



**Irish Greyhound Board
Bord na gCon**

Annual Report 2009

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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, 2008, faoi bhráid an Roinn Ealaíon, Spóirt agus Turasóireachta.

In accordance with section 19(2) of the Greyhound Industry Acts, 1958 and 1993, Bord na gCon presents its Report and Accounts for the year ended 31st December 2009, to the Minister for Arts, Sport and Tourism.

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 tracks to the issue of permits to officials, bookmakers and trainers.

A total of 17 tracks licensed by Bord na gCon operated during the year 2009. Eight of these tracks licensed are owned and operated by private enterprise. Funding for Bord na gCon is sourced by a turnover charge on the on-course bookmaker betting, by a percentage deduction from totalisator pools and Exchequer funding. Receipts from these sources are used to augment prize money, to grant-aid development at tracks to enable them to improve spectator facilities, to develop public auction sales, to advertise greyhound racing and to operate a national drug testing laboratory.





Foreword to Annual Report 2009

Dick O'Sullivan

Chairman

We have endured another difficult year for the industry with further cuts to the Horse and Greyhound Fund and continued difficult trading conditions for a leisure business such as ours.

Yet still we have pulled through with an annual surplus, for reinvestment to the industry, of €0.7 million. We have maintained our stadia and broken ground on the new Limerick Stadium which will rise in 2010 as a beacon of our confidence and faith in the future of an industry that will survive.

I sincerely hope and believe that the cuts to central funding which we have borne for two years are at an end. Funding for the sport that supports so many jobs and is the backbone of so many local communities is now at a lower level than it was in 2002.

We are a home grown multinational enterprise and we deserve to be treated fairly in terms of the small supportive investment that government invests in order to generate the €500 million of local economic activity which we do.

There must be no more cuts in this funding.

We have taken to the road this year and met with people who have an interest and a passion for our industry. The discussions at stadia up and down Ireland were robust but that is a mark of the strong feelings which the sport gives rise to.

We saw the departure of Paddy Power as sponsor of the Irish Greyhound derby this year but they went out with a bang. College Causeway was a true superstar and we look forward in 2010 to welcoming a new sponsor and a new cast of canine heroes with whom to spread the message that Greyhound racing in Ireland is alive and kicking.

Dick O'Sullivan
Chairman





Foreword to Annual Report 2009
Chief Executive Officer
Adrian Neilan

Our country and our sport are facing a very different future than looked likely a couple of short years ago. There is less money in circulation than was the case, and this has had an impact on every sector of society. It has been especially the case in the areas where discretionary consumer spending has traditionally provided the foundation for an industry such as ours.

Coming into 2009 we had already taken significant action to reduce expenditure and 'cut our cloth' in face of the likely reduction in attendances and spending. We knew already that the cut in the Horse and Greyhound Racing Fund for 2009 would be difficult to absorb but that we had no choice.

It is a measure of the success of that planning that in 2009 we have produced a surplus for reinvestment in the industry, albeit one which is down to €0.7 million from the previous year figure of €5 million.

The reduction in the surplus is down largely to the reduction in the Horse and Greyhound Racing Fund by €1.6 million and the redundancy costs associated with restructuring of the Board's operations at a cost of €1.4 million.

In total during 2009 the Irish Greyhound Board absorbed over €2 million in cost savings through staff redundancy and a deep seated review of process and efficiency. The redundancy programme was difficult and we were forced to let go some fine people who had served the industry well down the years. It was necessary though in order to build a leaner administration, better suited to the reality of Ireland in 2010. It is an area that we will have to pursue further in 2010 to ensure we are as efficient as possible whilst allowing this industry to progress.

The reduction in the 2009 Fund has been exacerbated by further cuts that will impact in the coming years. The reduction of 13 per cent in central funding from the Horse and Greyhound Racing Fund, announced in December 2009, was a very serious blow. The severity of the cutback means that nearly 25% has been cut from this essential funding in the last three budgets.

The funding contribution for 2010 will now be substantially below that which was made in 2002. We cannot take any further reduction in central funding without it having long lasting negative implications for the industry.

We need to ensure that the political support which exists for our industry translates into a level of funding in 2011 that can ensure this industry survives. At current levels of funding the Government is effectively getting the industry for free and enjoying the benefit of nearly 11,000 jobs.

This level of employment in any other area would draw substantial levels of direct Government support, and we must press home the benefits of a strong industry as well as the threat to rural areas in particular of failing to support what has been created.

Profits drawn from the commercial operations of the Irish Greyhound Board were hit throughout 2009 by the substantial reduction in consumer spending which has been felt throughout the economy.

Attendance figures at the sport throughout the year were down by 21 per cent though the fall in numbers stabilised during the year and restaurant bookings actually increased in August and October. The early months of 2010 will remain difficult as the economic ills afflicting the country continue to cause pain. We will continue to adapt our offering to suit the disposable income that consumers have. We need to maintain the quality of our offering but also to ensure that our pricing is right on a month by month or week by week basis to continue to attract patrons.

There was a €4 million profit from Tote betting operations, down 15 per cent on 2008.



In 2009 the Irish Greyhound Board paid out €7.9 million in prize money grants, matching the record figure achieved in 2008. Prize money grants allow the sport to be maintained at a local level throughout the country. The total value to the local economy of keeping the current number of greyhounds in training each year is €257 million and this also supports a very significant level of employment in rural areas.

Prize money grants have been supported throughout the early stages of the downturn but in late 2009 we had to review the prize money offered at the top end of the sport. We will have to continually review the prize money grants so that they remain a fair means of distributing money through the industry on a merit basis.

We have also implemented a reduction in race nights in the quieter, early months of the year and will review other areas of operations in order to make total savings that will account for the reduction in the Horse and Greyhound Racing Fund and the commercial pressures which every business is facing in the current climate.

There has been a review of elements of the private track support structure especially in facilities where the Board has made significant capital investment, and at other areas of how the sport is managed and promoted.

There have been high points through the year. We saw record attendance throughout an exceptional Irish Derby campaign and we look forward to welcoming Ladbrokes, a brand new sponsor of this, our blue riband event of the year, in the summer of 2010.

The formation of the Welfare Committee has brought together different strands of the industry to ensure that welfare of our greyhounds continues to be given the highest priority. The political agenda in 2010 is likely to bring a focus on animal welfare and this is an area where we need to stand firm in support of the strong welfare policies that we follow that ensure greyhounds are well cared for in Ireland. This is a responsibility not only of the Board but of everyone who cares for greyhounds.

We have also expanded the international coverage of our racing, largely through the online channel which will deliver new revenue streams in years to come. The Derby semi finals were broadcast live to Australia and to British betting shops while the online archive of racing from around the country generated over one million views in its first year of operation. We will be looking to expand this area in 2010.

Finally work has progressed well on the new Limerick Greyhound Stadium which will be a flagship for sport throughout the south west and, in terms of confidence, on a national level. We have received a significant level of interest in the naming rights to this stadium and we look forward to selecting a strong brand that will be appropriate for this development, and which will gain enormously from association with the Stadium.

We have faith that the sport will survive as it has done through a century and more. Ours is an industry that is rooted in the fabric of rural Ireland. We face great challenges but we will meet them with purpose and conviction and deliver a strong future for the people involved at every level.

Adrian Neilan
CEO



Bord na gCon Information

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

MEMBERS OF THE BOARD

Dick O'Sullivan
Daniel J. Reilly
Tony McKenna
Frank O'Connell (R.I.P. 24th August 2009)
Teresa Wall
Billy O'Dwyer
Tim Gilbert

CHIEF EXECUTIVE OFFICER

Adrian Neilan

REGISTERED OFFICE

104 Henry Street
Limerick

SOLICITORS

Holmes O'Malley Sexton
Bishopsgate
Henry Street
Limerick

BANKERS

Allied Irish Bank Plc
Bank of Ireland Plc

AUDITOR

Comptroller and Auditor General
Dublin Castle
Dublin 2



Preface and Key Summary

A total of 17 tracks licensed by Bord na gCon operated during the year 2009. Of the country's 17 greyhound tracks, the Board owns the following tracks: Shelbourne Park, Harold's Cross, Cork, Tralee, Waterford, Youghal, Limerick and Galway and also has a 51% share in the Mullingar track.

Key Summary Performance for 2009

	2009	2008	% change
Total Prizemoney	10,716,336	11,394,390	(5.96)
Sponsorship	1,334,138	1,742,962	(23.46)
Operating surplus before grants	664,780	5,092,876	(86.95)
Attendance	906,964	1,123,133	(19.25)

Capital Development Programme

LIMERICK STADIUM

Work on the site of the new Limerick Greyhound Stadium began in early 2009. The stadium, which is located on the site of the former horse racing course in Greenpark, is due to open in late 2010.

Limerick Greyhound Stadium, which will also house the new headquarter offices of the Irish Greyhound Board, will be a pre-eminent greyhound racing and hospitality stadium. It will host over 1,200 races a year and have a capacity attendance of 2,900, putting it among the top rank of greyhound racing stadia on an international scale.



An artist's impression of the completed stadium

The stadium will include a substantial 190 seat restaurant, private hospitality suites and gallery bars, all of which will be a significant attraction for people in the mid-west region. It will also create 100 permanent jobs for the Limerick area.



Fill being added to the site in February 2009



June 2009 - John Sisk & Son open their site offices



Throughout the construction period up to 250 people are expected to be employed on site. The majority of work on site in early 2009, involved site preparation, and filling of the site for building work. The project management role for the site was filled by John J. Casey & Co. and in June, John Sisk and Son were announced as the main contractors.



Image 1: Minister for Defence Willie O’Dea T.D., visiting the site in March 2009 with Chairman Dick O’Sullivan & Board Member Tony McKenna are shown plans for the site by Niall Healy, John J. Casey Project Management. Image 2: Minister of State, Peter Power T.D. also visited the site in late October 2009 with Adrian Neilan, CEO, and Dick O’Sullivan, Chairman.

“We are delighted to have been chosen to build such a prestige development,” said SISK Director Jim Tuohy. “Limerick is a great sporting city and we are pleased to be given the opportunity of adding another high quality city centre stadium to stand comparison with Thomond Park across the Shannon. Sisk celebrates the 150th Anniversary of its founding in Cork this year, and it is great to win what will likely be one of the biggest projects of the year in Munster.”

In October, the steel girders were put in place, which allowed the main building work to progress. At the end of 2009, the construction work was well above ground level, and the track layout was visibly marked with elevated ground.



September 2009



October 2009



Control 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 Committee is comprised of well known and respected people from the industry and is made up of -

- Mr Kevin Heffernan (Chairman, ex Labour Court Chairman, ex Chairman Bord na gCon)
- Dr Dermot Cribben (MD,BDS)
- Mr Pat F O'Connor (BCL)
- Mr Danny Mc Henry (MRCVS)
- Mr Lexie Marmion (Former Control Steward)

The Independent Control Committee held its first meeting on July 25, 2007 and has appropriately dealt with cases brought to its attention by Bord na gCon throughout 2009. Meetings of the Control Committee take place monthly and greatly enhance the independence of the disciplinary structure within greyhound racing and this, together with the Boards 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. In all cases where a finding of a prohibited substance in a greyhound is established before the Control Committee (or the Control Appeal Committee on an appeal to it), the findings in the case are published in accordance with the regulations established by the Board. 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, from decisions of the Control Committee and is chaired by Mr Frank O'Leary (MRCVS). Other members include Fiona Hughes (MRCVS) and Matt Breslin (B.A L.L.B.). The Board operates a zero tolerance prohibited substance testing regime. 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.

The Board supports the findings of the Committee and will provide all necessary support to ensure the highest level of integrity in the Irish greyhound industry. The Board notes that the Committee has imposed substantial fines and believes this will act as an appropriate deterrent.



National Greyhound Racing Awards 2009

The Strand Hotel, Limerick played host to the 2009 National Greyhound Racing Awards on Sunday, 7th March 2010. The prestigious function was this year hosted as a lunchtime event and was attended by 280 people, amongst them well known faces from the industry. Minister of State for Overseas Development Aid, Peter Power TD & Deputy Lord Mayor of Limerick Denis McCarthy presented the awards on the day. Bord na gCon Chairman, Dick O'Sullivan reported on the obstacles that the industry faced over the next year.

The event also featured a presentation on the New Limerick Greyhound Stadium due to open in October 2010.

2009 National Greyhound Awards Winners:

Dog of the Year:

College Causeway

Owner: Mike McKenna & Vincent McKenna

Trainer: Pat Buckley

Breeder: Frank Culloty

Bitch of the Year:

Skywalker Queen

Owner: Raymond Patterson

Trainer: Frances O'Donnell

Breeder: Noelle Harte

Sprinter of the Year:

Inny Blue

Owner: James P Gibney

Trainer: John McGee

Breeder: James P Gibney

Marathon Dog of the Year:

Corporate Attack

Owner: Sean Mulcahy

Trainer: Sean Mulcahy

Breeder: Sean Mulcahy

Brood Bitch of the Year:

Maybe Baby

Owner: Denis Keane

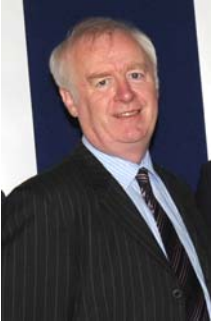
Hall of Fame Award:

This year two recipients were inducted into the Bord na gCon Hall of Fame

Don Cuddy

Born in Dublin in 1924 but has become a legend on the greyhound scene worldwide. He won two Irish Grand Nationals and a Corn Cuchulainn back in 1950's and 1960's but turned to management when taking over as Racing Manager in Shawfield. Having joined Pat Dalton to form an all-conquering team in America in 1969, he was associated with legends of the track such as Rocking Ship & Downing. He enjoyed a tremendous success rate later with Chris Randle and has been an ever-present at Shelbourne Park and all top greyhound occasions since retiring to his native Dublin.





Frank O'Connell

A doyen of Bord na gCon for many years prior to his untimely death last summer. A very useful footballer in his youth, playing both soccer and Gaelic Football, he was in later years an officer of the Leinster FA Council. He was involved in greyhound sport since his youth and was a well known breeder, owner and trainer, enjoying considerable success in all spheres. He was active behind the scenes and worked his way through the Irish Greyhound Owners' & Breeders' Federation and served as Chairman. He was then appointed a Member of Bord na gCon and served two terms while he was also Chairman of Kilcohan Park Greyhound Stadium. A man who made a huge contribution to the Irish Greyhound Industry and he is sadly missed.



STATEMENT ON INTERNAL FINANCIAL CONTROL

On behalf of the Board Members of Bord na gCon, I acknowledge that the Board has overall responsibility for the systems of internal control and for monitoring the effectiveness of internal controls. Management is responsible for the identification and evaluation of significant risks together with design and operation of suitable internal control systems. These systems are designed to provide reasonable but not absolute assurance against material misstatement or loss.

In order to discharge that responsibility in a manner which ensures compliance with legislation and regulations, the Board has established an organisational structure with clear operating and reporting procedures, secured the services of appropriately qualified personnel, designed suitable lines of responsibility, put in place appropriate authorisation limits, made arrangements in respect of segregation of duties and delegated the necessary authority for decision making.

Control Environment

The Board has taken steps and reviews their implementation so as to ensure an appropriate control environment is in place by:

- Clearly defined organisational structure, with defined mechanisms to higher levels of management and authority limits and reporting to the Board.
- Code of Ethics that requires all employees to maintain the highest ethical standards in conducting business.
- Responsibility by management at all levels for internal control over their respective business functions.
- The Internal Audit Committee and the Internal Audit Function complying with the Framework Code of Best Practice as outlined in the updated Code of Practice for the Governance of State Bodies published in July 2009.

Business Risks

Risk assessment of the business operations is conducted on an annual basis by senior management and is presented to the Audit Committee by the Risk Officer who is independent of the Internal Audit function. The Board recognises the need to ensure that risks are continually reviewed by the Audit Committee and the Audit Committee has considered the risk assessment in 2009. As part of this review the Audit Committee and the Board considered its processes for identifying and evaluating business risks to ensure that they:

- Identify the nature, extent and financial implication of risks facing the Board including the extent and categories which it regards as acceptable
- Assess the likelihood of identified risks occurring
- Assess the Board's ability to manage and mitigate the risks that do occur
- Assess the costs of operating particular controls relative to the benefit obtained
- Carry out regular reviews of strategic plans both short and long term and an evaluation of the risks in bringing those plans to fruition.
- Work closely with the Government Departments to ensure that there is a clear understanding of the Board's goals and support for the strategies to achieve those goals.
- Set annual and longer term targets for each area of our business followed by regular reporting on the results achieved.

On an ongoing basis, major business risks are matters of discussion at Board meetings; in particular the Board approves all borrowings.

The system of internal financial control is based, on a framework of regular management reporting, administration procedures including segregation of duties and a system of delegation and accountability including:

- Comprehensive budgeting systems with an annual budget which is subject to Board approval.
- Comprehensive system of financial reporting. Cumulative monthly actual results are reported against budget and considered by the Board. The Board questions significant variances and remedial action is taken where appropriate.
- Comprehensive set of policies and procedures relating to operational and financial controls, including capital expenditure. Large capital projects require the approval of the Board, and are closely monitored on an ongoing basis by Management.
- Comprehensive set of management information and performance indicators is produced monthly using a series of interrelated metric templates. This enables progress against longer-term objectives and annual budgets to be monitored, trends evaluated and variances acted upon.



- Regular meetings with the Department of Arts Sport & Tourism in relation to the industry's performance to discuss and review long term industry and organisational improvement opportunities.

While it is the function of management to put in place the necessary systems, processes and procedures required to deliver on the Board's business objectives, the Board places a high degree of importance on having such systems and processes independently examined and assessed by the Board's internal audit function. The internal audit function is mandated to operate in accordance with its Charter and the requirements of the updated Code of Practice for the Governance of State Bodies published in July 2009. The work of the internal audit is informed by analysis of the risks to which the Board is exposed and annual internal audit plans are based on this analysis.

The Internal Auditor reports directly to the Chairman of the Audit Committee and the Chief Executive Officer, as Accounting Officer. Internal audit in Bord na gCon is overseen by an Audit Committee, which is made up of four non-executive members, all of whom are main Board Members. The role of the Committee is to oversee the internal audit function and to advise the Board in relation to its operation and development.

The Committee operates in accordance with a Charter, which sets out its role, membership functions, working procedures and reporting requirements. The Charter is jointly agreed by the Board and the Audit Committee and is formally signed off by the Board Chairman and the Chairman of the Audit Committee. To operate effectively the Board's Audit Committee should meet at least four times a year and this criterion has been met in 2009. An external resource outsourced from a firm of accountants provides advice to the Audit Committee and attends their meetings on request.

In 2009 and due to economic situation it was necessary to assign the Internal Auditor to the area of Debt Management for a short period of 2009. The Audit Committee will ensure that the internal auditor only conducts internal audit work in 2010.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Auditor, the Audit Committee which oversees the work of the Internal Auditor, the Executive Managers within the Board responsible for the development and maintenance of the financial control framework and addressing any comments made by the Comptroller and Auditor General in his management letters. The Audit Committee, on behalf of the Board, reviews at their meetings, the effectiveness of the system of internal financial control and reports after each meeting to the Board.

Annual Review of Controls

I confirm that in the year ended 31st December 2009, there was a review of the effectiveness of the system of internal financial control.

Signed on behalf of the Board.

Dick O'Sullivan.
Chairman



BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The Board Members submit herewith their report and audited financial statements for the year ended 31 December 2009.

1. PRINCIPAL ACTIVITIES

The principal activities of the Group continue to be:

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

Any surplus generated from the above activities is re-invested in the industry through contributions to prize-money and grants to various bodies involved in the greyhound racing and breeding industry.

There have been no significant changes in these activities during the year.

2. GROUP TRADING RESULTS FOR THE YEAR

	2009	2008
	€	€
Turnover	<u>43,048,344</u>	<u>58,026,539</u>
Operating surplus before grants	664,780	5,092,876
Grants to private tracks	<u>(563,503)</u>	<u>(257,012)</u>
Surplus on ordinary activities	101,277	4,835,864
Gain on disposal of tangible fixed assets	2,169	2,500
Group interest payable	(169,578)	(177,662)
Taxation	7,997	(7,293)
Loss/(Profit) attributable to minority interests	41,591	(17,695)
Surplus for the year	<u>(16,544)</u>	<u>4,635,714</u>

3. SUBSIDIARIES

Information provided in respect of the subsidiary companies is set out in Note 14 of the financial statements.

4. MEMBERS OF THE BOARD

The Board held 13 meetings during 2009 and the members who held office during the year along with their meeting attendance was as follows:-

Member	No of Meetings
Dick O'Sullivan	12
Daniel J. Reilly	8
Tony McKenna	10
Frank O'Connell (R.I.P. 24th August 2009)	5
Teresa Wall	11
Billy O'Dwyer	13
Tim Gilbert	13



BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009 (Continued)

5. STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The Board Members are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Bord na gCon and of its profit or loss for that year. In preparing those financial statements, the Board Members 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 Bord na gCon will continue in business.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Bord na gCon and which enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland. They are also responsible for safeguarding the assets of Bord na gCon and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

6. HEALTH & SAFETY

The well being of the company's employees is safeguarded through adherence to health and safety standards throughout all company locations.

7. AUDITOR

The Comptroller and Auditor General continues to have responsibility for the audit of Bord na gCon in accordance with Section 5 of the Comptroller and Auditor General (Amendment) Act, 1993.

Approved by the Board on

Dick O'Sullivan

Tony McKenna



BORD NA gCON

Group Accounts

Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

I have audited the financial statements of Bord na gCon for the year ended 31 December 2009 under the Horse and Greyhound Racing Act 2001.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Group Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Group and Bord na gCon Balance Sheets, the Group Cash Flow Statement, the Detailed Group Profit and Loss Account and the related notes.

Respective Responsibilities of the Members of the Board and the Comptroller and Auditor General

The Board is responsible for preparing the financial statements in accordance with the Horse and Greyhound Racing Act 2001, and for ensuring the regularity of transactions. The Board prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Board are set out in the Statement of Board Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Board's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of Bord na gCon's and the group's affairs at 31 December 2009 and of the group's deficit for the year then ended.

In my opinion, proper books of account have been kept by Bord na gCon. The financial statements are in agreement with the books of account.



John Buckley
Comptroller and Auditor General

19 November 2010

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 €	2008 €
Turnover from racing facilities		43,048,344	58,026,539
Allocation from the Horse & Greyhound Racing Fund		13,625,600	15,257,000
		<u>56,673,944</u>	<u>73,283,539</u>
Operation and administration costs		(56,009,164)	(68,190,663)
Operating Surplus before grants		664,780	5,092,876
Grants to private tracks		(563,503)	(257,012)
		<u>101,277</u>	<u>4,835,864</u>
Operating (Deficit)/Surplus on ordinary activities		101,277	4,835,864
Gain on disposal of tangible fixed assets	3	2,169	2,500
		<u>103,446</u>	<u>4,838,364</u>
(Deficit)/Surplus before interest on ordinary activities		103,446	4,838,364
Group interest payable		(169,578)	(177,662)
		<u>(66,132)</u>	<u>4,660,702</u>
(Deficit)/Surplus on ordinary activities before taxation		(66,132)	4,660,702
Taxation	4	7,997	(7,293)
		<u>(58,135)</u>	<u>4,653,409</u>
(Deficit)/Surplus on ordinary activities after taxation		(58,135)	4,653,409
Deficit/(Surplus) attributable to minority interests		41,591	(17,695)
		<u>(16,544)</u>	<u>4,635,714</u>
(Deficit)/Surplus for year		(16,544)	4,635,714
Transfer to Capital Reserve	12	(2,785,587)	(3,585,161)
Retained (Deficit)/Surplus for year		(2,802,131)	1,050,553
Opening Balance at 1 January		<u>7,954,109</u>	<u>6,903,556</u>
Closing Balance at 31 December		<u><u>5,151,978</u></u>	<u><u>7,954,109</u></u>

The surplus after taxation for the year dealt with in the financial statements of Bord na gCon is a surplus of €261,854 (2008: surplus of €3,120,369).

The notes (on pages 23 to 36) and the Detailed Group Profit and Loss Account (on page 37) form part of these financial statements.

Approved by the Board:-**Dick O'Sullivan****Tony McKenna**

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2009 €	2008 €
Surplus for the financial year		<u>(16,544)</u>	<u>4,635,714</u>
Pension Scheme Movements			
Actual return less expected return on schemes assets		1,180,000	(6,129,000)
Experience Gains and (Losses)		1,018,000	(275,000)
Changes in Assumptions		<u>(1,046,000)</u>	<u>1,142,000</u>
Actuarial Gain/(Loss) recognised in the pension scheme	16	<u>1,152,000</u>	<u>(5,262,000)</u>
Total Recognised Gain/(Loss) for the year		<u>1,135,456</u>	<u>(626,286)</u>

The notes (on pages 23 to 36) and the Detailed Group Profit and Loss Account (on page 37) form part of these financial statements.

Approved by the Board:-

Dick O'Sullivan

Tony McKenna



GROUP BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 €	2008 €
FIXED ASSETS			
Intangible assets	5	38,700	27,947
Tangible assets	6	62,275,935	60,860,927
Financial assets		5,951	5,951
		<u>62,320,586</u>	<u>60,894,825</u>
CURRENT ASSETS			
Stocks	8	88,039	114,261
Debtors	9	1,799,571	3,421,174
Cash at bank and on hand		686,664	1,094,806
		<u>2,574,274</u>	<u>4,630,241</u>
CREDITORS (Amounts falling due within one year)	10	(7,583,903)	(9,354,816)
NET CURRENT LIABILITIES		<u>(5,009,629)</u>	<u>(4,724,575)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		57,310,957	56,170,250
CREDITORS (Amounts falling due after more than one year)	11	(13,400,984)	(10,281,276)
Net Pension (Liability)/Asset	16	(3,418,000)	(4,818,000)
NET ASSETS		<u>40,491,973</u>	<u>41,070,974</u>
FINANCED BY:			
Profit and Loss Account		5,151,978	7,954,109
Capital reserve	12	37,080,035	35,910,996
Other reserves	13	1,433,177	1,433,177
Pension reserve		(4,953,000)	(6,105,000)
Capital and Reserves	21	<u>38,712,190</u>	<u>39,193,282</u>
Minority interests	15	1,779,783	1,877,692
		<u>40,491,973</u>	<u>41,070,974</u>

The notes (on pages 23 to 36) and the Detailed Group Profit and Loss Account (on page 37) form part of these financial statements.

Approved by the Board:-

Dick O'Sullivan

Tony McKenna



BORD na gCON

BORD Na gCON BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 €	2008 €
FIXED ASSETS			
Intangible assets	5	38,700	43,000
Tangible assets	6	3,101,602	3,424,478
Financial assets	7	8,265,300	5,015,823
		<u>11,405,602</u>	<u>8,483,301</u>
CURRENT ASSETS			
Stocks	8	61,184	53,074
Debtors	9	544,737	1,532,042
Cash at bank and on hand		434,144	597,108
		<u>1,040,065</u>	<u>2,182,224</u>
CREDITORS (Amounts falling due within one year)	10	(9,573,230)	(10,828,922)
		<u>(8,533,165)</u>	<u>(8,646,698)</u>
NET CURRENT LIABILITIES			
TOTAL ASSETS LESS CURRENT LIABILITIES		2,872,437	(163,397)
CREDITORS (Amounts falling due after more than one year)	11	(13,400,984)	(10,281,276)
		<u>(10,528,547)</u>	<u>(10,444,673)</u>
NET LIABILITIES			
FINANCED BY:			
Profit and Loss Account		(187,254)	2,336,479
Capital Reserve	12	(11,611,031)	(14,050,890)
Other Reserves	13	1,269,738	1,269,738
		<u>(10,528,547)</u>	<u>(10,444,673)</u>

The notes (on pages 23 to 36) and the Detailed Group Profit and Loss Account (on page 37) form part of these financial statements.

Approved by the Board:-

Dick O'Sullivan

Tony McKenna



GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 €	2008 €
Net Cash outflow from operating activities	18	(11,471,862)	(9,115,150)
Returns on investments and servicing of finance			
Interest received		1,970	6,609
Interest paid		(169,578)	(177,662)
		<u>(167,608)</u>	<u>(171,053)</u>
Taxation		<u>(7,293)</u>	<u>(24,027)</u>
Capital expenditure & financial investment			
Payments to acquire tangible assets		(4,062,799)	(7,380,010)
Receipts from disposal of tangible assets		2,494	116,940
Grants paid to non-Bord na gCon tracks		(563,503)	(257,012)
		<u>(4,623,808)</u>	<u>(7,520,082)</u>
Equity dividends paid		<u>-</u>	<u>-</u>
Net outflow before use of liquid resources & financing		(16,270,571)	(16,830,312)
Finance			
Allocation from Horse & Greyhound Racing Fund		13,625,600	15,257,000
Drawdown of Loans & Overdrafts		2,236,829	1,186,284
Decrease in cash	19 & 20	<u>(408,142)</u>	<u>(387,028)</u>

The notes (on pages 23 to 36) and the Detailed Group Profit and Loss Account (on page 37) form part of these financial statements.

Approved by the Board:-**Dick O'Sullivan****Tony McKenna**

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009**1. ACCOUNTING POLICIES****(a) Accounting convention**

The financial statements have been prepared on an accruals basis under the historical cost convention and in accordance with generally accepted accounting practice. Financial Reporting Standards recommended by the recognised accounting bodies have been adopted as they become applicable.

(b) 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 the subsidiaries are coterminous with that of Bord na gCon.

(c) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Freehold land is not depreciated. Depreciation on the remaining fixed assets is calculated by equal annual 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 and leasehold premises	2%
Totalisator buildings	10%
Totalisator equipment	20%
Track equipment, furniture and fittings etc.	10%
Leased tote equipment	10%
Computer equipment	20%
Motor vehicles	20%

(d) Leases**Finance leases**

Where an asset is acquired under a lease which entails taking substantially all the risks and rewards of ownership of the asset, the lease is treated as a finance lease.

Under a finance lease the capital element of the asset is included in tangible fixed assets and amortised over the life of the asset and the outstanding liability is included in creditors.

Rental payments are apportioned between the interest element which is charged to the Profit and Loss Account and the capital element which reduces the outstanding liability.

Operating leases

All other leases are operating leases and rentals payable under such leases are charged to the Profit and Loss Account in the year to which they relate.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost represents invoiced cost from suppliers.

(f) Deferred Taxation

Provision for deferred taxation is made by the liability method in respect of material short term and other significant timing differences except to the extent that it is reasonably probable that such taxation will not become payable in the future.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

(g) **Oireachtas Grants**

Allocations from the Horse & Greyhound Racing Fund are treated as revenue grants and credited to the Profit and Loss Account.

(h) **Capital Reserve**

The Capital Reserve represents retained surplus applied for the acquisition of assets including the development of Bord owned tracks. Releases are made from this reserve to the Profit and Loss Account in line with the depreciation and write-down of the grant-assisted assets.

Funding made available from the Horse & Greyhound Racing fund is considered by the Board to represent compensation to Bord na gCon for the reduction in the on-course bookmakers' levy, funding for prize money grants and funding for the development of the industry by way of capital grants. Where funding received from the fund exceeds the aggregate of levy compensation, prize money grants and capital grants to private tracks, the excess is regarded as a capital grant and transferred to the Capital Reserve. Where funding received is less than the aggregate, a transfer is made from the Capital Reserve to the Revenue Reserve.

(i) **Goodwill**

The cost of purchased goodwill is shown as an intangible fixed asset in the Balance Sheet in accordance with FRS10, accounting for goodwill and intangible assets. Negative goodwill is released to the Profit and Loss Account in the periods in which the non-monetary assets are recovered.

(j) **Pensions**

Bord na gCon has both a defined contribution (PRSA) and a defined benefit scheme.

Defined Contribution Scheme

Payments to the PRSA scheme are charged to Profit & Loss Account in the period to which they relate.

Defined Benefit Scheme

Pension scheme assets are measured at fair value. Pension scheme liabilities are measured on an actuarial basis using the projected unit method. An excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability.

The pension charge in the Profit & Loss Account comprises the current service cost and past service cost. The difference between the expected return on scheme assets and the interest cost on the scheme 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 Total Recognised Gains and Losses for the year in which they occur.

(k) **Prizemoney**

All prize money payments are made directly to owners by Bord na gCon

(l) **Turnover**

Turnover represents revenue from race meetings and other ancillary services including bar, restaurant operations and Sponsorship and Entry Fees surrendered by Private Tracks to Bord na gCon.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

2. GROUP SURPLUS BEFORE TAXATION

	2009	2008
	€	€
Group Surplus before taxation has been arrived at after charging:		
Board Members' remuneration:-		
Dick O'Sullivan	24,000	
Daniel Reilly	14,000	
Tony McKenna	14,000	
Frank O'Connell	9,334	
Teresa Wall	14,000	
Tim Gilbert	14,000	
Billy O'Dwyer	14,000	
	<u>103,334</u>	<u>104,500</u>
Board Members' travel & subsistence	76,144	109,384
Board Members' meals & entertainment	13,650	25,635
Auditor's remuneration	78,948	84,142
Depreciation (Note 6)	2,647,466	2,895,143
Interest payable on loans and overdrafts	169,578	177,662
Redundancy Costs	1,378,679	260,000
Chief Executive Officer's remuneration:		
Basic salary	147,504	160,056
Performance related bonus	-	-
Superannuation costs	37,004	28,809
Other remuneration	15,000	15,000
	<u>199,508</u>	<u>203,865</u>
And after crediting:		
Amortisation of capital reserve (Note 12)	1,672,866	1,862,227
Interest receivable	<u>1,970</u>	<u>6,609</u>

3. PROFIT ON DISPOSAL OF TANGIBLE FIXED ASSETS

In 2009, Bord na gCon disposed of various assets which resulted in a net profit of €2,169.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

4. TAXATION

	2009	2008
	€	€
Corporation Tax Refund/(Liability)	7,997	(7,293)

The corporation tax Charge for 2009 arises due to a tax credit in respect of Mullingar Greyhound Stadium of €7,997.

No charge to corporation tax arises in the remainder of the group due to the availability of losses carried forward and capital gains tax rollover relief.

5. INTANGIBLE ASSETS

Group	2009	Goodwill	Total	2008	Goodwill	Total
	Negative			Negative		
	Goodwill			Goodwill		
COST						
Cost at 1 January	(150,575)	43,000	(107,575)	(150,575)		(150,575)
Acquired during the year					43000	43000
At 31 December	(150,575)	43,000	(107,575)	(150,575)	43000	(107,575)
AMORTISATION						
At 1 January	135,522		135,522	120,464		120,464
Released during the year	15,053	(4,300)	10,753	15,058		15,058
At 31 December	150,575	(4,300)	146,275	135,522		135,522
NET BOOK AMOUNT AT 31 DECEMBER	0	38,700	38,700	15,053	43,000	27,947

Bord na gCon	2009	2008
	€	€
COST		
Cost at 1 January	43,000	-
Acquired during the year	-	43,000
Released during the year	(4,300)	
At 31 December	38,700	43,000

During 2008, the greyhound newspaper Greyhound Weekly ceased trading. The Irish Greyhound Board 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 titled "Talking Dogs". The rights and know-how of the "Talking Dogs" section were purchased by the Irish Greyhound Board and are now available to view on our website www.igb.ie.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

6. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings €	Leasehold Buildings €	Totalisator Track and Other Equipment €	Leased Tote Equipment €	Motor Vehicles €	Total €
Cost:						
At 1 January	31,272,374	34,387,980	20,164,137	108,210	325,688	86,258,389
Additions	3,310,541	(42,333)	794,591	-	-	4,062,799
Disposals	-	-	15,004	-	-	15,004
At 31 December	34,582,915	34,345,647	20,943,724	108,210	325,688	90,306,184
Accumulated Depreciation:						
At 1 January	3,911,383	7,019,808	14,214,921	108,210	143,140	25,397,462
Charge for year	486,739	680,648	1,417,329	-	62,750	2,647,466
Disposals	-	-	14,679	-	-	14,679
At 31 December	4,398,122	7,700,456	15,617,571	108,210	205,890	28,030,249
Net Book Amount:						
At 31 December 2009	30,184,793	26,645,191	5,326,153	-	119,798	62,275,935
At 31 December 2008	27,360,991	27,368,172	5,949,216	-	182,548	60,860,927
Bord na gCon						
Cost:						
At 1 January	492,944	1,866,021	10,251,268	12,154	313,750	12,936,137
Additions	116,863	-	351,271	-	-	468,134
Disposals	-	-	15,004	-	-	15,004
At 31 December	609,807	1,866,021	10,587,535	12,154	313,750	13,389,267
Accumulated Depreciation:						
At 1 January	134,563	1,047,296	8,186,444	12,154	131,202	9,511,659
Charge for year	10,360	33,071	684,504	-	62,750	790,685
Disposals	-	-	14,679	-	-	14,679
At 31 December	144,923	1,080,367	8,856,269	12,154	193,952	10,287,665
Net Book Amount:						
At 31 December 2009	464,884	785,654	1,731,266	-	119,798	3,101,602
At 31 December 2008	358,381	818,725	2,064,824	-	182,548	3,424,478

The cost of fixed assets included above which have been fully depreciated at 31 December 2009 amounts to €10,496,677 (2008: €9,040,773) for the group, and to €7,487,853 (2008: €6,768,089) for Bord na gCon.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)**6. TANGIBLE FIXED ASSETS continued**

The assets of Dublin Greyhound & Sports Association Limited, Kingdom Greyhound Racing Company Limited, The Waterford Greyhound Race Company (1953) Limited, Shelbourne Greyhound Stadium Limited, Limerick Greyhound Racing Track Limited and Cork Greyhound Race Company Limited are being used as security for a €25M loan facility, provided by AIB Bank, to the group.

Freehold Land and Buildings includes €4,383,380 in respect of an Asset under Development - No depreciation is charged on assets under development.

7. FINANCIAL ASSETS

	2009 €	2008 €
Bord na gCon		
Shares in subsidiaries at cost less amounts written off	244,452	244,452
Long term loans to subsidiaries	8,020,848	4,771,371
	<u>8,265,300</u>	<u>5,015,823</u>

Details of group's percentage of issued equity capital and nature of business of subsidiary companies are given in Note 14.

8. STOCKS

	2009 €	2008 €
Group:		
Bar stocks	-	7,771
Totalisator and track equipment	63,821	57,341
Sundry expense stocks	24,218	49,149
	<u>88,039</u>	<u>114,261</u>
Bord na gCon:		
Totalisator and track equipment	50,030	36,496
Sundry expense stocks	11,154	16,578
	<u>61,184</u>	<u>53,074</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

9. DEBTORS

	2009	2008
	€	€
Group:		
Trade debtors and prepayments	1,677,153	3,164,343
Other debtors	8,142	194,376
VAT recoverable	114,276	62,455
	<u>1,799,571</u>	<u>3,421,174</u>
Bord na gCon:		
Trade debtors and prepayments	455,376	1,432,123
Others debtors	133	133
Amounts due from subsidiary companies	89,228	99,786
	<u>544,737</u>	<u>1,532,042</u>

All amounts receivable from debtors are due within one year.

10. CREDITORS (Amounts falling due within one year)

	2009	2008
	€	€
Group:		
Creditors and accruals	7,211,748	8,099,782
Bank advances	372,155	1,255,034
	<u>7,583,903</u>	<u>9,354,816</u>
Bord na gCon:		
Creditors and accruals	4,490,708	5,839,084
Amounts due to subsidiary companies	4,846,517	4,246,532
Bank advances	236,005	743,306
	<u>9,573,230</u>	<u>10,828,922</u>

The creditors and accruals figures include the following amounts:

Group:		
VAT	117,188	75,986
PAYE/PRSI	191,155	338,324
Bord na gCon:		
VAT	42,220	11,384
PAYE/PRSI	114,804	235,775



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

11. CREDITORS (Amounts falling due after more than one year)

	2009	2008
	€	€
Group:		
Bank borrowings	13,400,984	10,281,276
	<hr/>	<hr/>
Bord na gCon:		
Bank borrowings	13,400,984	10,281,276
	<hr/> <hr/>	<hr/> <hr/>

12. CAPITAL RESERVE

	Group		Bord na gCon	
	2009	2008	2009	2008
	€	€	€	€
Transfer from surplus				
- In previous years	62,731,373	59,146,212	62,731,373	59,146,212
- In current year	2,785,587	3,585,161	2,785,587	3,585,161
	<hr/>	<hr/>	<hr/>	<hr/>
	65,516,960	62,731,373	65,516,960	62,731,373
Amounts written back				
- In previous years	(10,213,571)	(10,213,571)	803,088	803,088
- In current year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	(10,213,571)	(10,213,571)	803,088	803,088
Grants to Board owned tracks				
- In previous years	(1,941,837)	(1,933,867)	(75,971,077)	(69,638,165)
- In current year	-	(7,970)	(344,458)	(6,332,912)
	<hr/>	<hr/>	<hr/>	<hr/>
	(1,941,837)	(1,941,837)	(76,315,535)	(75,971,077)
Amortisation to Profit and Loss Account				
-In previous years	(15,023,075)	(13,211,913)	(1,614,274)	(1,613,004)
-In current year	(1,672,866)	(1,862,227)	(1,270)	(1,270)
-Attributable to minority interest	56,318	51,065	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	(16,639,623)	(15,023,075)	(1,615,544)	(1,614,274)
Amortisation of amounts written back				
- In previous years	358,106	358,106	-	-
- In current year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	358,106	358,106	-	-
Balance at 31 December	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	37,080,035	35,910,996	(11,611,031)	(14,050,890)



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

13. OTHER RESERVES

	2009	2008
	€	€
Group:		
General reserve	1,269,738	1,269,738
Other reserve	163,439	163,439
Total	1,433,177	1,433,177
Bord na gCon:		
General reserve	1,269,738	1,269,738
Other reserve	-	-
Total	1,269,738	1,269,738

The other reserve represents amenity grants received by subsidiary companies.

14. SUBSIDIARIES

	Percentage of equity Held by Bord na gCon 2009 and 2008
Shelbourne Greyhound Stadium Limited	100%
Dublin Greyhound and Sports Association Limited	100%
Cork Greyhound Race Company Limited	100%
The Kingdom Greyhound Racing Company Limited	100%
Waterford Greyhound Race Company (1953) Limited	100%
Youghal Greyhound Race Company Limited	98.8%
Limerick Greyhound Racing Track Limited	100%
Mullingar Greyhound Racing Company Limited (see Note 15)	51%
Abargrove Limited	100%
Clonmel Greyhound Racing Company Limited	100%
Galway Greyhound Stadium Limited	100%

Each subsidiary is involved in the Greyhound Industry.

All subsidiary companies are incorporated in the Republic of Ireland.

15. MINORITY INTERESTS

The minority interest arose on the 51% acquisition of Mullingar Greyhound Racing Company Limited on 1st September 1999.

Negative goodwill of €150,575 arose on acquisition. To 31st December, 2009 the full value has been released to the Profit and Loss Account (see Note 5). All other minority interests are not shown separately as the amounts involved are insignificant.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

16. PENSIONS

The Group operates both a Defined Contribution (PRSA) and a Defined Benefits Scheme.

Defined Contribution Scheme

In respect of the PRSA Scheme the Board's contribution in 2009 amounted to €109,252 (2008: €79,370). No amounts were outstanding or prepaid at the year end.

Defined Benefits Scheme

The Scheme is now closed to new entrants. A full actuarial valuation was carried out on 1st January 2005 and updated to 31st December 2009 by a qualified independent actuary. The major assumptions used by the actuary were:

	As at 31/12/2009	As at 31/12/2008
	%	%
Rate of increase in salaries	3.00	3.50
Rate of increase in pensions payment	2.00	2.00
Rates of increase of state retirement pension increases	2.00	3.50
Discount rate	5.25	5.75
Inflation assumption	2.00	2.00

The assets in the scheme and the rate of return were:

	Assets As at 31/12/2009 €000	Expected Return 2009 %	Assets As at 31/12/2008 €000	Expected Return 2008 %
Equities	7,864	7.7	5,781	7.8
Fixed Interest	2,593	3.9	2,576	3.8
Property	650	6.7	708	6.8
Other (insured assets)	828	3.0	1,055	2.9
Total Market value of assets	11,935		10,120	
Present value of scheme liabilities	(15,353)		(14,938)	
(Deficit)/Surplus in the scheme	(3,418)		(4,818)	
Related deferred tax liability	-		-	
Net Pension Asset/(Liability)	(3,418)		(4,818)	

	2009 €000	2008 €000
Analysis of the amount charged to operating profit as follows:		
Current service cost	407	449
Past service cost	-	-
	<u>407</u>	<u>449</u>

Analysis of the amount credited to other finance income is as follows:		
Interest on scheme liabilities	(854)	(840)
Expected return on scheme assets	628	1,079
Curtailments	248	
	<u>22</u>	<u>239</u>

Analysis of the amount recognised in the statement of total recognised gains and losses is as follows :		
Actual return less expected return on scheme assets	1,180	(6,129)
Experience gains and losses	1,018	(275)
Changes in assumptions	(1,046)	1,142
Actuarial gain/(loss) recognised in the STRGL	<u>1,152</u>	<u>(5,262)</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

16. PENSIONS (Continued)

	2009 €000	2008 €000
Analysis of the movement in benefit obligation		
Benefit obligation at beginning	14,938	15,214
Service cost	407	449
Interest cost	854	840
Plan participants' contributions	45	54
Actuarial (gain)/loss	28	(867)
Benefits paid	(521)	(629)
Expenses paid	(113)	(91)
Premiums paid	(37)	(32)
Curtailments	(248)	0
Benefits obligation at end of year	15,353	14,938
Change in plan assets		
Fair value of plan assets at beginning of year	10,120	15,204
Expected return on plan assets	628	1,079
Actuarial gain / (loss)	1,180	(6,129)
Employer contributions	633	664
Plan participants' contributions	45	54
Benefits paid from plan	(521)	(629)
Expenses paid	(113)	(91)
Premiums paid	(37)	(32)
Fair value of plan assets at end of year	11,935	10,120
(Deficit) at end of year	(3,418)	(4,818)

History of Experience gains and losses :

	2009		2008		2007		2006	
	€000	%	€000	%	€000	%	€000	%
Difference between expected and actual return on scheme assets	1,180	9.9	(6,129)	(60.6)	(1,590)	(10.5)	693	4.5
Experience gains and losses of scheme liabilities	1,018	6.6	(275)	(1.84)	76	0.5	445	3.0
Total amount recognised in the STRGL	1,152		(5,262)		(643)	(4.2)	1,236	8.0

Bord na gCon – FRS 17:

FRS 17 has not been implemented in the financial statements of the parent company as it is not possible to identify its share of the Group pension liability.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)

17. EMPLOYEES REMUNERATION

The average numbers of persons employed by the group in the financial year was 485 (2007: 607) and is analysed into the following categories:-

Group:	Note	2009	2008
Senior Management		6	8
Middle Management		24	28
Executive Officers/Clerical		47	52
Field Staff		19	20
Control Stewards		12	13
Other		4	4
		<u>112</u>	<u>125</u>
Part time staff - track		<u>373</u>	<u>482</u>
		<u>485</u>	<u>607</u>

The staff costs are comprised of:

		€	€
Wages, salaries, redundancy and expenses		8,571,796	8,583,143
Employer's social insurance costs		646,157	730,902
Employer's Contribution to PRSA scheme		109,252	79,370
Defined Benefit Scheme -			
Current Service Cost	16	<u>407,000</u>	<u>449,000</u>
		<u>9,734,205</u>	<u>9,842,415</u>

The average numbers of persons employed by Bord na gCon in the financial year was 357 (2008: 435) and is analysed into the following categories:-

Bord na gCon:	2009	2008
Senior Management	5	7
Middle Management	11	11
Executive Officers/Clerical	27	30
Field Staff/Control Stewards	15	16
Other	2	2
	<u>60</u>	<u>66</u>
Part time staff - track	<u>297</u>	<u>369</u>
	<u>357</u>	<u>435</u>

The staff costs are comprised of:

Wages, salaries, redundancy and expenses	5,973,080	5,427,508
Employer's social insurance costs	386,094	421,681
Employer's pension and benefits costs *	465,854	442,548
	<u>6,825,028</u>	<u>6,291,737</u>

*This amount represents the parent company's contribution to the schemes as distinct from the current service cost which cannot be identified separately from the group cost (see Note 16).



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008 (Continued)

18. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2009	2008
	€	€
(Deficit)/Surplus before taxation	(66,132)	4,660,702
Interest payable	169,578	177,662
Interest receivable	(1,970)	(6,609)
Operating Surplus	<u>101,476</u>	<u>4,831,755</u>
(Profit)/Loss on disposal of fixed assets	(2,169)	(2,500)
Allocation from Horse & Greyhound Racing Fund	(13,625,600)	(15,257,000)
Grants to private tracks	563,503	257,012
Decrease in intangible assets	(10,753)	(58,058)
Depreciation	2,647,466	2,852,725
Amortisation of capital reserve	(1,672,866)	(1,862,227)
(Increase)/Decrease in stocks	26,222	47,628
(Increase) in debtors	1,621,603	(1,025,562)
Increase/(Decrease) in creditors and provisions	(872,744)	1,555,077
Net Pension	(248,000)	(454,000)
Net cash outflow from operating activities	<u>(11,471,862)</u>	<u>(9,115,150)</u>

19. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2009	2008
	€	€
Increase/(Decrease) in cash	(408,142)	(387,028)
(Increase)/Decrease in debt	<u>(2,236,829)</u>	<u>(1,186,284)</u>
Net Movement	(2,644,971)	(1,573,312)
Opening net funds	(10,441,504)	(8,868,192)
Closing net funds	<u>(13,086,475)</u>	<u>(10,441,504)</u>

20. ANALYSIS OF NET DEBT

	Opening Balance	Cashflow	Closing Balance
	€	€	€
Cash	1,094,806	(408,142)	686,664
Overdrafts	(1,255,034)	882,879	(372,155)
Bank loan	(10,281,276)	(3,119,708)	(13,400,984)
	<u>(10,441,504)</u>	<u>(2,644,971)</u>	<u>(13,086,475)</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2009 (Continued)**21. RECONCILIATION OF MOVEMENTS IN CAPITAL AND RESERVES**

	Profit & Loss Account €000	Capital Reserve €000	General Reserve €000	Pension Reserve €000	Total €000
Opening Balance at 1 Jan	7,954	35,911	1,433	(6,105)	39,193
Movement in Capital reserve (Note 12)	-	1,169	-	-	1,169
Deficit for year attributable to Group	(2,802)	-	-	-	(2,802)
Actuarial Gain/(Loss)	-	-	-	1,152	1,152
Closing Balance at 31 December	<u>5,512</u>	<u>37,080</u>	<u>1,433</u>	<u>(4,953)</u>	<u>38,712</u>

22. BOARD MEMBERS' INTERESTS

In the normal course of business Bord na gCon and its subsidiaries may enter into 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 Finance in relation to the disclosure of interests by Board Members and these procedures have been adhered to by the Board during the year. During the year there were no transactions with group companies from a company with which a Board Member is associated.

23. COMMITMENTS & CONTINGENCIES

The Board has capital commitments for Stadium Grants of €17 million.

24. GOING CONCERN

The Horse and Greyhound Racing Act made provision for financing Bord na gCon in the medium term. In 2004, the Minister for Arts, Sport and Tourism, with the consent of the Minister for Finance, increased the limit of the total amount which can be paid into the Fund from monies provided by the Oireachtas from €254 million to €550 million, of which 20% is available to Bord na gCon. As the Directors are satisfied that the group is in a position to arrange its affairs and the necessary finance to enable the group to discharge its liabilities, the Directors consider that the going concern basis remains appropriate in preparing the financial statements.

25. APPROVAL OF ACCOUNTS

The accounts were approved by the Board Members on _____.



DETAILED GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 €	2008 €
Turnover			
Tote Receipts		32,884,036	44,045,453
Bookmaker Income		606,036	777,914
Gate receipts and programme sales		3,821,485	5,466,583
Catering Income		1,672,756	2,722,732
Sponsorship – Board Tracks		910,057	1,221,879
Entry Fees – Board Tracks		967,304	1,038,424
Sponsorship – Private Tracks		424,081	521,083
Entry Fees – Private Tracks		598,832	667,472
Dog Sales Commission		28,822	29,382
Miscellaneous		1,112,935	1,296,617
Net return on Pension Scheme Assets		22,000	239,000
Turnover from racing facilities		43,048,344	58,026,539
Allocation from Horse & Greyhound Racing Fund		13,625,600	15,257,000
Expenses			
Tote Payout		(25,942,281)	(35,141,227)
Prizemoney – Board Tracks		(6,826,106)	(6,955,380)
Prizemoney – Private Tracks		(3,890,230)	(4,439,010)
Staff costs	17	(9,734,205)	(9,842,414)
Operating grants to private tracks		(381,518)	(405,291)
Tote equipment hire		(535,737)	(906,881)
Rent and Rates		(575,191)	(560,825)
Light & Heat		(442,270)	(568,324)
Depreciation		(2,647,466)	(2,852,725)
Grant Amortised		1,672,866	1,862,227
Repairs and renewals		(541,471)	(906,012)
Dog Sales costs		(6,029)	(6,672)
Other Track costs		(659,839)	(1,214,386)
Insurance		(75,986)	(89,276)
Contribution to Retired Greyhound Trust		(194,999)	(218,035)
Advertising		(2,114,144)	(1,902,547)
Travel, Promotion & Entertainment		(601,877)	(723,953)
Administration Costs		(1,805,603)	(2,261,306)
Intertrack Expenses		(410,518)	(609,102)
I.T. Database Costs		(296,533)	(449,524)
Operating and administration costs		(56,009,164)	(68,190,663)
Operating surplus before grants		664,780	5,092,876
Grants to private tracks		(563,503)	(257,012)
Profit/Loss on disposal of tangible assets	3	2,169	2,500
Group interest payable		(169,578)	(177,662)
(Deficit)/Surplus before taxation		(16,544)	4,660,702

