The sale of the former head offices in Henry Street Limerick has been finalised. Net proceeds from this sale have been used to repay the aforementioned bank loan.
- Through a subsidiary company, Abargrove Ltd, the transfer of food & beverage operations has been completed for 9 stadia and is operating under the trade name Events and Hospitality Services (EHS). This transfer was completed successfully during the first quarter of 2015. Among the many objectives supporting this decision was the ability to increase the flexibility in the offerings that is provided to customers. In addition, an exclusive drink supply agreement was concluded with the C & C Group Plc.
- Funding proposals towards the resolution of the liability in the defined benefit pension scheme have been accepted by the Pensions Authority in September 2016. Implementation of these proposals will be completed by the end of 2016.
- In conjunction with Horse Sport Ireland three "Jumping in the City" events were held in Limerick, Cork and Shelbourne Park stadia. Not only were these events of commercial benefit, it showcased the alternative uses greyhound facilities can accommodate. These events introduced the three greyhound venues to patrons who did not visit greyhound stadia previously.
- The 2010 Derby related legal cases was completed in November 2015, while resulting in an exceptional costs, that have been included in 2015 financials settlement, resolution of this matter has removed a significant uncertainty over the group.
- While anticipated income from the internationalisation of Tote was delayed during 2015, this tote product is now live with ongoing co-mingling wagering from several US based customers. Furthermore, the contract for the broadcast of TV pictures from Mullingar, Youghal & Tralee was signed in June 2016 and has been a regular income stream since February 9th 2016 with returns being made to the wider greyhound industry.
- Improvements in the commercial procurement process were achieved in 2015, duly acknowledged by the Comptroller and Auditor General at the Public Accounts Committee hearing in November 2015. During 2015, 32 separate procurement projects were commenced and successfully concluded with the remainder being resolved during 2016.

¹ Operating surplus is defined as earnings before interest, taxation, depreciation, amortisation and defined benefit pension costs.

Bord na gCon Annual Report 2015

FINANCIAL REVIEW *continued*

Outlook statement

Bord na gCon have progressed and delivered an integrated programme of measures that has led and continues to increase returns from racing activities which include

- i. The internationalisation of the Irish greyhound racing by achieving additional Tote turnover through commingling supported by the streaming and sale of television content.
- ii. Results from track activities have improved by delivery of alternative sources of income at stadia level with the advantage of the flexibility offered through a consolidated food and beverage service along with central control of expenditure.
- iii. Race grants have been increased by 25% since January 2016, along with other supports paid to greyhound racing participants it is forecast that an additional €1.3m will be paid in race grants by the end of 2016.

The Board are addressing long term bank overdraft facilities, which required to be remedied for quite some time, and the pension deficit. The Board will be continuing discussions with their Bank to address the loan incurred as part of the Limerick stadium development. It is through the removal of these burdens that Bord na gCon will be able to provide a stable platform so the many supporters of the industry can remain involved and prosper from the greyhound industry.

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TOTE REVIEW

The Tote continued to grow its business in 2015 after taking account of calibration measures whereby the number of race meetings was reduced by 5.4% to 1,642 race meetings a reduction of 94 race meetings on 2014 race schedule. The average Tote turnover per race meeting increased by 5.3%. The main driver of this growth was the continued expansion of tote betting on Irish Greyhound racing from international markets and where further growth is expected throughout 2016. While overall Tote turnover is reporting a decline of 1.5% to €19.6m; this can be fully attributed to the changes in the method of Tote turnover recognition with an existing co-mingling customer

Strong growth in the mobile wagering market of 35.3% was generated in 2015 following the launch of the new Mobile platform "Barking Buzz". Further developments are being advanced in 2016 through the addition of additional content that will improve the customer experience.

As experienced in industries like the Greyhound Industry, on-course wagering has continued to experience a decline albeit at much reduced pace when compared to previous years. However, traditional on-track tote was assisted through a successful launch of the rolling jackpot bet, which ensures at least 6 tracks have a jackpot to aim for and already this year Bord na gCon have been able to get €6K plus guaranteed jackpots in place. Such jackpots continue to prove popular among Tote customers and the Board continue to explore other derivatives that are aimed at capturing the customer's imagination.

Focus has been placed on core Key Performance Indicators (KPIs) such as total active accounts, reactivation of accounts, new accounts and number of bets placed. Based on feedback received, resources and investment has been undertaken in quarter three 2016 with results of the likely improvement available during the later quarter of 2016.

Following the completion of a tender process Tote has agreed a new contract with Sportech that will see equipment at all tracks upgraded and in many places renewed. This new equipment will provide the latest technology in the world of tote and will assist staff to give the best customer service possible. It is planned to roll out a number of self-service terminals which have been upgraded with the same improved software and are aimed at enhancing the customer experience with opportunities to wager on more "off-track" meetings.

The new Tote contract also allowed added value through picture distribution which is also handled by Sportech, this new process has been advantageous with our comingling partners, inter track and now with the retail betting picture provider SIS.

Bord na gCon has entered into a five year contract with SIS for the provision of the retail betting product to retail bookmaker shops located in Ireland, United Kingdom and further afield. This contract currently provides for the broadcast of live greyhound racing from Youghal, Tralee and Mullingar on Monday, Tuesday and Sunday respectively. Not only has this live greyhound racing content met with the satisfaction of retail bookmakers it also offers the opportunity to extend racing content to further racing events managed by Bord na gCon.

In line with the last update Tote continue to explore cost efficiencies and have driven down the costs of broadband, product supply and achieved on track staff efficiencies which is forecast to continue into 2016 reducing our cost base.

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COMMERCIAL OPERATIONS REVIEW

2015 was a year of progress commercially for Bord na gCon. Average gate income at Board stadia increased by 3.1% in 2015 compared to 2014. Average attendances per meeting increased by 4.3% during 2015, while Food and Beverage concession fee income increase by 11.5% on average per meeting.

Bord na gCon through its subsidiary Abargrove Ltd, took control of food and beverage operations in its developed stadia at the beginning of 2015. The food and beverage service is operated under the registered trade name Events and Hospitality Services (EHS). The primary function of EHS is to deliver a top-class restaurant and hospitality experience for customers attending greyhound events. A key element of this is the implementation of restaurant and general food packages that are attractive to target consumer segments, with a range of price points that maximises appeal and supports the growth in attendance and widens the audience for greyhound racing.

A national pouring rights agreement with C & C Group Plc. was implemented during 2015 which has resulted in a sizable cash contribution to support the industry annually over the course of the three year agreement. This agreement has enabled stadium customers to benefit from a range of promotion initiatives that represent value for money during their night out.

The commercial strategy focussing on the development of GoGreyhound Racing and local stadium brands continued during 2015. Increased resources were invested in digital activity that enabled the integration and mapping of digital, social and traditional marketing activity.

Bord na gCon continued to build its database on bookers which was central to fortnightly email campaigns. The Board's advertising strategy featured 3 national campaigns along with local radio campaigns tagged for each stadium. Short monthly payday bursts were also a key part of the schedule. Aligned with this activity the support plans for each of the Classic events ensured an almost continuous radio presence across 2015. Online and social media advertising and content plans were implemented ensuring all marketing activity was linked and integrated with the objectives of maximising attendance and incomes. This enabled Bord na gCon expand its consumer audience and reach through engagement on social media and paid search on digital.

The 2015 Boylessport.com Derby was a hugely successful event. It was the second year of the three year agreement with Boylessports. Attendance restaurant and pre- booked sales all reporting increases on 2014.

2015 was the first year of the Irish Independent sponsorship deal of the Laurels in Cork. Following a comprehensive review of the sponsorship performance, the Irish Independent agreed to sponsor the Laurels for a subsequent 3 years period commencing in 2016.

The Dublin Coach sponsorship of the Puppy Derby continued in 2015. Dublin Coach through this sponsorship supports the industry with complimentary buses from Limerick & Dublin city centres to Limerick Greyhound Stadium and both Harold's Cross and Shelbourne Park in Dublin each weekend.

Christmas bookings 2015 were very strong during the festive period when just under 30,000 customers chose a night at the dogs for their Christmas night out.

To support and develop the corporate and tour operator sectors a key account manager was appointed. Representatives from the Board attended an increased number of international trade shows with Germany and the UK markets being the top two targeted in 2015. This has led to an increase in the number of German tourists - who are now the number one visiting tour group nationality visiting Bord na gCon stadia. Just under 40,000 tourists visited greyhound venues in 2015. Bord na gCon worked very closely with the domestic and international teams from Fáilte Ireland and Tourism Ireland in promoting a night at the dogs to these markets.

Bord na gCon hosted several Journalist Familiarisation visits last year. The visiting journalists covered the sport and unique experience that is a night at the dogs. These are scheduled tours set by Fáilte Ireland for travel journalists to give them a flavour of Ireland. The visiting journalists came from Denmark, UK, Spain, Italy & Sweden.

The increase in online promotions has led to a considerable increase in online bookings from outside the island of Ireland; Norway is now the number one source of online pre-paid international bookings.

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COMMERCIAL OPERATIONS REVIEW *continued*

The marketing department of Bord na gCon received two marketing awards for 2015; the Chartered Marketing Institute Award for Digital Marketing for the Summer 2015 and two Love Radio Awards for the summer radio advertising. Bord na gCon were also shortlisted for a number of other marketing awards in 2015.

EHS were also shortlisted for several Restaurant Association of Ireland awards and were also shortlisted for the Events Industry Awards Best Caterer.

The award-winning Jumping in the City show jumping events were held in Limerick Greyhound Stadium, Curraheen Park and Shelbourne Park in 2015. The events were very successful with large crowds attending each stadium. The Board's stadia and commercial infrastructure enabled Horse Sport Ireland to manage, promote and sell this unique series of show jumping events.

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REGULATION AND WELFARE REVIEW

Overall 2015 was a landmark year in regulatory reform and continued progress in the area of welfare for Bord na gCon set against the framework of recommendations arising from the Indecon Report.

It is essential to the successful growth and sustainability of the industry, that there is public confidence in the integrity of racing. Accordingly, utmost standards of regulation and welfare functions are paramount. With this objective in mind, Bord na gCon invested further resources into these areas and created advanced regulatory initiatives in 2015. These developments and successes are demonstrated in the following areas:

Regulation:

Bord na gCon introduced new secondary legislation, for example, to provide for the publication of adverse analytical findings and to extend publication of all cases before the Control Committee. [This is being reinforced by requiring all greyhounds with positive findings to produce a negative result before being allowed to run again.] These and other integrity measures will further enhance the integrity and transparency of the regulatory function and educate industry participants.

Licensing

Throughout 2015 there has been an increased intelligence gathering through the licensing application process and maintenance of the trainers' database. Most recently revocation of a trainer's licence was granted for serious anti-doping offences. Such heightened integrity measures ensure that only trainers who are "fit and proper" enter or remain in racing.

Public Consultation on Regulatory Reform

Following the first phase of public consultation in December 2014, and in line with the Board's commitment to the Indecon Report, a second phase of Public Consultation was launched in August 2015. Further consultations have and will continue to take place in 2016.

Anti-doping and Medication Control

Progress continues in the intelligence-led testing regime for both in and out of competition stakes. On foot of the advancement in the inter-agency and intelligence-led approach, cases for various drugs offences, including anabolic steroids, have been taken to the Control Committee. The integrity work is supported by MIDAS (Management of Intelligence and Drugs Action in Sports), a sports drug action group, with representatives from all animal sports, the State Laboratory, and of the Department of Agriculture Food and the Marine. Working in conjunction with the drugs and other enforcement authorities in Ireland, it is a significant step towards a unified approach in the regulation of doping and medication control for Horse and Greyhound sports.

Towards the end of 2015, Bord na gCon established a specialist Scientific Committee on Doping and Medication Control which will advise the Board on scientific matters relating to anti-doping and medication control in greyhounds. The Committee of five experts represent the various disciplines of relevance to such a task: animal remedies, veterinary pharmacokinetics, canine internal medicines, analytical chemistry and greyhound veterinary practice. Each individual Committee member has the relevant experience including the assessment of veterinary medicines for regulatory approval purposes, both at a national and at a European level, the control of such medicines in the field, and the sampling and analysis of animals for residues. The research of this committee will ensure a scientifically sound basis for the IGB's anti-doping and medication control and policy into the future and will thus contribute to greater confidence for the integrity and welfare of the sport.

Bord na gCon have also commissioned a scientific study in relation to Artificial Insemination in greyhounds and breeding. This study is a preliminary analysis to help inform future research to address other issues such as inbreeding.

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REGULATION AND WELFARE REVIEW *continued*

Welfare

2015 was a challenging period for welfare with many successful cases taken by Bord na gCon. The most noteworthy being the imposition of a Disqualification Orders and an Exclusion Orders. Furthermore, following a Board investigation into the Cherbourg tragedy and substantial inter-agency co-operation, the Department of Agriculture, Food and the Marine revoked an EU transport Authorisation. The IGB had its first successful prosecution under the Welfare of Greyhounds Act 2011 and has served as a useful deterrent to other possible offenders. Three Welfare notices *were* served by the Board's Welfare Officers in response to inspections carried out at various premises; these are subject to on-going monitoring. Details of the number of monthly Welfare and Kennel Inspections being carried out were first published in October 2015 on Bord na gCon website.

Greyhound Welfare Initiatives

All reported incidents of greyhound cruelty and neglect are investigated by the Board. In the event that breaches of Section 10 of the Welfare of Greyhounds Act 2011 were identified during the course of a welfare investigation, the Regulation & Welfare Department informed the ICC and recommended that 27 Fixed Payment Notice be served on transgressors. Any information gathered following welfare inspections, is shared with local authorities, An Garda Síochána and ISPCA.

Rehoming of Retired Greyhounds:

In 2015 the Irish Retired Greyhound Trust (IRGT) provided financial assistance to several private greyhound rescues. Through its network of international rehoming agencies, the IRGT provided rehoming opportunities for 444 retired greyhounds in 2015 and aided with rehoming a further 325 greyhounds. IRGT also began assisting various private rehoming agencies by providing financial assistance towards veterinary and transportation costs.

To promote the suitability of retired greyhounds as pets, Bord na gCon and the IRGT teamed up with GAIN Pet Foods to run a number of Retired Greyhound Shows throughout Ireland in 2015 that continued in 2016.

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RACING REVIEW 2015

The Gullivan-Murphy-Hooper-Dolan Juvenile Unraced Classic, which was staged at the Kingdom Greyhound Stadium, was the first Classic to be run in 2015. The Graham Holland trained Sidarian Vega went through this 525 Yards event unbeaten, winning the Final in a time of 28.18 (.10slow). Sidarian Vega would later finish runner-up in the Kerry Agri-Business St Leger at Limerick. A noteworthy finalist in this event was Ballymac Matt who later in the year went on to win the GAIN Open 600 and the Boylesports Irish Greyhound Derby at Shelbourne Park.

Shelbourne Park was the venue for the Dandelion Bar & Nightclub Easter Cup in March and this event was won by another Graham Holland trained runner, Sidarian Blaze, in a time of 29.52 for the 550 Yards distance. Finalists in this event included Boylesports Irish Greyhound Derby Finalist Gaytime Hawk and the Ger McKenna/Seamus Graham Plate winner Laughill Duke.

The Final of the Con and Annie Kirby Memorial 525 took place at Limerick Greyhound Stadium in April and victory went to the Brendan Matthews owned and trained, strong running Cable Bay in a time of 28.11. This Final produced a Boylesports Irish Greyhound Derby Finalist in Cable Bay, a Bank of Ireland Finance Produce Stakes Finalist, a Boylesports Race of Champions winner and an ECC Timber Champion 550 winner in Rural Hawaii and also a Bank of Ireland Finance Produce Stakes Semi-Finalist in Country Legend. Rural Hawaii went onto win the 2016 Boylesports Irish Greyhound Derby.

Also run in April was the Final of the GAIN sponsored Irish Cesarewitch which was run over 600 Yards at Mullingar Greyhound Stadium and went to the Pat Buckley trained odds-on chance Paradise Maverik, who went through the event unbeaten, in a time of 32.71 (.80slow). Paradise Maverik went on to reach the Semi-Final of the William Hill English Greyhound Derby in June and the Final of the Doire Construction Champion Stakes in July.

The Irish Independent Laurels at Curraheen Park had an April-May setting in 2015 and the Final was won in trap to line fashion by the Maurice O'Connor trained Midtown Raffa in a time of 28.31. Midtown Raffa went on to contest the Final of the Doire Construction Champion Stakes in July.

The Murt Leahy trained Ballybough Mondo was a Classic winner at Clonmel in June when winning the Bank of Ireland Finance Produce Stakes in a time of 28.55. Amazing Dude gave an eye-catching display in this event in the Third Round when recording a fantastic 28.23.

A bitch to really light up Shelbourne Park in 2015 was the Graham Holland trained Ballydoyle Honey which won the Healthcare and Transport Services Oaks at the venue prior to going unbeaten through the Sporting Press Irish Oaks, recording times of 27.95 and 28.09 in the event, and then really showed her versatility when winning the Billy Mulvaney Snr and Jnr Memorial over the 600 Yards distance in October.

The Liam Dowling owned and trained Ballymac Matt went unbeaten through the GAIN Open 600 at Shelbourne Park in June and the well fancied favourite led early to card a time of 32.13 when winning the Final. Ballymac Matt would go on to win the Boylesports Irish Greyhound Derby at this venue in September.

The country's Top Stayers took centre stage in July with the running of the GAIN Dog Food Corn Cuchulainn at Harold's Cross Greyhound Stadium. Success in this event, which is run over 750 Yards, also went to Liam Dowling with, the strong staying, Ballymac Bonnie winning the Final in a time of 41.26. This lady would go on and beat some of the top staying greyhounds in the UK in August when going unbeaten through the TV Trophy in which she broke the track record in the First Round.

August was a month for our Sprinters with the Final of the Bar One Racing Irish Sprint taking place at Dundalk Greyhound Stadium over 400 Yards. This event was won by the Gerry Holian trained outsider Slipalong Hero who led early and held on to win in a time of 21.31. The David Kennedy trained Trinity Forest caught the eye in earlier rounds of this event when winning in 21.13 and 21.08.

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RACING REVIEW 2015 continued

The highlight of the Irish Greyhound Racing Calendar was held at Shelbourne Park in September with the running of the Boylesports Irish Greyhound Derby which was run over 550 Yards. The Liam Dowling trained Ballymac Matt stayed on strongly in the closing stages of the Final to reel in the Owen McKenna trained, early leader, Farloe Blitz in a time of 29.63 with another Owen McKenna trained runner, Farloe Rumble, finishing third. Just a little over 4 lengths separated the six finalists at the winning line.

Mr. Liam Dowling, again hit the headlines in October when his home bred Anophles won the Dublin Coach Juvenile Derby Final at Harold's Cross Greyhound Stadium. Again, stamina was the winner here with Anopheles getting up late to beat the Ian Reilly trained, early pacer, Hee Haws Sheriff by half a length in a time of 28.84 (.30s) with the Paul Hennessy trained Jaytee Dutch just a short head further back in third place. Hee Haws Sheriff went on to win the GAIN Feeds Select Stakes at Waterford the following month.

The Kerry Agri-Business St. Leger, the final Classic of the year (on the flat), was run at Limerick Greyhound Stadium throughout October and outright honours went to the Pat Guilfoyle trained, strong running, Skywalker Rory in a time of 29.47 with the Gallivan-Murphy-Hooper-Dolan Juvenile Unraced Classic winner, Sidarian Vega, finishing runner-up. Derby Finalist Peregrine Falcon also contested the Final of this event.

The Harold's Cross Irish Grand National which was run at the end of 2015 catered for our hurdlers and victory in this event went to the Pat Kiely trained Comeout Russell who came from behind to win the Final in a time of 29.43. Previously this greyhound had broken the track record over hurdles at Cork when winning the Final of the Rockbay Munster Hurdle in a time of 28.59 (.20f).

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CONTROL COMMITTEE / CONTROL APPEAL COMMITTEE

Bord na gCon established an independent Control Committee and Control Appeal Committee in June 2007 to adjudicate on all matters concerning the integrity of greyhound racing. The Control Committee is comprised of well-known and respected people from the industry. Details of membership during 2015 are as follows:

- Mr. Gerald Meaney, B.A L.L.B., Chairman
- Mr. Alan Keenan
- Mr. Patrick Durne M.R.C.V.S.
- Mr. Thomas J. Mulligan
- Mr. Diarmuid O'Neill

Meetings of the Control Committee take place on a regular basis and greatly enhance the independence of the disciplinary structure within greyhound racing and this, together with the Board's extensive prohibited substance testing regime, enhances public confidence in greyhound racing as a clean sport.

The action or sanction taken in any particular case is a matter entirely for the Control Committee within the Regulations. All decisions of the Control Committee, whereby a person is found guilty of an offence, are published in accordance with Article 8(6) of the Greyhound Industry (Control Committee and Control Appeal Committee) Regulations 2007.

The independent Control Appeal Committee determines appeals made to it pursuant to Article 14 of the Greyhound Industry (Control Committee and Control Appeal Committee) Regulations 2007. Details of membership during 2015 are as follows: -

- Mr. Frank O'Leary, M.R.C.V.S., Chairman
- Ms. Fiona Hughes, M.R.C.V.S.
- Mr. Pat Barriscale, B.C.L., B.L.

Substances which cannot be traced back to normal feeding are considered prohibited. The high level of testing conducted by the Board is significant in comparison to other sporting authorities and is a measure of the Board's commitment to integrity management.

**AUDIT REPORT
& GROUP FINANCIAL STATEMENTS**

Bord na gCon Annual Report 2015

MEMBERS AND OTHER INFORMATION

Bord na gCon (Irish Greyhound Board) was established pursuant to the Greyhound Industry Act 1958.

Members of the Board	Phil Meaney (Chairman) Billy O Dwyer Tim Gilbert (Term Completed 01 December 2015) Tony McNamee (Term Completed 01 December 2015) Mattie Murphy Riona Heffernan Colm Gaynor Pat Creed (Appointed 21 December 2015) Frank Nyhan (Appointed 21 December 2015)
Chief Executive Officer	Geraldine Larkin
Registered office	Greenpark Dock Road Limerick
Auditors	Comptroller and Auditor General, 3A Mayor Street Upper, Dublin 1
Bankers	Allied Irish Bank plc. Bank of Ireland plc.
Solicitors	Holmes O'Malley Sexton Bishopsgate Henry Street Limerick

Bord na gCon Annual Report 2015

BOARD MEMBERS REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Board Members present their report and the audited financial statements for the financial year ended 31 December 2015. Bord na gCon is a body corporate created to fulfil the functions assigned to it by the Greyhound Industry Act 1958. No constitutional changes are required by the Companies Act 2014.

The Financial Statements for the financial year ended 31 December 2015 have been prepared in accordance with FRS 102 and the comparative figures for the financial year ended 31 December 2014 were restated where necessary. Note 2 summarises the effect of FRS 102 on the comparative numbers.

1. Principal Commercial Activities and Review of the Business

The principal commercial activities of the Group continue to be:

- Operation of a totalisator at race meetings;
- Operation of race-stadia together with complementary ancillary services.

In January 2015, management of food and beverage operations in nine Board operated tracks was transferred to Abargrove Limited (Trading as Events & Hospitality Services), a wholly owned subsidiary of Bord na gCon. Except for this event there have been no other significant changes in activities during the year.

Funds generated from these activities along with the allocation from the Horse and Greyhound Racing Fund are re-invested in the industry through

1. Contributions to prizemoney,
2. Grants to various bodies involved in the greyhound racing and breeding industry.
3. Promotion of greyhound welfare
4. Administration and regulation of the industry including the operation of the national drug testing laboratory.

Permanent retirement of bank debt, addressing the deficit on the Bord na gCon defined benefit pension scheme and stabilisation of the commercial activity of Bord na gCon are key financial objectives of the strategic initiatives being implemented by Bord na gCon.

Bord na gCon repaid €1.35m off their bank loans during 2015 from operational cash flows including net proceeds from the sale of the former head office in Henry Street Limerick. The Board do not have any capital commitments at 31 December 2015. At the end of the year the group has assets of €64,260,230 and liabilities of €36,455,355.

Key Summary Financial Performance for 2015	2015	2014
Total Prizemoney and incentives	€6,672,752	€7,543,505
Prize money Contributions from owners & sponsors	€1,966,427	€2,031,641
Operating Surplus	€2,305,720	€698,920
Attendance at greyhound race meetings	635,289	644,389
Number of race meetings held	1,642	1,736
Average attendance per race meeting	387	371

Bord na gCon Annual Report 2015

BOARD MEMBERS REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (continued)

2. Subsidiaries

Information provided in respect of the subsidiary companies is as set out in note 11 of the financial statements.

3. Members of the Board

The Board held 17 meetings during 2015 and the members who held office during the year along with their meeting attendances was as follows:

Member	No. of meetings
Phil Meaney	17
Billy O Dwyer	17
Tim Gilbert (Term Completed 01 December 2015)	16
Tony McNamee (Term Completed 01 December 2015)	14
Mattie Murphy	17
Riona Heffernan	14
Colm Gaynor	15
Pat Creed (Appointed 21 December 2015)	1
Frank Nyhan (Appointed 21 December 2015)	1

Bord na gCon is a body corporate created by the Greyhound Industry Act 1958, it has no shares/debentures in issue. Board members hold no interest in any of the Board's subsidiaries.

4. Health & Safety

The wellbeing of Bord na gCon's employees is safeguarded through adherence to health and safety standards throughout all company locations. Board members are cognisant of their responsibilities under the Safety, Health & Welfare at Work Act 2005 and the Safety, Health & Welfare at Work Regulations 2007 and have a designated Health and Safety Manager. There were no reportable accidents in 2015.

5. Future Developments

The Board are not expecting to make any significant changes in the nature of the business in the immediate future.

6. Accounting Records

The measures that the Board have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of accounting personnel and maintenance of computerised accounting systems. The Board's accounting records are maintained at their offices at Greenpark, Dock Rd, Limerick.

7. Subsequent Events

No material events have occurred after the Statement of Financial Position date which requires additional disclosure.

8. Auditor

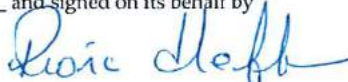
In accordance with the Horse and Greyhound Racing Act 2001, the Comptroller and Auditor General have responsibility for the audit of Bord na gCon.

This report was approved by the Board on 07/12/2016 and signed on its behalf by



Phil Meaney
Chairman

Date 07 December 2016



Riona Heffernan
Board Member

Date 07 December 2016

Bord na gCon Annual Report 2015

STATEMENT OF BOARD MEMBERS RESPONSIBILITIES

The Board are responsible for preparation of the Board Members' report and the financial statements, which give a true and fair view of the state of affairs of Bord na gCon and the results of the Group for the period under review and subject to the Board members report.

In preparing these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.
- state whether the financial statements have been prepared with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards.

The Board are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time, the financial position of the Board and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland.

The Board are also responsible for safeguarding the assets of the company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Board on 07/12/2016 and signed on its behalf by



Phil Meaney
Chairman

Date 07 December 2016



Riona Heffernan
Board Member

Date 07 December 2016



Bord na gCon

I have audited the financial statements of Bord na gCon for the year ended 31 December 2015 under the Horse and Greyhound Racing Act 2001. The financial statements comprise the group statement of income and expenditure, the group statement of comprehensive income, the group statement of financial position, the Bord na gCon statement of financial position, the group statement of cash flows, the group statement of changes in capital and reserves, the Bord na gCon statement of changes in capital and reserves and the related notes. The financial statements have been prepared in the form prescribed under Section 14 of the Act, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Board

The Board is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to Bord na gCon's circumstances, and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read Bord na gCon's annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the financial statements

In my opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and of Bord na gCon as at 31 December 2015 and of the group surplus for 2015; and
- have been properly prepared in accordance with generally accepted accounting practice.

In my opinion, the accounting records of Bord na gCon were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

Going Concern

Without qualifying my opinion, I draw attention Note 24 to the financial statements. The note discloses that the Board considers that preparation of the financial statements on the going concern basis remains appropriate based on ongoing state funding, increases in profit from racing facilities, new income streams, the continuation of the Board's bank borrowing facilities and future sale of assets in accordance with its asset disposal strategy.

Matters on which I report by exception

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in Bord na gCon's annual report is not consistent with the related financial statements or with the knowledge acquired by me in the course of performing the audit, or
- the statement on internal financial control does not reflect Bord na gCon's compliance with the Code of Practice for the Governance of State Bodies, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

Seamus McCarthy
Comptroller and Auditor General
23 December 2016

Bord na gCon Annual Report 2015

STATEMENT OF INTERNAL FINANCIAL CONTROL

On behalf of the Board Members of Bord na gCon, I acknowledge our responsibility for ensuring a system of internal financial control is operated and maintained.

The system of internal financial control is such that it provides reasonable, but not absolute assurance that assets of Bord na gCon are safeguarded; that financial transactions are authorised and properly recorded and that material errors or irregularities are detected and addressed in a timely manner.

The key procedures which have been put in place by the Board are designed to provide effective and appropriate internal financial controls, include:

- A clearly defined organisational structure within Bord na gCon and its subsidiaries, with clarity on management responsibilities and powers;
- An expected level of accountability across all levels of the organisation;
- A Code of Ethics for all employees and the Board to maintain the highest ethical standards in conducting business;
- Clearly defined policies and procedures throughout the organisation to monitor activities and safeguard the assets of all companies within the organisation;
- Procedures for reporting and investigating significant control failures to ensure that appropriate corrective action is taken on a timely basis. This is overseen by the Internal Audit function and reported to the Board by the Chair of the Audit Committee. The Audit Committee works to a Board approved charter.

A formal process to identify and evaluate organisation business risks is in place which is supported by a risk committee and risk policy issued in 2015. The Risk Management Committee meets regularly and the Risk Register is reviewed by the Audit Committee at each meeting. Critical risks are reviewed at Board meetings on an on-going basis.

The system of internal financial control is built on a framework of:

- Regular financial information;
- Administrative procedures including segregation of duties and responsibilities and a system of delegation and accountability;
- A comprehensive budgeting system with a detailed review process by executives and signed off by the Board;
- Regular reviews by the Board of financial reports and key actual performance activity with performance measured against budgets;
- Clearly defined capital investment expenditure control procedures;
- Adherence to the fraud policy which addresses the responsibility of staff and management for the detection and reporting of fraud or suspected fraud.

Bord na gCon has an outsourced Internal Audit Function which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice on the Governance of State Bodies and which reports directly to the Audit Committee and in turn to the Board of Bord na gCon. This formal internal audit work provides independent assurance to the Board that the Internal Financial Control processes remain effective. The Internal Audit plans are carried out based on a risk analysis of activity and expenditure and the plans are pre-approved by the Audit Committee on behalf of the Board. In 2015, four Audit Committee meetings were held. The Internal Auditor conducted track audits and a number of subsequent follow up audits during 2015. Internal Audit also completed a review of the Internal Financial Control Questionnaire for the group along with other assignments agreed as part of the internal audit plan.

In November 2015 following a tender process the committee appointed Mazars as the new Internal Auditors of the group. Mazars who are registered independent auditors with extensive experience in the internal audit field, will assist in all internal audit activities. The audit committee welcomes the involvement of this firm and acknowledges the work conducted by AMQ Financial Services Ltd during their tenure.

Bord na gCon Annual Report 2015

STATEMENT OF INTERNAL FINANCIAL CONTROL (continued)

Further advances were made in procurement during 2015 and work continued ensuring compliance with procurement guidelines. Group procurement policies and procedures are continually being reviewed to ensure compliance with European and National legislative frameworks and the Code of Practice for the Governance of State Bodies. During the year 32 procurement projects were started and completed.

Beverage products

A Contract for exclusivity of supply of beverage products to IGB Stadia was completed, on 1st July 2015, following a tender process. Rather than advertise this contract direct contact was made to all of the specialist suppliers that could service the requirement of the tender. As part of this procurement process IGB invited proposals, from three companies for exclusivity of supply in various beverage categories from companies that could execute the contract based on exclusive licensing rights to beverages within their portfolio, technical equipment and the delivery network they had in place for nationwide delivery. The most economically advantageous bid was accepted and all participants in the process were informed of the outcome.

The Board will seek tenders for future beverage contracts by way of advertisement when the current contract expires.

Catering

Following assessment of the options available to the Board for the supply of food and beverage services Bord na gCon, through its subsidiary company Abargrove Limited, took control of food and beverage operations, in February 2015, in nine of the stadia operated by Bord na gCon.

Existing catering contracts had expired or were due to expire and the Board wished to avoid any disruption to stadia food services.

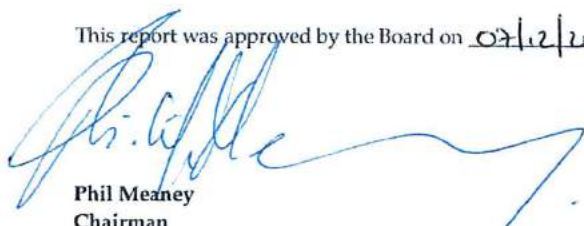
EU procurement rules provide that entities may procure goods and services by way of negotiated procedure without prior publication of an advertisement. This may be done only in so far as is strictly necessary and for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open, restricted or competitive procedures cannot be complied with.

Bord na gCon availed of this exemption and entered into arrangements with suppliers without tendering. The executive sought quotes on a regular basis from suppliers pending the performance of tendering processes.

A number of tenders were conducted during 2016 in relation to procurement of catering products and services. By October 2016, procurement of all goods and services has been regularised.

I confirm that the Board conducted a review of the effectiveness of the system of financial controls for the year ended 31 December 2015.

This report was approved by the Board on 07/12/2016 and signed on its behalf by



Phil Meaney
Chairman

Date 07 December 2016

Bord na gCon Annual Report 2015

GROUP STATEMENT OF INCOME & EXPENDITURE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Notes	2015 €	2014 €
Total turnover from racing activities	5	28,155,589	25,020,252
Winnings paid on Tote wagering		(15,189,837)	(15,311,299)
Operating costs of racing activities	7	<u>(12,348,250)</u>	<u>(8,903,528)</u>
Total tote and race related operating costs		<u>(27,538,087)</u>	<u>(24,214,827)</u>
Surplus from racing activities		617,502	805,425
Other Income			
Allocation from the Horse & Greyhound Racing Fund		13,600,000	10,844,000
Prizemoney contributions from owners and sponsors		1,966,427	2,031,641
Media and other income		100,138	329,221
	5	<u>15,666,565</u>	<u>13,204,862</u>
Expenditure			
Contribution to Prizemoney		4,566,713	5,364,436
Incentive Schemes		139,612	147,428
Contributions to prize money from owners & sponsors		1,966,427	2,031,641
Racing regulation, laboratory integrity & governance		1,845,035	1,688,691
Grant assistance to private stadia		282,061	287,730
Contributions to greyhound welfare & Irish Retired Greyhound Trust		206,381	221,051
Information technology		782,055	686,178
Bord na gCon administration costs		1,298,456	1,157,502
Legal and professional fees		1,443,727	587,528
Board salaries and expenses		131,234	138,323
Marketing and promotion		1,316,646	1,000,859
Total expenditures including prize money contributions		<u>13,978,347</u>	<u>13,311,367</u>
Group Operating Surplus before Interest, Depreciation & Taxation	6	<u>2,305,720</u>	<u>698,920</u>
Depreciation	9	(2,170,941)	(2,150,998)
Capital Grants Amortised		1,728,301	1,736,557
Interest on Loans		(479,152)	(492,299)
Profit on Disposal of Property, plant and equipment		36,898	3,500
Defined Benefit Pension Costs		<u>(1,078,226)</u>	<u>(880,311)</u>
Surplus / (Deficit) before taxation		342,600	(1,084,631)
Taxation		-	-
Loss Attributable to Minority Interest		96,143	82,525
Group Surplus / (Deficit) for Year		<u>438,743</u>	<u>(1,002,106)</u>
Opening Revenue Reserves at 1 January		<u>(392,189)</u>	<u>609,917</u>
Closing Revenue Reserves at 31st December		<u>46,554</u>	<u>(392,189)</u>


All income and expenditure for the year relates to continuing activities at the Statement of Financial Position reporting date

The Statement of Cash Flows, accounting policies and notes 1 to 26 form part of these financial statements.

Approved by the Board on 07/12/2016 and signed on its behalf by:


Phil Meaney
Chairman

Date: 07 December 2016


Riona Heffernan
Board Member

Date: 07 December 2016

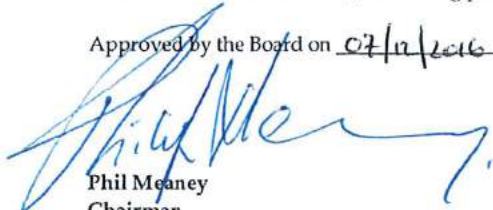
Bord na gCon Annual Report 2015

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Notes	2015 €	2014 €
Surplus / (Deficit) for the year		438,743	(1,002,106)
Pension scheme Movements:			
Actual return less expected return on schemes assets	18	(152,000)	1,149,000
Experience Gain and Loss	18	531,000	287,000
Changes in assumptions	18	2,118,000	(4,461,000)
Actuarial (loss) / Gain recognised in the pension scheme		2,497,000	(3,025,000)
Total comprehensive income for the year		2,935,743	(4,027,106)

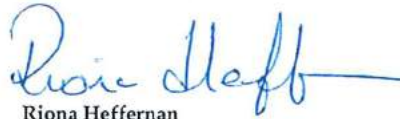
The Statement of Cash Flows, accounting policies and notes 1 to 26 form part of these financial statements.

Approved by the Board on 07/12/2016 and signed on its behalf by:



Phil Meaney
Chairman

Date 07 December 2016



Riona Heffernan
Board Member

Date 07 December 2016

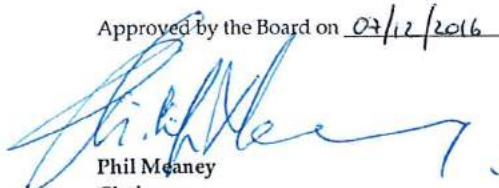
Bord na gCon Annual Report 2015

GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	2015		2014	
		€	€	€	€
Fixed assets					
Property, plant and equipment	9		60,771,815		62,890,932
Intangible assets	10		12,900		17,200
Financial assets	11		5,951		5,951
			<u>60,790,666</u>		<u>62,914,083</u>
Current assets					
Inventory	12	445,913		142,886	
Trade and Other Receivables	13	2,127,264		1,950,171	
Cash and Cash Equivalents		896,387		880,169	
		<u>3,469,564</u>		<u>2,973,226</u>	
Liabilities: amounts falling due within one year	14	<u>(6,719,574)</u>		<u>(6,118,033)</u>	
Net current liabilities			<u>(3,250,010)</u>		<u>(3,144,807)</u>
Total assets less current liabilities			57,540,656		59,769,276
Liabilities: amounts falling due after more than one year					
Net Pension (liability)	18		<u>(8,138,000)</u>		<u>(10,365,000)</u>
Net assets			<u>27,804,875</u>		<u>26,693,576</u>
Capital and reserves					
Revenue reserve			46,554		(392,189)
Capital Reserve	19		33,571,464		35,253,555
Other Reserves	20		1,433,177		1,433,177
Pension Reserve			<u>(8,309,000)</u>		<u>(10,806,000)</u>
			26,742,195		25,488,543
Minority Interest	17		<u>1,062,680</u>		<u>1,205,033</u>
			<u>27,804,875</u>		<u>26,693,576</u>

The Statement of Cash Flows, accounting policies and notes 1 to 26 form part of these financial statements.

Approved by the Board on 07/12/2016 and signed on its behalf by:



Phil Meaney
Chairman

Date 07 December 2016



Riona Heffernan
Board Member

Date 07 December 2016

Bord na gCon Annual Report 2015

BORD na gCON STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	2015		2014	
		€	€	€	€
Fixed assets					
Property, plant and equipment	9		797,502		1,543,489
Intangible assets	10		12,900		17,200
Financial assets	11		<u>14,259,461</u>		<u>11,567,559</u>
			15,069,863		13,128,248
Current assets					
Inventory	12	89,860		80,463	
Trade and Other Receivables	13	1,308,680		841,463	
Cash and Cash Equivalents		<u>473,828</u>		<u>709,571</u>	
		1,872,368		1,631,497	
Liabilities: amounts falling due within one year	14	<u>(11,901,603)</u>		<u>(10,847,019)</u>	
Net current liabilities			<u>(10,029,235)</u>		<u>(9,215,522)</u>
Total assets less current liabilities			5,040,628		3,912,726
Liabilities: amounts falling due after more than one year	15		<u>(21,597,781)</u>		<u>(22,710,700)</u>
Net assets			<u>(16,557,153)</u>		<u>(18,797,974)</u>
Capital and reserves					
Revenue Reserve			2,340,389		98,298
Capital Reserve	19		(20,167,280)		(20,166,010)
Other Reserves	20		<u>1,269,738</u>		<u>1,269,738</u>
			<u>(16,557,153)</u>		<u>(18,797,974)</u>

Accounting policies and notes 1 to 26 form part of these financial statements.

Approved by the Board on 07/12/2016 and signed on its behalf by:



Phil Meaney
Chairman

Date 07 December 2016



Riona Heffernan
Board Member

Date 07 December 2016

Bord na gCon Annual Report 2015

GROUP STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015	Notes	2015 €	2014 €
Cash flow from operations			
Cash flows from operating activities	21	1,282,454	424,191
Taxation		-	-
Net cash generated from operating activities		<u>1,282,454</u>	<u>424,191</u>
Cash flows from investing activities			
Purchase of equipment		(716,384)	(464,647)
Proceeds from disposal of fixed asset		701,458	3,500
Net cash used in investing activities		<u>(14,926)</u>	<u>(461,147)</u>
Cash flows from financing activities			
Interest (paid)		(479,497)	(576,421)
(Repayments)/ of loans & overdrafts		(771,813)	352,128)
Net cash generated / used in financing activities		<u>(1,251,310)</u>	<u>(224,293)</u>
Net Cash increase / (decrease) in cash & cash equivalents	22	<u>16,218</u>	<u>(261,249)</u>
Cash & cash equivalent at 1 January 2015		<u>880,169</u>	<u>1,141,418</u>
Cash & cash equivalent at 31 December 2015	22	<u><u>896,387</u></u>	<u><u>880,169</u></u>

Accounting policies and notes 1 to 26 form part of these financial statements.

Approved by the Board on 07/12/2016 and signed on its behalf by:



Phil Meaney
Chairman

Date 07 December 2016



Riona Heffernan
Board Member

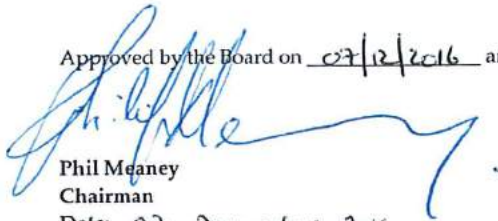
Date 07 December 2016

Bord na gCon Annual Report 2015

Group Statement of Changes in Capital and Reserves as at 31 December 2015

Notes	Revenue Reserve €	Capital Reserve €	General Reserve €	Pension Reserve €	Minority Interest €	Total €
Balance at 1 January 2015	(392,189)	35,253,555	1,433,177	(10,806,000)	1,205,033	26,693,576
Movement in Capital Reserve	19 -	(1,682,091)	-	-	-	(1,682,091)
Group surplus for the year	438,743	-	-	-	-	438,743
Movement in Minority Interest	17 -	-	-	-	(142,353)	(142,353)
Actuarial Gain	18 -	-	-	2,497,000	-	2,497,000
	<u>46,554</u>	<u>33,571,464</u>	<u>1,433,177</u>	<u>(8,309,000)</u>	<u>1,062,680</u>	<u>27,804,875</u>

Approved by the Board on 07/12/2016 and signed on its behalf by:


 Phil Meaney
 Chairman
 Date: 07 December 2016


 Riona Heffernan
 Board Member
 Date: 07 December 2016

Bord na gCon Annual Report 2015

Bord na gCon Statement of Changes in Capital and Reserves as at 31 December 2015

	Notes	Revenue Reserve €	Capital Reserve €	General Reserve €	Total €
Balance at 1 January 2015		98,298	(20,166,010)	1,269,738	(18,797,974)
Movement in Capital Reserve	19	-	(1,270)	-	(1,270)
Surplus for the year attributable to Bord na gCon	6	2,242,091	-	-	2,242,091
		<u>2,340,389</u>	<u>(20,167,280)</u>	<u>1,269,738</u>	<u>(16,557,153)</u>

Approved by the Board on 07/12/2016 and signed on its behalf by:



Phil Meaney
Chairman

Date: 07 December 2016



Riona Heffernan
Board Member

Date: 07 December 2016

Bord na gCon Annual Report 2015

Statement of Accounting Policies

1. Accounting policies

1.1 General Information

Bord na gCon is a body corporate created under Irish legislation to fulfil the functions assigned to it by the Greyhound Industry Act 1958. It is domiciled in Ireland and the group is tax resident in Ireland.

Bord na gCon is involved in operating race stadia together with complementary ancillary services at 10 race venues along with the operation of a totalisator at race meetings from all licensed 17 stadia. Central activities are located at Greenpark, Dock Road, Limerick. Bord na gCon considers itself a Public Benefit Entity.

The financial statements have been prepared under the Historical cost convention, modified to include certain items at fair value in accordance with FRS 102 issued by the Financial Reporting Council. These are the Group's first set of financial statements prepared in accordance with FRS 102.

In 2015, the Board took over the operation of its catering facilities at stadia which had previously been provided by outsourced providers. Up to 2015, the net amount received from the outsourced provider was recognised as part of track income. From 2015, all turnover and costs associated with catering facilities are fully recognised in the financial statements.

The significant accounting policies adopted by the group and applied consistently in the preparation of these financial statements are set out below.

1.2 Basis of Consolidation

The group financial statements comprise the financial statements of Bord na gCon and its subsidiaries. The financial statements of the Board's associated company - Kilkenny Greyhound Racing Company Limited - are not dealt with in these financial statements as the amounts involved are not material. The accounting dates of all subsidiary companies are coterminous with that of Bord na gCon.

1.3 Revenue

Turnover represents revenue from race meetings and other ancillary services including, bar and restaurant operations, plus turnover generated through percentage deduction from totalisator pools, turnover generated through charges on on-course bookmaker betting, and Exchequer funding.

1.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes all costs that are directly attributable to bringing the asset into working condition for its intended use.

The board conducted a review for impairment during 2015. This review compares the carrying value of an asset with the higher of market value of the asset or the value in use - the present value of future cash flows deriving from the asset under review. The calculation of value in use is carried out at the level of the income generating unit. The Board considers that given the interdependency between its stadia, the income generating unit is the combined group from all stadia.

Where asset impairment occurs, it is recognised in the Group Income & Expenditure account and allocated to the individual subsidiaries on a proportional basis. The board does not recognise impairment of individual assets within the group or stadia that are offset by excess of valuation over carrying value in the stadia. Key assumptions underpinning the review of impairment include

- Planned reductions in the extent of track operational losses through improved commercial performance accompanied by the adjustment of the racing schedule,
- Increased profits from the traditional Board's Tote operations,
- Increases in contributions from new betting and other products / services,
- Budgeted proceeds from the Board's disposal programme.
- The stadia will be maintained to a high standard and the value will be maintained.

Bord na gCon Annual Report 2015

Statement of accounting policies (continued)

The review of valuation in relation to assets other than the Board's stadia is conducted on an individual asset basis.

Depreciation

Freehold land is not depreciated. Depreciation on the remaining assets is calculated by equal instalments so as to provide for their cost over the period of their expected useful lives at the following annual rates:

Freehold Land	-	NIL
Freehold & Leasehold Premises	-	2%
Totalisator Buildings	-	10%
Totalisator Equipment	-	20%
Track Equipment, Furniture and Fittings	-	10%
Leased Tote Equipment	-	10%
Computer Equipment	-	20%
Motor Vehicles	-	20%

The groups' policy is to review the remaining economic lives and residual values of property, plant and equipment on an on-going basis and to adjust the depreciation charge to reflect the remaining estimated life and residual value.

Fully depreciated assets are retained in the cost of assets and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the income and expenditure account.

1.5 Goodwill

The cost of purchased goodwill is shown as an intangible asset in the Statement of Financial Position, negative goodwill is released to the Group Statement of Income and Expenditure in the period in which the non-monetary assets are recorded.

Goodwill is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

1.6 Inventories

Inventories comprise consumable items and goods held for resale. Inventories are stated at the lower of cost and net realisable value. Cost is calculated on a first in, first out basis and includes invoice price and transportation costs. Net realisable value comprises the actual or estimated selling price less all further costs to completion or to be incurred in marketing, selling and distribution.

At the end of each reporting period inventories are assessed for impairment. Any impairment charge is recognised in the Group Statement of Income and Expenditure. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the Group Statement of Income and Expenditure.

1.7 Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

1.8 Trade Payables

Trade payable are classified as current if payable within one year or less. If not, they are presented as non-current liabilities.

Bord na gCon Annual Report 2015

Statement of accounting policies (continued)

1.9 Borrowings

Borrowings are recognised initially at the transaction price (present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised as interest is charged and incurred. Interest charged is included in finance costs.

Borrowings are classified as current liabilities unless the group has a right to defer settlement of the liability for at least 12 months after the reporting date.

1.10 Leases

Finance Leases

Leases in which substantially all the risks and rewards of ownership are transferred by the lessor are classified as finance leases.

Property, plant and equipment acquired under finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments and are depreciated over the shorter of the lease term and their useful lives. The capital element of the lease obligation is recorded as a liability and the interest element of the finance lease rentals is charged to the Group Statement of Income & Expenditure on an annuity basis. Each lease payment is apportioned between the liability and finance charges using the effective interest method.

Operating Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charges to the Group Statement of Income and Expenditure on a straight - line basis over the period of the lease.

1.11 Taxation

The company is managed and controlled in the Republic of Ireland, and is tax resident in Ireland. Tax is recognised in the Group Statement of Income and Expenditure, except to the extent that it relates to items recognised in the Statement of Comprehensive Income or directly in equity. In these cases, the tax effect of these items is also recognised in the Statement of Comprehensive Income or equity respectively.

(i) *Current Tax*

Current tax is calculated on the profits of the period. Current tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date.

(ii) *Deferred Tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Current or deferred tax assets and liabilities are not discounted.

1.12 Oireachtas Grants

Allocations from the Horse & Greyhound Racing Fund are treated as revenue grants and credited to the Group Statement of Income & Expenditure when received.

Bord na gCon Annual Report 2015

Statement of accounting policies (continued)

1.13 Employee Benefits

The group provides a range of benefits to employees, including paid holiday arrangements, a defined contribution pension plan and a defined benefit pension plan.

(i) *Short Term Benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) *Defined Contribution Pension Plan (PRSA)*

The company operates a defined contribution plan and a Personal Retirement Savings Account (PRSA). Under both plans the company pays fixed contributions into a separate fund. The company pays contributions to privately administrated pension plans on a contractual or voluntary basis. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available.

(iii) *Defined Benefit Pension Plan*

The company also operates a defined benefit pension plan. In this instance, pension plan assets are measured at fair value and pension plan liabilities are measured on an actuarial basis using the projected unit method. An excess of plan liabilities over plan assets is presented on the Statement of Financial Position as a liability.

The pension charge in the Statement of Income & Expenditure comprises the current service cost and past service cost. The difference between the expected return on plan assets and the interest cost on the plan liabilities is credited as other finance income. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Comprehensive Income for the year in which they occur.

1.14 Prizemoney

All prizemoney payments are made directly to owners or their nominated representatives by Bord na gCon.

1.15 Contingencies

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote or the possible liability can be quantified. Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefit is probable.

1.16 Capital Reserve

The Capital Reserve represents retained surplus applied for the acquisition of assets including the development of Board owned stadia. Releases are made from this reserve to the Group Statement of Income and Expenditure in line with the depreciation and write down of grant-assisted assets.

Previously the Board has considered funding made available from the Horse and Greyhound Racing Fund to represent compensation for the reduction in on-course bookmaker's levy, funding for prizemoney grants and funding for the development of the industry by way of capital grants. Where funding received exceeded the aggregate of levy compensation, prizemoney grants and capital grants to private stadia, the excess was regarded as a capital grant and transferred to the capital reserve. Where funding received was less than aggregate, a transfer was made from the capital reserve to the revenue reserve. From 2012, the Board has decided not to transfer amounts to the capital reserve where amounts received from the Horse and Greyhound Fund exceeds levy compensation, prizemoney grants and capital grants to private stadia.

Bord na gCon Annual Report 2015

Statement of accounting policies (continued)

2 Transition to FRS 102

Prior to 1st January 2015 the group prepared its financial statements under previously existent Irish GAAP. From 1st January 2015 the group has elected to present its financial statements in accordance with FRS 102 and the Companies Act 2014. No comparative figures in respect of the 2014 financial statements have been restated to reflect the group's adoption of FRS 102 from the date of transition.

In preparing this financial information, the group has applied certain exceptions and exemptions from full retrospective application of FRS 102 as noted below.

Exemptions

2.1 Business Combinations

The company has elected not to apply Section 19 of FRS 102 retrospectively to business combinations effected before 1 January 2014.

2.2 Investments in Subsidiaries

The group has adopted the carrying value of subsidiary investments under Irish GAAP on the date of transition as their deemed cost rather than carrying out a valuation at the date of transition as permitted by FRS 102.

3 FRS 102 Principal Adjustments

Impact

No adjustment was required following the reconciliation of income and expenditure prepared in accordance with Irish GAAP and in accordance with FRS 102 for the year ended 30 December 2015.

A holiday pay provision is included in the financial statements for the year ended 31 December 2015 to the value of €134,000, (31 December 2014, €117,000).

Bord na gCon Annual Report 2015

Statement of accounting policies (continued)

4 Critical Accounting Judgements and Estimates

The preparation of these financial statements requires the Board to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

Judgements and estimates are evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future, the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as below.

(a) Establishing lives for depreciation and amortisation purposes of property, plant & Equipment

Long - lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of total assets. The annual depreciation charge and amortisation of capital reserve depend primarily on the estimated lives of each type of asset and estimates of residual values. The Board regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of useful economic life are included in accounting policies, Note 1.4.

(b) Inventory Provision

The level of provision required is reviewed on an ongoing basis, however no inventory provisions were required for the year ending 31 December 2015 (2014 - €0)

(c) Providing for doubtful debts

The group makes an estimate of the recoverable value of trade and other receivables. The group uses estimates based on historical experience in determining the level of debts, which the group believes will not be collected. These estimates include such factors as the current credit rating of the debtor, the aging profile of the debtor and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an ongoing basis.

(d) Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, advices received from the Board's actuarial advisor and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions
- (iii) health care cost trend rates, the rate of medical cost inflation in the relevant regions.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

5 Turnover

Group turnover is derived from services originating in Ireland and comprises.

Turnover from racing activities is derived from the following:

- i) From January 2015 sales of food and beverages are accounted for within the group. Prior to January 2015 only concession fees, paid by the previous independent caterers was the sole income from these offerings
- ii) turnover from tote and all other track related racing activities,

Turnover for Bord na gCon is derived from the annual allocation the Horse and Greyhound Racing Fund, media income and other sundry income streams

	2015	2014
Class of business	€	€
Food & beverage sales	7,303,224	-
Cost of supply for food & beverage sales	<u>(2,594,434)</u>	-
Gross Profits from food & beverage sales	4,708,790	-
Tote turnover	19,586,685	19,900,138
Bookmaker income	190,077	212,144
Track income	<u>3,670,037</u>	<u>4,907,970</u>
Turnover from racing activities	<u>28,155,589</u>	<u>25,020,252</u>
Allocation from Horse & Greyhound Racing Fund	13,600,000	10,844,000
Prizemoney contributions from owners and sponsors	1,966,427	2,031,641
Media income	40,000	40,000
Other income	<u>60,138</u>	<u>289,221</u>
Turnover for Bord na gCon	<u>15,666,565</u>	<u>13,204,862</u>

For 2015, all food and beverage activities of the group are accounted for through Abargrove Limited, a subsidiary company of Bord na gCon. During 2014 food & beverage concession fees were generated from independent caterers.

6 Group (deficit) / surplus

	2015	2014
Group Surplus before taxation has been arrived at after charging	€	€
Auditors remuneration	87,767	66,594
Depreciation	2,170,941	2,150,998
Group interest payable	479,152	492,299
Redundancy costs	3,259	-
And after crediting		
Amortisation of capital reserve	1,728,301	1,736,557

Legal Matters:

Bord na gCon was party to a settlement in November 2015, of three related High Court cases that have been ongoing since September 2010. Details of the settlement are subject to a confidentiality clause as part of the settlement and the Board are restricted in offering further details of this settlement.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

Note 6 (Continued)

The Chief Executive Officer's remuneration package was as follows:	2015	2014
	€	€
Basic salary	132,920	129,053
Pension contributions	27,691	20,935
	160,611	149,988

2014 CEO remuneration accounts for remuneration of former CEO to January 9 2014, the period of interim CEO and remuneration of the current CEO.

Bord na gCon – Surplus / (Deficit)

The surplus after taxation for the year of the Bord na gCon parent entity is €2,242,091 (2014: €1,096,998). The surplus has been dealt with in the financial statements.

6.1 Remuneration of Board members and expenses

	2015	2014
	€	€
Bord na gCon Group Board members' remuneration:-		
Phil Meaney	21,600	21,600
Teresa Wall (Term completed during 2014)	-	5,250
Billy O Dwyer	12,600	12,600
Tim Gilbert (Term completed 01 December 2015)	11,550	12,600
Frank Nyhan (Appointed 21 December 2015)	-	-
Mattie Murphy	12,600	12,600
Brendan Moore (Resigned during 2014)	-	1,050
Tony McNamee (Term completed 01 December 2015)	11,550	12,600
Pat Creed (Appointed 21 December 2015)	-	-
Riona Heffernan	12,600	11,372
Colm Gaynor	-	-
	82,500	89,672
Bord na gCon Group Board members' Expenses:-		
Board members' travel & subsistence	46,884	47,745
Board's members' meeting expenses	1,850	906
	48,734	48,651

7 Operating costs of racing activities

	2015	2014
	€	€
Tote operations		
Tote operating costs	821,683	808,145
Tote staff costs	1,547,104	1,532,835
Betting collection costs	116,457	118,963
Track operations		
Track operating costs	3,470,368	3,730,411
Track staff costs	2,746,480	2,713,174
Food and Beverage operations		
Direct costs and other operational costs	867,791	-
Food & Beverage staff related costs	2,778,367	-
Total operating costs of racing activities	12,348,250	8,903,528

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

8 Employees

Number of employees - *Full Time Equivalents (FTE's)*

The average monthly number of FTE's employed by the group in the financial year is set out below

	2015	2014
	Number	Number
Bord na gCon & Subsidiaries - full time staff	125	110
Bord na gCon & Subsidiaries - race night casual staff (FTE's)	115	73
	240	183

Total staff costs are comprised of:

	2015	2014
	€	€
Wages, salaries redundancy & expenses	9,328,937	6,721,266
Employers social insurance costs	837,942	597,379
Employers pension contributions to defined contribution & PRSA scheme	147,763	102,634
Defined benefit scheme current service cost	1,078,226	880,311
	11,392,868	8,301,590

Part of the transfer of the Food & beverage operations included the transfer of 57, (full time equivalent) employees. No employee costs were capitalised during the year or in the prior year.

8.1 Total Employee Benefits:

In accordance with Department of Public Expenditure and Reform circular 13/2014 the following outlines the employee benefits greater than €60,000 in 2015:

Employee benefits	Number of employees
60,000 – 70,000	8
70,000 – 80,000	2
80,000 – 90,000	4
90,000 – 100,000	3
100,000 – 110,000	1
110,000 – 120,000	2
120,000 – 130,000	0
130,000 – 140,000	0
140,000 – 150,000	0
150,000 – 160,000	0
160,000 – 170,000	1

Employee benefits include remuneration, pension benefits and other benefits to include benefit in kinds.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

9 Property, Plant and Equipment (Group)

	Freehold Land and Buildings	Leasehold Buildings	Equipment	Motor Vehicles	Total
Cost	€	€	€	€	€
At 1 January 2015	46,309,378	33,062,146	22,328,087	202,638	101,902,249
Additions	-	-	708,384	8,000	716,384
Assets disposed	(563,455)	(403,484)	(630,797)	(101,250)	(1,698,986)
Assets, no longer in use	-	(225,977)	(5,755,826)	-	(5,981,803)
At 31 December 2015	45,745,923	32,432,685	16,649,848	109,388	94,937,844
Depreciation					
At 1 January 2015	6,943,369	12,094,575	19,784,399	188,974	39,011,317
Assets disposed	(178,384)	(129,817)	(625,449)	(101,250)	(1,034,900)
Assets, no longer in use	-	(225,977)	(5,755,352)	-	(5,981,329)
Charge for the year	525,720	1,034,709	602,302	8,210	2,170,941
At 31 December 2015	7,290,705	12,773,490	14,005,900	95,934	34,166,029
Net book values					
At 31 December 2015	38,455,218	19,659,195	2,643,948	13,454	60,771,815
At 31 December 2014	39,366,009	20,967,571	2,543,688	13,664	62,890,932

Property, Plant and Equipment - Bord na gCon

	Freehold Land and Buildings	Leasehold Buildings	Equipment	Motor Vehicles	Total
Cost	€	€	€	€	€
At 1 January 2015	614,608	1,866,021	11,199,419	190,700	13,870,748
Additions	-	-	142,935	-	142,935
Assets disposed	(563,455)	(403,484)	(614,321)	(101,250)	(1,682,510)
Assets, no longer in use	-	(225,977)	(5,755,826)	-	(5,981,803)
At 31 December 2015	51,153	1,236,560	4,972,207	89,450	6,349,370
Depreciation					
At 1 January 2015	204,884	1,245,242	10,700,097	177,036	12,327,259
Assets disposed	(178,384)	(129,817)	(613,245)	(101,250)	(1,022,696)
Assets, no longer in use	-	(225,977)	(5,755,352)	-	(5,981,329)
Charge for the year	12,025	32,595	177,854	6,160	228,634
At 31 December 2015	38,525	922,043	4,509,354	81,946	5,551,868
Net book values					
At 31 December 2015	12,628	314,517	462,853	7,504	797,502
At 31 December 2014	409,724	620,779	499,322	13,664	1,543,489

The cost of the property, plant and equipment included above which have been fully depreciated at 31st December 2015 is €10,310,629 (2014 €16,677,707) for the group and €4,444,513 (2014 €10,811,591) for Bord na gCon.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

Note 9 Property, Plant and Equipment (Group) (continued)

Leasehold buildings include a 999 year licence in respect of the use of a car park at the Limerick Greyhound Stadium for racing events. This asset was purchased in 2008 for €1.1 million and its current carrying value is €0.99m. In 2008 the Board entered into a 30 year agreement with the third party owner of the car park whereby the board would purchase the freehold interest at a fixed price of €925,000 should the third party be unable to use this car park for other developments planned on adjacent lands to Limerick Greyhound Stadium.

Charges on Board Assets - The assets of The Dublin Greyhound & Sports Association Limited, Clonmel Greyhound Stadium, The Waterford Greyhound Race Company (1953) Limited, Shelbourne Greyhound Stadium Limited, Limerick Greyhound Racing Track Limited, Cork Greyhound Race Company Limited and The Kingdom Greyhound Racing Company Limited are held as security for the facilities provided by AIB Bank, to the group.

Property, Plant and Equipment Group (Prior year)

	Freehold Land and Buildings	Leasehold Buildings	Equipment	Motor Vehicles	Total
Cost	€	€	€	€	€
At 1 January 2014	46,309,378	33,062,146	21,863,440	291,988	101,526,952
Additions	-	-	464,647	-	464,647
Disposals	-	-	-	(89,350)	(89,350)
At 31 December 2014	46,309,378	33,062,146	22,328,087	202,638	101,902,249
Depreciation					
At 1 January 2014	6,454,009	11,100,985	19,122,511	272,164	36,949,669
On disposals	-	-	-	(89,350)	(89,350)
Charge for the year	489,360	993,590	661,888	6,160	2,150,998
At 31 December 2014	6,943,369	12,094,575	19,784,399	188,974	39,011,317
Net book values					
At 31 December 2014	39,366,009	20,967,571	2,543,688	13,664	62,890,932

Property, Plant and Equipment - Bord na gCon (Prior Year)

	Freehold Land and Buildings	Leasehold Buildings	Equipment	Motor vehicles	Total
Cost	€	€	€	€	€
At 1 January 2014	614,608	1,866,021	10,876,155	280,050	13,636,834
Additions	-	-	323,264	-	323,264
Disposals	-	-	-	(89,350)	(89,350)
At 31 December 2014	614,608	1,866,021	11,199,419	190,700	13,870,748
Depreciation					
At 1 January 2014	192,860	1,212,175	10,529,141	260,226	12,194,402
On disposals	-	-	-	(89,350)	(89,350)
Charge for the year	12,024	33,067	170,956	6,160	222,207
At 31 December 2014	204,884	1,245,242	10,700,097	177,036	12,327,259
Net book values					
At 31 December 2014	409,724	620,779	499,322	13,664	1,543,489

Impairment Review

Bord na gCon completed an Impairment review of all property, plant and equipment within the Bord na gCon group. This review compared the carrying value of group assets with the greater of (a) market value or (b) the value in use, this being the present value of future cash flows derived from the group assets under review. The 2015 Impairment Review determined that no provision was required. The key assumptions underpinning this assessment are as noted in the accounting policy 1.4. .

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

10 Intangible assets – Group

	Negative		Total
	Goodwill	Goodwill	
Cost	€	€	€
At 1 January 2015	(150,575)	43,000	(107,575)
At 31 December 2015	(150,575)	43,000	(107,575)
Amortisation			
At 1 January 2015	(150,575)	25,800	(124,775)
Charge for year	-	4,300	4,300
At 31 December 2015	(150,575)	30,100	(120,475)
Net book values			
At 31 December 2015	-	12,900	12,900

	Negative		Total
	Goodwill	Goodwill	
Cost	€	€	€
At 1 January 2014	(150,575)	43,000	(107,575)
At 31 December 2014	(150,575)	43,000	(107,575)
Amortisation			
At 1 January 2014	(150,575)	21,500	(129,075)
Charge for year	-	4,300	4,300
At 31 December 2014	(150,575)	25,800	(124,775)
Net book values			
At 31 December 2014	-	17,200	17,200

Bord na gCon	2015	2014
	€	€
Net book value at 1 January	17,200	21,500
Released during the year	(4,300)	(4,300)
	12,900	17,200

During 2008, the greyhound newspaper Greyhound Weekly ceased trading. Bord na gCon had, prior to cessation of trading, advertised in the publication and submitted articles, the publication had a wide circulation within the greyhound community who were particularly interested in the section 'Talking Dogs'. The right and know-how of the 'Talking Dogs' section were purchased by Bord na gCon and are now available on the Bord na gCon website www.igb.ie.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

11 Financial assets

	2015	2014
Group	€	€
Investments	5,951	5,951
Bord na gCon:	€	€
Shares in subsidiaries at cost less amounts written off	244,452	244,452
Long Term Loan to subsidiaries	14,015,009	11,323,107
	14,259,461	11,567,559

Group investments relate to Subsidiary investments in Ballybeggan Park, Kilkenny Greyhound Racing Company Limited and Prize bonds. Details of investments held in subsidiary undertakings are disclosed as follows:

Company	Detail of investment	Principal activity of the company
The Dublin Greyhound & Sports Association Ltd	100% of issued share capital	Management of greyhound racing venue at Harold's Cross, Dublin.
Cork Greyhound Race Company Ltd	100% of issued share capital	Management of greyhound racing venue at Curraheen, Cork.
The Kingdom Greyhound Racing Company Ltd	100% of issued share capital	Management of greyhound racing venue at Tralee, Kerry.
Waterford Greyhound Race Company (1953) Ltd	100% of issued share capital	Management of greyhound racing venue at Kilcohan Park, Waterford.
Youghal Greyhound Race Company Ltd	97.46% of issued share capital	Management of greyhound racing venue at Youghal, Cork.
Limerick Greyhound Racing Track Ltd	100% of issued share capital	Management of greyhound racing venue at Greenpark, Limerick
Mullingar Greyhound Racing Company Ltd	51% of issued share capital	Management of greyhound racing venue at Mullingar Westmeath.
Galway Greyhound Stadium Ltd	100% of issued share capital	Management of greyhound racing venue at Showgrounds Galway.
Shelbourne Greyhound Stadium Ltd	100% of issued share capital	Management of greyhound racing venue at Shelbourne Park Dublin.
Clonmel Greyhound Racing Company Ltd	6,678 €1.27 Ord Shares plus 933 €1.27 Preference Shares	Property holding company of Board property in Clonmel, Tipperary
Abargrove Ltd	100% of issued share capital	Management of Newbridge greyhound racing track plus group food & beverage operations

Republic of Ireland is the country of incorporation for all subsidiary companies. The registered offices for above listed companies is Bord gCon office, Greenpark, Dock Road Limerick

In the opinion of the directors the shares in the company's subsidiaries are worth at least the amounts at which they are stated in the Statement of Financial Position. The following table summarises the commercial activity of each subsidiary

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Notes to the financial statement for the year ended 31 December 2015 (continued)

Note 11 Financial assets (continued)

Commercial activity of subsidiary companies	Year ended 31 December 2015			Year ended 31 December 2014		
	Tote Profit	Track Profit/(Loss)	Capital & Revenue Reserves	Tote Profit	Track Profit/(Loss)	Capital & revenue Reserves
Clonmel Greyhound Racing Company Ltd		Property holding company	925,912		Property holding company	955,672
Abargrove Ltd	64,725	(307,912)	217,990	82,228	(212,870)	525,902
Cork Greyhound Race Company Ltd	310,015	(221,522)	2,372,842	336,637	(171,408)	2,594,364
Galway Greyhound Stadium Ltd	169,850	(233,645)	(1,134,809)	183,798	(221,755)	(901,164)
The Dublin Greyhound & Sports Association Ltd	331,760	(53,575)	(970,687)	302,576	(131,146)	(917,112)
The Kingdom Greyhound Racing Company Ltd	130,449	(135,556)	(1,040,903)	139,913	(131,837)	(905,347)
Limerick Greyhound Racing Track Ltd	183,867	(359,254)	(3,567,935)	210,052	(347,692)	(3,208,721)
Shelbourne Greyhound Stadium Ltd	725,478	174,997	4,570,480	645,660	97,816	4,395,483
Waterford Greyhound Race Company (1953) Ltd	101,984	(139,974)	(1,971,109)	94,257	(257,539)	(1,831,135)
Youghal Greyhound Race Company Ltd	5,530	(150,522)	(772,017)	9,903	(134,095)	(621,495)
Mullingar Greyhound Racing Company Ltd	116,245	(196,212)	(323,340)	136,504	(170,118)	(127,128)

Bord na gCon Tote Operation is subject of a sole licence and is reported through Bord na gCon. Privately run stadia generated an operating surplus of €293,433 (2014: €293,760).

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Notes to the financial statement for the year ended 31 December 2015 (continued)

12 Inventories	2015	2014
	€	€
Groups		
Totalisator, track equipment	135,164	138,501
Food & beverage Inventory	306,364	-
Sundry consumable Inventory	4,385	4,385
	<u>445,913</u>	<u>142,886</u>
	2015	2014
	€	€
Bord na gCon		
Totalisator and track Equipment	85,475	76,078
Sundry expenses Inventory	4,385	4,385
	<u>89,860</u>	<u>80,463</u>

The net replacement cost of inventory is not expected to be materially different from that shown above.

13 Trade and other Receivables	2015	2014
	€	€
Group		
Trade and Other Receivables & prepayments	1,963,185	1,931,739
Other Receivables	1,277	5,553
Vat recoverable	162,802	12,879
	<u>2,127,264</u>	<u>1,950,171</u>
	2015	2014
	€	€
Bord na gCon		
Trade and Other Receivables & prepayments	1,150,428	841,330
VAT repayable	158,119	-
Other Receivables	133	133
	<u>1,308,680</u>	<u>841,463</u>

Trade and other receivables includes €544,363 (2014 - €480,943) due from two stadia operated by private enterprises and licensed by Bord na gCon. These balances are subject to agreed repayment terms. Bord na gCon will benefit on the assignment of a rental agreement from one of the private enterprises involved that will significantly reduce the balance due to the Board.

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Notes to the financial statement for the year ended 31 December 2015 (continued)

14 Liabilities Payable within one year

	2015	2014
Group:	€	€
Trade Creditors and Accruals	5,757,993	5,497,558
Bank Loans and Overdrafts	961,581	620,475
	<u>6,719,574</u>	<u>6,118,033</u>
	2015	2014
Bord na gCon	€	€
Trade Creditors, Accruals & Other Creditors	4,567,303	3,761,453
Amounts due to Subsidiary companies	6,385,141	6,465,091
Bank Loans and Overdrafts	949,159	620,475
	<u>11,901,603</u>	<u>10,847,019</u>

Amounts due to subsidiary companies are repayable on demand.

The creditors and accruals figures include the following amounts

	2015	2014
Group	€	€
Vat	145,541	142,412
PAYE PRSI	302,641	232,802
Bord na gCon		
Vat	0	40,479
PAYE PRSI	154,732	177,475

15 Liabilities Payable after more than one year

	2015	2014
	€	€
Group		
Bank loans	21,597,781	22,710,700
	<u>21,597,781</u>	<u>22,710,700</u>
Bord na gCon		
Bank loans	21,597,781	22,710,700
	<u>21,597,781</u>	<u>22,710,700</u>

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

16 Details of borrowings

	Within 1 year €000	Between 1 & 5 years €000	After 5 years €000	Total €000
Maturity analysis of loans and overdrafts				
Repayable by instalments	750	3,750	132	4,632
Other bank loan subject to refinance arrangements	-	12,500	-	12,500
Total value of loans subject to repayment arrangements	750	16,250	132	17,132
Bank facilities not subject of repayment/refinance obligations				
Overdrafts	211	-	-	211
Other Bank Facilities		5,216	-	5,216
Total:	961	21,466	132	22,559

Bord na gCon continued to operate within approved facilities. Bord na gCon have agreed combined cash flow and lending facilities to the value of €24.75 million which is structured as follows:

- i. Revolving Credit Facility of €12.5 million, relating to the construction of the Limerick stadium, which falls due for refinancing and/or repayment on December 9th 2016.
- ii. A term loan facility of €6.0m which is subject to fixed annual repayments, together with the application of any proceeds of Bord na gCon's asset disposal policy to 31st December 2017. The balance on this facility was reduced to 4.65m as at 31 December 2015.
- iii. An overdraft facility of €6.25 million which is subject to annual review.

An average interest rate of 2.2% was chargeable on sums drawn during 2015. Board's assets as outlined in note 9 are held as security for the total facilities. In addition Bord na gCon have undertaken to ensure that, subject to agreement with their bank, net sale proceeds from any of its assets shall be applied in permanent reduction of the facilities.

17 Minority Interest

The minority interest arose on the 51% acquisition of Mullingar Greyhound Racing Company Limited in September 1999.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

18 Pension cost note

The group operates a defined contribution, PRSA and defined benefit pension schemes.

Defined Contribution Scheme (DC) & PRSA

In respect of the DC and PRSA schemes the Board's contribution in 2015 amounted to €147,763 (2014 €102,634).

Defined Benefit Scheme

The scheme is closed to new entrants. A full actuarial valuation was carried out on 1st January 2005 and updated in 2015 by a qualified independent actuary. Proposals to address the deficit in this scheme were accepted by the Pension Authority on September 6th 2016 and these proposals will be implemented in 2016, and as a result do not have an affect towards the liabilities as disclosed in the 2015 annual report.

The major assumptions used by the actuary were:

	2015	2014
	%	%
Rate of increase in salaries	2.3	2.3
Rate of increase in pensions in payment	1.5	1.5
Rate of increase of state retirement pension	1.5	1.5
Discount rate	2.6	2.1
Inflation assumption	1.5	1.5
Life expectancy		
Retiring Today (members aged 65)	23.7	23.6
Retiring Today (members aged 40)	26.6	26.5

18.1 The principal assets and liabilities in the scheme were:

	Value at 31/12/2015 € '000	Value at 31/12/2014 € '000
Fixed Interest	8,481	8,866
Cash	4,338	4,093
Other (insured assets)	444	343
Total market value of assets	<u>13,263</u>	<u>13,302</u>
Present value of scheme liabilities	<u>(21,401)</u>	<u>(23,667)</u>
(Deficit) / Surplus in the scheme	<u>(8,138)</u>	<u>(10,365)</u>
Related deferred tax liability	-	-
Net pension Asset / (Liability).	<u><u>(8,138)</u></u>	<u><u>(10,365)</u></u>

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

Defined Benefit Pension Costs charged to the Income & Expenditure Account:

	2015	2014
	€'000	€'000
Current Service Cost	(865)	(361)
Past Service Cost	-	-
Interest on scheme liabilities	(491)	(724)
Expected Return on Scheme Assets	278	205
Curtailments	-	-
	<u>(1,078)</u>	<u>(880)</u>

The Current Service Cost in 2015 includes an accrual for an interim additional employer contribution as part of the restructuring of the pension plan.

An analysis of the amount recognised in the Group Statement of Comprehensive Income is as follows:

	2015	2014
	€'000	€'000
Actual return less expected return on scheme assets	(152)	1,149
Experience Gains and Losses	531	287
Changes in assumptions	2,118	(4,461)
(Deficit)/surplus carried forward	<u>2,497</u>	<u>(3,025)</u>

Analysis of Movement in Benefit Obligation

	2015	2014
	€'000	€'000
Benefit Obligation at beginning of year	23,667	19,026
Service Costs	420	361
Interest Cost	491	724
Plan Participants' contribution	25	25
Effect of changes in assumptions	(2,118)	4,462
Experience loss/(gains)	(531)	(288)
Benefits paid from plan	(528)	(601)
Premiums paid	(25)	(42)
Benefit Obligation at end of year	<u>21,401</u>	<u>23,667</u>

Change in plan assets

	2015	2014
	€'000	€'000
Fair Value of plan assets at beginning of year	13,302	12,187
Expected return on plan assets	278	205
Actuarial gain / (loss)	(152)	1,149
Employers Contribution	363	379
Plan participants' contributions	25	25
Benefit paid from plan	(528)	(601)
Premiums paid	(25)	(42)
Surplus carried forward	<u>13,263</u>	<u>13,302</u>
(Deficit) at end of year	<u>(8,138)</u>	<u>(10,365)</u>

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

19 Capital Reserve

	Group		Bord na gCon	
	2015	2014	2015	2014
	€	€	€	€
Transfer from surplus				
- In previous years	73,813,320	73,813,320	73,813,320	73,813,320
- In current year	0	0	0	0
	<u>73,813,320</u>	<u>73,813,320</u>	<u>73,813,320</u>	<u>73,813,320</u>
Amounts Written Back				
- In previous years	(11,113,993)	(11,113,993)	2,300,994	2,300,994
- In current year	0	0	0	0
	<u>(11,113,993)</u>	<u>(11,113,993)</u>	<u>2,300,994</u>	<u>2,300,994</u>
Grants to Board Owned Stadia				
- In previous years	(1,941,837)	(1,941,837)	(94,658,431)	(94,658,431)
- In current year	0	0	0	0
	<u>(1,941,837)</u>	<u>(1,941,837)</u>	<u>(94,658,431)</u>	<u>(94,658,431)</u>
Amortisation to Income and Expenditure				
- In previous years	(25,862,041)	(24,172,771)	(1,621,893)	(1,620,623)
- In current year	(1,728,301)	(1,736,557)	(1,270)	(1,270)
- Attributable to minority interest	46,210	47,287	0	0
	<u>(27,544,132)</u>	<u>(25,862,041)</u>	<u>(1,623,163)</u>	<u>(1,621,893)</u>
Amortisation of Amounts Written Back				
- In previous years	358,106	358,106	0	0
- In current year	0	0	0	0
	<u>358,106</u>	<u>358,106</u>	<u>0</u>	<u>0</u>
Balance at 31 December	<u>33,571,464</u>	<u>35,253,555</u>	<u>(20,167,280)</u>	<u>(20,166,010)</u>

20 Other Reserves

	Group		Bord na gCon	
	2015	2014	2015	2014
	€	€	€	€
General Reserve	1,269,738	1,269,738	1,269,738	1,269,738
Other Reserve	163,439	163,439	0	0
	<u>1,433,177</u>	<u>1,433,177</u>	<u>1,269,738</u>	<u>1,269,738</u>

The other reserve represents amenity grants received by subsidiary companies.

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Notes to the financial statement for the year ended 31 December 2015 (continued)

21 Gross cash flows

Reconciliation of operating profit to net cash inflow from operating activities	2015 €	2014 €
Surplus/(Deficit) before taxation	342,600	(1,084,631)
Gross interest payable	490,308	576,421
(Profit) on disposal of Property, plant and equipment	(36,898)	(3,500)
Amortisation of intangible assets	4,300	4,300
Depreciation	2,170,941	2,150,998
Amortisation of capital reserves	(1,728,301)	(1,736,557)
Increase in inventory	(303,027)	(3,109)
Decrease (increase) in Trade and other receivables	(177,093)	436,495
Decrease in Liabilities and provisions	249,624	(417,226)
Net pension	270,000	501,000
	<u>1,282,454</u>	<u>424,191</u>

22 Analysis of changes in net funds

	Opening Balance €	Cash Flows €	Closing balance €
Cash & Cash Equivalent	<u>880,169</u>	<u>16,218</u>	<u>896,387</u>
Term Loan Repayable by Instalments	-	(4,631,939)	(4,631,939)
Other Bank Loan	(12,500,000)	-	(12,500,000)
Bank Overdraft	(10,831,175)	5,403,752	(5,427,423)
Group Debt	<u>(23,331,175)</u>	<u>771,813</u>	<u>(22,559,362)</u>
Net Group Debt	<u>(22,451,006)</u>	<u>788,031</u>	<u>(21,662,975)</u>

23 Commitments & Contingencies

The board are involved in two legal cases. No provision has been made in the financial statements for the year ended 31 December 2015 as any potential financial affect cannot be reasonably ascertained at this time.

From 6 September 2016 Bord na gCon have commenced implementing proposals approved by the Pension's Authority towards addressing the deficit on the pension liability. Such proposals will involve additional payments to this defined benefit scheme.

The board have no capital commitments requiring disclosure.

Bord na gCon Annual Report 2015

Notes to the financial statement for the year ended 31 December 2015 (continued)

24 Going concern

The Board consider the going concern basis for the preparation of the 2015 Annual Report remains appropriate. This assessment is based on the following.

- I. Funding proposals have been approved by the Pensions Authority on 6 September 2016. Bord na gCon have begun to implement these proposal that are planned to address the pension liability over the next eight years;
- II. The Board concluded the sales of the former head office in Limerick. Net proceeds, after costs, from this sale along with funds from operational cash flows have been used to reduce the term loan from the initial balance of €6.0 million to €4.6 million at year end date. Bord na gCon continued to operate within approved bank facilities;
- III. In June 2016 Bord na gCon have a five year contract for the supply of greyhound racing content from their stadium at Mullingar, Youghal and Tralee;
- IV. The allocation from the Horse and Greyhound Racing Funds received in 2015 of €13.6 million has been increased to €14.8 million for 2016, with a further increase granted in 2017 of €1.2 million.

Some of key assumptions underpinning the Board's future performance to remain operating as a going concern include:

- a. The revised banking facilities agreed in 2015 will remain in place and new facilities will be made available upon the expiry of the facilities in 2016 and 2017;
- b. The Board remains committed towards their asset disposal strategy, including the sale of the Harold's Cross properties;
- c. An annual allocation of funds from the Oireachtas under section 12 of the Horse and Greyhound Racing Act 2001;
- d. Increased profits from racing facilities which will be supported by establishing and increasing income streams from off stadium wagering and on-line streaming of racing events.

25 Board's Members' Interest

In the normal course of business Bord na gCon may enter contractual arrangements with undertakings in which Board Members are employed or otherwise interested. The Board adopted procedures in accordance with the guidelines issued by The Department of Public Expenditure and Reform in relation to the disclosure of interests by Board Members and these procedures have been adhered to by the Board. The Board have continued to comply with the Departments guidelines covering situations of personal interest. In cases of potential conflict of interest, Board members did not participate on or attend any Board discussions relating to the matter.

During the year ended 31 December 2015 Mr Billy O'Dwyer, Board Member, provided auctioneering services to the Board. The value of these services came to €250 (2014 -€750). Bord na gCon, through their subsidiary Abargrove Ltd, implemented a national pouring rights agreement with C&C Group Plc. Mr Riona Heffernan is an employee of C&C Group Plc. Neither, Mr O'Dwyer or Ms Heffernan, attended or participated in any board discussions on these matters.

26 Approval of financial statements

The board of directors approved these financial statements for issue on 07 December 2016.