



**Irish Greyhound Board
Bord na gCon**

Annual Report 2012



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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, 2012, 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 Report and Accounts for the year ended 31st December 2012, 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.

A total of 17 stadia licensed by Bord na gCon operated during the year 2012. Eight of these stadia licensed are owned and operated by private enterprise.

Funding for Bord na gCon is sourced by admission fees to their stadia; concession fees generated from restaurant facilities; by a percentage deduction from totalisator pools; by a turnover charge on on-course bookmaker betting; and Exchequer funding. Receipts from these sources are used to augment prize money, to grant-aid development at stadia to enable them to improve spectator facilities, to develop public auction sales, to advertise greyhound racing, to promote greyhound welfare and to regulation the industry including the operation of the national drug testing laboratory.



Foreword to Annual Report 2012 by Chairman - Phil Meaney

I am pleased to present the 2012 Annual Report for Bord na gCon. While our economy is still experiencing very challenging times, the greyhound industry has survived many recessionary periods in the past. It is a vibrant sport and industry that is interwoven in the heartland of our country. We continue to offer racing 7 nights a week, with over 1800 meetings a year, providing greyhounds an opportunity to enter approx. 18,000 races across many grades and distances to provide all with a sporting chance.

Again the government recognised the importance of the greyhound industry and kept cuts to our funding to a minimum in its recent budget, allowing us to keep the industry on a steady course.

It is encouraging, that despite all the challenges, we still managed to increase the attendance at all our classic events. We also played host to Sky Sports for a fantastic night of racing from the Kingdom Greyhound Stadium and broadcast our first live online forum during the Irish Laurels. We drew the season to a spectacular close with the inaugural Night of Stars at Shelbourne Park.

I am very pleased to see the development works at Youghal and Clonmel commenced in 2012 have been completed. Both developments were necessary and will greatly enhance the experience for their patrons. No capital expenditure programme is planned by the Board during 2013.

During 2012 the magic 28 second barrier was broken in both Shelbourne Park and Curraheen Park.

The Irish Greyhound Board and our registered charity, The Retired Greyhound Trust, embarked on a new Retired Greyhound Show project with the Irish Kennel Club. Retired Greyhounds from across the country competed in shows locally, with regional winners competing in the Irish Kennel Clubs National Dog Show. As a follow on to this, they also held the first ever National Greyhound Gathering, which attracted visitors from across Ireland, the UK and even some from mainland Europe. Encouraging ownership of Retired Greyhounds, the family-friendly day, was an opportunity for owners and Greyhounds to come together and included competitions on the day. These events have been followed up in 2013.

Our 5 year strategic review is complete and will give the organisation a clear direction and focus from 2013 to 2017. I was humbled by the willingness of so many of our stake holders to contribute their time and thoughts to the project and take this as a positive sign of the strength of our industry and the passion within it to succeed. Since the previous strategic plan was put in place in 2007, the landscape in Ireland has changed dramatically. It was important that we realigned our targets and priorities in order to best serve the greyhound public and insure its sustainability.

I am very pleased to confirm that the Irish Greyhound Board have decided to increase by 20% its investment in racing grants including a breeder's incentive programme for 2013. This decision will add new vibrancy to the greyhound industry going forward.

I would like to thank both ministers for Agriculture for their support during the year. I would also like to thank the IGB Board for their continued efforts and commitment. To the Staff at all locations, a special word of thanks for your hard work and commitment.

Thanks to you our patrons for your continued support.

Phil Meaney,

Chairman

Date: October 31st 2013



Foreword to Annual Report 2012 by Chief Executive Officer - Adrian Neilan

In this foreword to the 2012 Annual Report I wish to give a summary overview of the year's performance of Bord na gCon's operations amidst a background of general economic uncertainty for the country. Due to the on-going challenging economic environment Bord na gCon certainly saw a reduction in consumer activity throughout our stadium venues nationwide. Attendances and customer spend were all slightly depressed as well as sponsorship and incomes from catering, wagering, greyhound entries and sales.

The year also saw a slight contraction in the overall greyhound and owner pools and the normally buoyant and reliable UK greyhound sales sector continued to shrink thus challenging the large export side of our industry.

Despite the fact that there were reductions in turnover from our racing facilities as well as a slight drop in the allocation from the Horse and Greyhound Racing Fund, Bord na gCon still managed to produce an operating surplus of €1,95m which was down from the 2011 operating surplus of €3.3million. Despite this we were fortunately still almost able to maintain prize money at the same levels as 2011.

In order to combat some of the aforementioned declines in operational performances and revenues Bord na gCon's executive and Board have undertaken some strong and proactive counter measures to future proof the industry. A prudent cost saving programme has been implemented which has produced savings and efficiencies across all operations, stadia and head office. IT investments have continued to drive efficiencies and are now set to further drive revenues in the domestic and international markets as we are set to exploit future opportunities to export content and data. We have begun to implement the proposals as laid out in the Five Year Strategy which is set to drive the future strategy of the industry and from which all stakeholders in every greyhound sector in Ireland have proactively contributed. There has been a lot of interest in our product from international gaming and gambling entities from abroad and as a result we are about to embark on a series of negotiations which will see us export recorded and live data and racing content to a global stage which will enhance the Irish greyhound racing brand and also boost revenues from next year. Because of the investment in our integrity and welfare systems there is now a recognition and trust in our product internationally and this is hugely positive for all stakeholders in our industry as demand should benefit the maintenance of revenues and prize money, attract new sponsors and visiting tourists.

I am grateful to our dedicated and hard-working staff all over the country, who never fail to show their passion and commitment to our industry. I would also like to thank the Board of Directors and especially our Chairman, Phil Meaney, whose guidance and combined experience has proved invaluable in helping us charter a steady course through the economic challenges we have faced to date. Finally I'd like to acknowledge our faithful owners, breeders and trainers without whom there would be no industry as they continue to help us produce undoubtedly a world leading product.

Adrian Neilan,

Chief Executive Officer.

Date: October 31st 2013



BORD na gCON

BORD NA gCON INFORMATION

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

MEMBERS OF THE BOARD

Phil Meaney
Teresa Wall
Billy O'Dwyer (Re-appointed 12th June 2012)
Tim Gilbert
Brendan Moore
Tony McNamee
Mattie Murphy

CHIEF EXECUTIVE OFFICER

Adrian Neilan

REGISTERED OFFICE

Greenpark,
Dock road
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 stadiums were licensed by Bord na gCon during the year 2012.

Of the country's 17 greyhound stadiums, the Board owns and operates the following stadiums: Shelbourne Park, Harold's Cross, Cork, Tralee, Waterford, Youghal, Limerick, Galway and Mullingar. The board holds a 51% share in the Mullingar Stadium. Bord na gCon has leased its stadium in Clonmel to Davis Road Greyhound Stadium Plc.

Key Summary Performance for 2012

	2012	2011	% change
Total Prize money	€7,200,148	€7,249,062	(0.7)%
Sponsorship	€904,769	€944,612	(4.2)%
Operating surplus ¹	€1,953,972	€3,371,706	(42.0)%
Attendance	720,470	756,561	(4.8)%

¹ Operating surpluses are stated before capital grants to private stadia, (loss)/profit on asset disposal, and bank interest



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's changes within the Control Committee during 2013 are as follows:

- Mr Gerald Meaney, B.A L.L.B., Chairman, (appointed 29/08/2013)
- Mr Alan Keenan (appointed 29/08/2013)
- Mr Patrick Dunne M.R.C.V.S. (appointed 29/08/2013)
- Mr Thomas J. Mulligan (appointed 29/08/2013)
- Mr Diarmuid O'Neill (reappointed 29/08/2013)
- Mr Pat F O'Connor, B.C.L., Chairman (retired 19/06/2013)
- Dr Dermot Cribbin, MD,BDS. (retired 19/06/2013)
- Mr Danny McHenry M.R.C.V.S. (retired 19/06/2013)
- Mr Lexie Marmion (retired 19/06/2013)

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 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. 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's changes within the Controls Appeal Committee during 2013 are as follows:-

- Mr Frank O'Leary, M.R.C.V.S., Chairman (reappointed 03/10/2013)
- Ms Fiona Hughes, M.R.C.V.S. (reappointed 03/10/2013)
- Mr Pat Barriscale, B.C.L., B.L. (appointed 03/10/2013)

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.



NATIONAL GREYHOUND RACING AWARDS 2012

The 2012 National Greyhound Racing Awards took place on Sunday 10th March 2013, in the Hodson Bay Hotel, Athlone. The prestigious function was held as a lunchtime ceremony, and over 200 guests attended the events, recognising the outstanding achievements in the Greyhound Racing industry. Minister for Agriculture, Food and the Marine, Simon Coveney T.D., addressed the attendees, and presented the awards on the day.

Attendees on the day were shown photographic highlights of the previous year, along with video highlights of the 2012 classics. Galway Crystal was again sponsors of the Awards, and all the award winners were presented with a commemorative Galway Crystal piece. In 2012, it was announced that an additional award category was to be added entitled 'Newcomer of the Year'.

2012 National Greyhound Racing Award winners were selected by a panel of industry figures, in the following categories.

Greyhound of the Year	Skywalker Puma	Owner:	Raymond Patterson
		Trainer:	Frances O'Donnell
		Breeder:	Paddy Purtill
Bitch of the Year	Milldean Tally	Owner:	M & H Syndicate
		Trainer:	Dolores Ruth / John O'Flynn Jnr. ²
		Breeder:	Rita Carberry
Sprinter of the Year	Cambushmore	Owner:	Ned Kerrisk
		Trainer:	Graham Holland
		Breeder:	Mary Kerrisk & Ann Mullins
Stayer of the Year	Future Boy	Owner:	Mike Rowe
		Trainer:	Gerry Griffin
		Breeder:	John Kennedy
Stud Dog of the year	Head Bound	Owner:	Sean Dunphy
Brood Bitch of the year	Talita Beauty	Owner:	Rita Carberry & Breda Carberry
Newcomer of the Year	Paradise Madison	Owner:	David Buckley
		Trainer:	Oliver Bray
		Breeder:	Sean Meade

² Please note two trainers received the award as both trainers were involved during the 2012 period



STATEMENT ON 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 provides reasonable but not absolute assurance that assets of Bord na gCon are safeguarded; that financial transactions are properly authorised, recorded and presented in the Financial Statements; that material errors are detected and addressed in a timely manner.

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

- An organisational structure with clear operating and reporting procedures including clearly defined powers and responsibilities;
- Code of Ethics for all employees to maintain the highest ethical standards in conducting business.
- Clearly defined policies and procedures throughout the Finance function including expenditure authorisation controls, payment controls and maximisation of segregation of duties in the finance function;
- Formal control procedures for capital investment expenditure;
- Procedures for reporting and investigating significant control failures to ensure that appropriate corrective action is taken on a timely basis;
- Information systems including a comprehensive budgeting system with a detailed review process by Executives and sign-off by the Board;
- Monthly reviews by the Board of budget to actual performance information for the business;

The implementation of a formal process to identify and evaluate organisation business risks is continuing.

The Bord na gCon employs an Internal Auditor who reports directly to the Audit Committee and in turn to the Board of the Bord na gCon. The Internal Auditor and the Internal Audit Committee comply 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.

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 2012, six Audit Committee meetings were held. A review of the Risk Management System was conducted. The Internal Auditor conducted a number of Track Inspections and Special Investigations.

Due to unforeseen circumstances which limited resources, the number of formal internal audits conducted on the system of Internal Financial Control was not sufficient to provide the Board with independent assurance as to the effectiveness of internal controls during 2012. Accordingly, an outsourced internal audit firm was appointed in Quarter 2 2013 to assist with the provision of Internal Audit Services. As a result the board relied upon internal audit investigations completed on 6 stadia in 2012 together with presentations from Bord na gCon management on the internal control environment which indicated that the system of internal controls was being complied with. Since that time, the formal internal audit work conducted provides a measure of independent assurance to the Board that the Internal Financial Control processes remain effective.

During 2012 there were a limited number of instances where goods and services were procured by Bord na gCon and these goods and services were not tendered for nor were competing quotations sought from suppliers. Each of the instances identified related to procurement of goods and services from strategic suppliers with a unique knowledge of the greyhound industry and an established knowledge of the matters affecting Bord na gCon. Notwithstanding this, the Board has taken measures to improve the Bord na gCon's procurement function including the appointment of a permanent Procurement Officer.



I confirm that in October 2013, the board carried out its review of the effectiveness of the system of internal financial control for the year ended 31st December 2012. The effectiveness of this review was impacted by the matters noted in this report which the Board is now satisfied it has rectified.

Signed on behalf of the Board.

A large, stylized handwritten signature in blue ink, appearing to read 'Phil Meaney'.

Phil Meaney
Chairman

Date: October 31st 2013



BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The Board Members submit herewith their report and audited financial statements for the year ended 31 December 2012.

1. PRINCIPAL ACTIVITIES

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.

Funds generated from these activities are re-invested in the industry through contributions to prize-money and grants to various bodies involved in the greyhound racing and breeding industry plus the promotion of greyhound welfare and the regulation the industry including the operation of the national drug testing laboratory. There have been no significant changes in these activities during the year.

2. GROUP TRADING RESULTS FOR THE YEAR

	2012 €	2011 €
Turnover	<u>29,542,633</u>	<u>31,871,685</u>
Operating surplus	<u>1,953,972</u>	<u>3,371,706</u>
Grants to private stadia (see Note)	<u>(1,117,588)</u>	<u>(1,520,000)</u>
Surplus for the year	<u>362,341</u>	<u>523,962</u>

The Board honoured their 2006 commitment to Dundalk Greyhound Stadium Ltd. The Board do not have any capital commitments at 31 December 2012.

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 15 meetings during 2012 and the members who held office during the year along with their meeting attendance was as follows:-

Member	No of Meetings
Phil Meaney	15
Teresa Wall	15
Billy O'Dwyer	15
Tim Gilbert	15
Brendan Moore	15
Tony McNamee	15
Mattie Murphy	15



BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (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 Bord Na gCon 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 2012.

7. AUDITOR

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

Approved by the Board on October 31st 2013


Phil Meaney
Chairman


Teresa Wall
Board Member



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Bord na gCon

I have audited the financial statements of Bord na gCon for the year ended 31 December 2012 under the Horse and Greyhound Racing Act 2001. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the group profit and loss account, the group statement of total recognised gains and losses, the group balance sheet, Bord na gCon balance sheet, the group cash flow, the detailed group profit and loss account 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 of the state of Bord na gCon's affairs and of its surplus or deficit, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and 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. 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, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the group's and Bord na gCon's affairs at 31 December 2012 and of the group's surplus for 2012.

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.

Going Concern

Without qualifying my opinion, I draw attention to Note 24 to the financial statements. This discloses that the Board considers that preparation of the financial statements on the going concern basis remains appropriate, based on the assumption of continued State funding and of future increases in profit from racing facilities and new income streams.

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
- my audit noted 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
- 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
- I find there are other material matters relating to the manner in which public business has been conducted.

Non compliance with procurement rules

The Statement on Internal Financial Control discloses that there were a number of instances of non compliance with public procurement guidelines. It also states that Bord na gCon has taken measures to improve its procurement functions, including the appointment of a permanent procurement officer.



Seamus McCarthy
Comptroller and Auditor General

23 November 2013





GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 €	2011 €
Turnover from racing facilities		29,542,633	31,871,685
Allocation from the Horse & Greyhound Racing Fund		11,258,000	11,460,000
Operation and administration costs		<u>40,800,633</u> (38,846,661)	<u>43,331,685</u> (39,959,979)
Operating Surplus		1,953,972	3,371,706
Grants to private stadia		<u>(1,117,588)</u>	<u>(1,520,000)</u>
Operating Surplus on ordinary activities		836,384	1,851,706
Gain/ (Loss) on disposal of tangible fixed assets	3	<u>2,000</u>	<u>(825,956)</u>
Surplus before interest on ordinary activities		838,384	1,025,750
Group interest payable		<u>(530,315)</u>	<u>(550,489)</u>
Surplus on ordinary activities before taxation		308,069	475,261
Taxation	4	<u>0</u>	<u>0</u>
Surplus on ordinary activities after taxation		308,069	475,261
Loss attributable to minority interests		<u>54,272</u>	<u>48,701</u>
Surplus for year		362,341	523,962
Transfer to Capital Reserve	12	<u>0</u>	<u>(3,650,622)</u>
Retained Surplus/ (Deficit) for year		362,341	(3,126,660)
Opening Balance at 1 January		<u>368,006</u>	<u>3,494,666</u>
Closing Balance at 31 December		<u>730,347</u>	<u>368,006</u>

The notes (on pages 19 to 32) and the Detailed Group Profit and Loss Account (on page 33) form part of these financial statements.

Approved by the Board on October 31st 2013


Phil Meaney
Chairman


Teresa Wall
Board Member

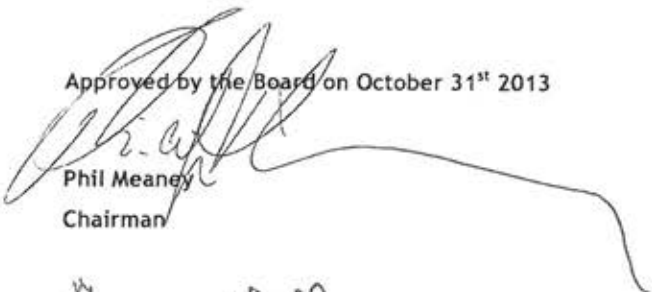


GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2012 €	2011 €
Surplus for the financial year		<u>362,341</u>	<u>523,962</u>
Pension Scheme Movements			
Actual return less expected return on schemes assets		471,000	102,000
Experience Gains and (Losses)		(344,000)	575,000
Changes in Assumptions		(3,337,000)	(1,216,000)
Actuarial Gain/ (Loss) recognised in the pension scheme	16	<u>(3,210,000)</u>	<u>(539,000)</u>
Total Recognised Gain/ (Loss) for the year		<u>(2,847,659)</u>	<u>(15,038)</u>

The notes (on pages 19 to 32) and the Detailed Group Profit and Loss Account (on page 33) form part of these financial statements.

Approved by the Board on October 31st 2013


Phil Meaney
Chairman


Teresa Wall
Board Member



BORD na gCON

GROUP BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 €	2011 €
FIXED ASSETS			
Intangible assets	5	25,800	30,100
Tangible assets	6	66,200,053	67,351,641
Financial assets		5,951	5,951
		<u>66,231,804</u>	<u>67,387,692</u>
CURRENT ASSETS			
Stocks	8	126,737	109,635
Debtors	9	2,042,003	3,197,345
Cash at bank and on hand		809,747	811,634
		<u>2,978,487</u>	<u>4,118,614</u>
CREDITORS (Amounts falling due within one year)	10	<u>(5,551,735)</u>	<u>(5,894,352)</u>
NET CURRENT LIABILITIES		<u>(2,573,248)</u>	<u>(1,775,738)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		63,658,556	65,611,954
CREDITORS (Amounts falling due after more than one year)	11	<u>(22,849,626)</u>	<u>(22,712,465)</u>
Net Pension (Liability)	16	(7,222,000)	(3,788,000)
NET ASSETS		<u>33,586,930</u>	<u>39,111,489</u>
FINANCED BY:			
Profit and Loss Account		730,347	368,006
Capital reserve	12	38,605,700	41,175,840
Other reserves	13	1,433,177	1,433,177
Pension reserve		(8,620,000)	(5,410,000)
Capital and Reserves	21	<u>32,149,224</u>	<u>37,567,023</u>
Minority interests	15	1,437,706	1,544,466
		<u>33,586,930</u>	<u>39,111,489</u>

The notes (on pages 19 to 32) and the Detailed Group Profit and Loss Account (on page 33) form part of these financial statements.

Approved by the Board on October 31st 2013


Phil Meaney
Chairman


Teresa Wall

Board Member



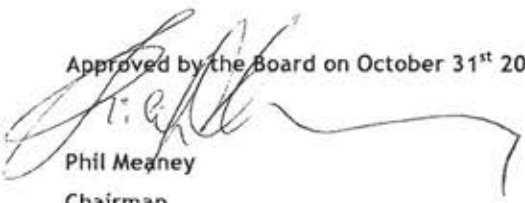
BORD na gCON

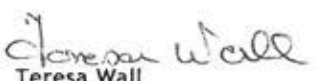
BORD Na gCON BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 €	2011 €
FIXED ASSETS			
Intangible assets	5	25,800	30,100
Tangible assets	6	1,663,749	1,947,029
Financial assets	7	8,907,242	8,337,675
		<u>10,596,791</u>	<u>10,314,804</u>
CURRENT ASSETS			
Stocks	8	73,613	62,917
Debtors	9	364,923	652,474
Cash at bank and on hand		482,364	588,751
		<u>920,900</u>	<u>1,304,142</u>
CREDITORS (Amounts falling due within one year)	10	(10,122,845)	(10,814,717)
NET CURRENT LIABILITIES		<u>(9,201,945)</u>	<u>(9,510,575)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,394,846	804,229
CREDITORS (Amounts falling due after more than one year)	11	(22,849,626)	(22,712,465)
NET LIABILITIES		<u>(21,454,780)</u>	<u>(21,908,236)</u>
FINANCED BY:			
Profit and Loss Account		(2,516,728)	(4,271,244)
Capital Reserve	12	(20,207,790)	(18,906,730)
Other Reserves	13	1,269,738	1,269,738
		<u>(21,454,780)</u>	<u>(21,908,236)</u>

The notes (on pages 19 to 32) and the Detailed Group Profit and Loss Account (on page 33) form part of these financial statements.

Approved by the Board on October 31st 2013


Phil Meaney
Chairman


Teresa Wall
Board Member




BORD na gCON

GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 €	2011 €
Net Cash inflow from operations	18	3,788,098	1,850,050
Returns on investments and servicing of finance			
Interest received		0	167
Interest paid		(530,315)	(550,489)
		<u>(530,315)</u>	<u>(550,322)</u>
Taxation		<u>0</u>	<u>0</u>
Capital expenditure & financial investment			
Payments to acquire tangible assets		(2,155,483)	(2,716,216)
Receipts from disposal of tangible assets		2,000	2,121,000
Grants paid to non-Bord na gCon stadia		(1,117,588)	(1,520,000)
		<u>(3,271,071)</u>	<u>(2,115,216)</u>
Net outflow before use of liquid resources & financing		(13,288)	(815,488)
Finance			
Drawdown of Loans & Overdrafts		11,401	1,116,422
(Decrease)/Increase in cash	19 & 20	<u>(1,887)</u>	<u>300,934</u>

The notes (on pages 19 to 32) and the Detailed Group Profit and Loss Account (on page 33) form part of these financial statements.

Approved by the Board on October 31st 2013


Phil Meaney
Chairman


Teresa Wall
Board Member



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012

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 valuation and depreciation

Fixed assets are stated at cost less accumulated depreciation. As required under FRS 11, where events or changes in circumstances indicate that the carrying value of an asset may not be recoverable, the Bord conducts a review for impairment. Such a review compares the carrying value of an asset with the higher of the 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 Bord considers that given the interdependency between its stadia, the income generating unit is the combined group of stadia.

Where asset impairment occurs, it is recognised in the group profit and loss account and allocated to the individual subsidiaries on a proportionate basis. The Bord does not recognise impairment of individual assets within the group or stadia that are offset by excess of valuation over carrying value in other stadia.

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

Depreciation

Freehold land is not depreciated. Depreciation on the remaining fixed 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 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) Stocks

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

(e) Oireachtas Grants

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



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

(f) 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 Profit and Loss Account in line with the depreciation and write-down of the grant-assisted assets.

Previously the board has considered funding made available from the Horse & Greyhound Racing to represent compensation 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 exceeded the aggregate of levy compensation, prize money 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 the aggregate, a transfer was made from the Capital Reserve to the Revenue Reserve. From 2012, the Bord 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.

(g) 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.

(h) 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.

(i) Prizemoney

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

(j) Turnover

Turnover represents revenue from race meetings and other ancillary services including bar, restaurant operations, Sponsorship and Entry Fees surrendered by Private Stadia to Bord na gCon, by a percentage deduction from totalisator pools, by a turnover charge on on-course bookmaker betting and Exchequer funding.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

2. SURPLUS BEFORE TAXATION

	2012 €	2011 €
Group Surplus before taxation has been arrived at after charging:		
Board Members' remuneration:-		
Dick O'Sullivan	0	2,880
Phil Meaney	22,600	16,279
Tony McKenna	0	11,647
Danny Reilly	0	11,647
Teresa Wall	12,600	12,600
Tim Gilbert	12,600	12,600
Billy O'Dwyer	12,600	12,600
Martin Murphy	12,600	1,050
Brendan Moore	12,600	1,050
Tony McNamee	12,600	1,050
	<u>98,200</u>	<u>83,403</u>
Board Members' travel & subsistence	54,239	71,273
Board Members' meals & entertainment	4,053	3,178
Auditor's remuneration	70,655	74,215
Depreciation (Note 6)	2,332,261	2,842,998
Group Interest Payable	530,315	550,489
Redundancy Costs	120,336	117,681
Chief Executive Officer's remuneration:		
Basic salary	162,917	155,000
Superannuation costs	37,004	37,004
Other remuneration	4,123	4,123
	<u>204,044</u>	<u>196,127</u>
And after crediting:		
Amortisation of capital reserve (Note 12)	1,722,209	2,770,727
Interest receivable	<u>0</u>	<u>167</u>

The CEO's basic pay for 2012 represents basic salary €160,531 together with arrears of pay following the finalisation of his contract in September 2011. Other remuneration represents the value of benefit in kind amounts received by the CEO.

Bord na gCon - Company Surplus

The surplus after taxation for the year of the Bord na gCon parent entity is €1,754,516 (2011: surplus of €1,471,123). The surplus has been dealt with in the financial statements.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

3. PROFIT ON DISPOSAL OF TANGIBLE FIXED ASSETS

In 2012, the Bord na gCon group disposed of an asset which resulted in a net profit of €2,000.

4. TAXATION

	2012 €	2011 €
Corporation Tax Refund/(Liability)	<u>0</u>	<u>0</u>

5. INTANGIBLE ASSETS

Group	2012			2011		
	Negative Goodwill	Goodwill	Total	Negative Goodwill	Goodwill	Total
COST						
Cost at 1 January	(150,575)	43,000	(107,575)	(150,575)	43,000	(107,575)
At 31 December	<u>(150,575)</u>	<u>43,000</u>	<u>(107,575)</u>	<u>(150,575)</u>	<u>43,000</u>	<u>(107,575)</u>
AMORTISATION						
At 1 January	150,575	(12,900)	137,675	150,575	(8,600)	141,975
Released during the year	0	(4,300)	(4,300)	0	(4,300)	(4,300)
At 31 December	<u>150,575</u>	<u>(17,200)</u>	<u>133,375</u>	<u>150,575</u>	<u>(12,900)</u>	<u>137,675</u>
NET BOOK AMOUNT AT 31 DECEMBER	<u>0</u>	<u>25,800</u>	<u>25,800</u>	<u>0</u>	<u>30,100</u>	<u>30,100</u>

Bord na gCon	2012 €	2011 €
COST		
Cost at 1 January	30,100	34,400
Released during the year	(4,300)	(4,300)
At 31 December	<u>25,800</u>	<u>30,100</u>

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 titled "Talking Dogs". The rights and know-how of the "Talking Dogs" section were purchased by Bord na gCon and are now available to view on our website www.igb.ie.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (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	45,233,903	33,062,146	21,066,095	108,210	297,688	99,768,042
Additions	1,724,549	0	400,134	0	30,800	2,155,483
Impairment of non-trading assets	(974,810)	0	0	0	0	(974,810)
Disposals	0	0	0	0	(36,500)	(36,500)
At 31 December	<u>45,983,642</u>	<u>33,062,146</u>	<u>21,466,229</u>	<u>108,210</u>	<u>291,988</u>	<u>100,912,215</u>
Accumulated Depreciation						
At 1 January	5,421,233	9,114,736	17,495,652	108,210	276,570	32,416,401
Charge for year	507,084	995,975	804,861	0	24,341	2,332,261
Disposals	0	0	0	0	(36,500)	(36,500)
At 31 December	<u>5,928,317</u>	<u>10,110,711</u>	<u>18,300,513</u>	<u>108,210</u>	<u>264,411</u>	<u>34,712,162</u>
Net Book Amount:						
At 31 December 2012	<u>40,055,325</u>	<u>22,951,435</u>	<u>3,165,716</u>	<u>0</u>	<u>27,577</u>	<u>66,200,053</u>
At 31 December 2011	<u>39,812,670</u>	<u>23,947,410</u>	<u>3,570,443</u>	<u>0</u>	<u>21,118</u>	<u>67,351,641</u>
Bord na gCon						
Cost:						
At 1 January	614,608	1,866,021	10,718,456	12,154	285,750	13,496,989
Additions	0	0	76,379	0	30,800	107,179
Disposals	0	0	0	0	(36,500)	(36,500)
At 31 December	<u>614,608</u>	<u>1,866,021</u>	<u>10,794,835</u>	<u>12,154</u>	<u>280,050</u>	<u>13,567,668</u>
Accumulated Depreciation						
At 1 January	168,810	1,146,033	9,958,331	12,154	264,632	11,549,960
Charge for year	12,024	33,071	321,023	0	24,341	390,459
Disposals	0	0	0	0	(36,500)	(36,500)
At 31 December	<u>180,834</u>	<u>1,179,104</u>	<u>10,279,354</u>	<u>12,154</u>	<u>252,473</u>	<u>11,903,919</u>
Net Book Amount:						
At 31 December 2012	<u>433,774</u>	<u>686,917</u>	<u>515,481</u>	<u>0</u>	<u>27,577</u>	<u>1,663,749</u>
At 31 December 2011	<u>445,798</u>	<u>719,988</u>	<u>760,125</u>	<u>0</u>	<u>21,118</u>	<u>1,947,029</u>

The cost of fixed assets included above which have been fully depreciated at 31 December 2012 amounts to €14,763,407 (2011: €13,423,510) for the group, and to €9,476,549 (2011: €8,778,812) for Bord na gCon.

The Board has reviewed assets held for resale and has written down the carrying value of a site from €1.1m to €0.15m. The write off of €0.95m is offset by a write back from the Capital Reserve of an equal amount in the Profit and Loss account.

Leasehold buildings include a 999 year licence in respect of the use of a car park at the Board's Limerick Greyhound Stadium for racing events. It was purchased in 2008 for €1.1m 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.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

6. TANGIBLE FIXED ASSETS continued

The assets of Dublin Greyhound & Sports Association Limited, Clonmel Greyhound Stadium, 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.

7. FINANCIAL ASSETS

	2012 €	2011 €
Bord na gCon		
Shares in subsidiaries at cost less amounts written off	244,452	244,452
Long term loans to subsidiaries	8,662,790	8,093,223
	<u>8,907,242</u>	<u>8,337,675</u>

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

8. STOCKS

	2012 €	2011 €
Group:		
Totalisator and track equipment	121,872	101,927
Sundry expense stocks	4,865	7,708
	<u>126,737</u>	<u>109,635</u>
Bord na gCon:		
Totalisator and track equipment	68,748	55,209
Sundry expense stocks	4,865	7,708
	<u>73,613</u>	<u>62,917</u>

9. DEBTORS

	2012 €	2011 €
Group:		
Trade debtors and prepayments	1,637,864	1,701,600
Other debtors	133	133
VAT recoverable	404,006	1,495,612
	<u>2,042,003</u>	<u>3,197,345</u>
Bord na gCon:		
Trade debtors and prepayments	364,790	382,718
Others debtors	133	133
Amounts due from subsidiary companies	0	269,623
	<u>364,923</u>	<u>652,474</u>

All amounts receivable from debtors are due within one year.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

10. CREDITORS (Amounts falling due within one year)

	2012 €	2011 €
Group:		
Creditors and accruals	5,387,907	5,604,764
Bank advances	163,828	289,588
	<u>5,551,735</u>	<u>5,894,352</u>
Bord na gCon:		
Creditors and accruals	3,488,062	3,891,713
Amounts due to subsidiary companies	6,524,225	6,823,574
Bank advances	110,558	99,430
	<u>10,122,845</u>	<u>10,814,717</u>

The creditors and accruals figures include the following amounts:

Group:		
VAT	122,462	103,527
PAYE/PRSI	166,224	235,441
	<u>288,686</u>	<u>338,968</u>
Bord na gCon:		
VAT	16,606	19,646
PAYE/PRSI	126,973	203,568
	<u>143,579</u>	<u>223,214</u>

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

	2012 €	2011 €
Group:		
Bank borrowings	22,849,626	22,712,465
	<u>22,849,626</u>	<u>22,712,465</u>
Bord na gCon:		
Bank borrowings	22,849,626	22,712,465
	<u>22,849,626</u>	<u>22,712,465</u>

Bank borrowings are on an interest only basis until December 9th 2016. Bord na gCon bank facilities continue to operate within the agreed facility terms and limit of €25 million.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

12. CAPITAL RESERVE

	Group		Bord na gCon	
	2012 €	2011 €	2012 €	2011 €
Transfer from surplus				
- In previous years	73,813,320	70,162,698	73,813,320	70,162,698
- In current year	0	3,650,622	0	3,650,622
	<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	(10,213,571)	(10,213,571)	2,300,994	803,088
- In current year	(900,422)	0	0	1,497,906
	<u>(11,113,993)</u>	<u>(10,213,571)</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)	(93,402,961)	(77,622,984)
- In current year	0	0	(1,299,790)	(15,779,977)
	<u>(1,941,837)</u>	<u>(1,941,837)</u>	<u>(94,702,751)</u>	<u>(93,402,961)</u>
Amortisation to Profit and Loss Account				
- In previous years	(20,840,178)	(18,122,808)	(1,618,083)	(1,615,544)
- In current year	(1,722,209)	(2,770,727)	(1,270)	(2,539)
- Attributable to minority interest	52,491	53,357	0	0
	<u>(22,509,896)</u>	<u>(20,840,178)</u>	<u>(1,619,353)</u>	<u>(1,618,083)</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>38,605,700</u>	<u>41,175,840</u>	<u>(20,207,790)</u>	<u>(18,906,730)</u>

13. OTHER RESERVES

	2012 €	2011 €
Group:		
General reserve	1,269,738	1,269,738
Other reserve	163,439	163,439
Total	<u>1,433,177</u>	<u>1,433,177</u>
Bord na gCon:		
General reserve	1,269,738	1,269,738
Total	<u>1,269,738</u>	<u>1,269,738</u>

The other reserve represents amenity grants received by subsidiary companies.



14. SUBSIDIARIES

	Percentage of equity Held by Bord na gCon 2012 and 2011
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. Bord na gCon has leased its stadium in Clonmel to Davis Road Greyhound Stadium Plc.

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.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (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 2012 amounted to €58,149 (2011: €67,640). 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 2012 by a qualified independent actuary. The major assumptions used by the actuary were:

	As at 31/12/2012 %	As at 31/12/2011 %
Rate of increase in salaries	3.00	3.00
Rate of increase in pensions payment	2.00	2.00
Rate of increase of state retirement pension	2.00	2.00
Discount rate	3.90	5.00
Inflation assumption	2.00	2.00
Life expectancy		
Retiring Today (member age 65) - Female	24.7	24.6
Retiring Today (member age 65) - Male	23.3	23.1
Retiring Today (member age 40) - Female	27.4	27.3
Retiring Today (member age 40) - Male	26.3	26.2

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

	Assets As at 31/12/2012 €'000	Expected Return 2012 %	Assets As at 31/12/2011 €'000	Expected Return 2011 %
Fixed Interest	8,044	3.30	7,600	4.0
Cash	4,311	0.75	4,423	2.0
Other (insured assets)	295	3.30	295	4.0
Total Market value of assets	12,650		12,318	
Present value of scheme liabilities	(19,872)		(16,106)	
(Deficit)/Surplus in the scheme	(7,222)		(3,788)	
Related deferred tax liability	0		0	
Net Pension Asset/(Liability)	(7,222)		(3,788)	

	2012 €'000	2011 €'000
Analysis of the amount charged to operating profit as follows:		
Current service cost	245	216
Past service cost	0	0
	<u>245</u>	<u>216</u>

	2012 €'000	2011 €'000
Analysis of the amount credited to other finance income is as follows:		
Interest on scheme liabilities	(794)	(820)
Expected return on scheme assets	314	390
Curtailements	0	0
	<u>(480)</u>	<u>(430)</u>

	2012 €'000	2011 €'000
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	471	102
Experience gains and losses	(344)	575
Changes in assumptions	(3,337)	(1,216)
Actuarial gain/(loss) recognised in the STRGL	<u>(3,210)</u>	<u>(539)</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

16. PENSIONS (Continued)

	2012 €'000	2011 €'000
Analysis of the movement in benefit obligation		
Benefit obligation at beginning of year	16,106	14,914
Service cost	245	216
Interest cost	794	820
Plan participants' contributions	31	28
Actuarial (gain)/loss	3,681	641
Benefits paid	(968)	(512)
Expenses paid	0	(1)
Premiums paid	(17)	0
Benefits obligation at end of year	19,872	16,106
Change in plan assets		
Fair value of plan assets at beginning of year	12,318	11,813
Expected return on plan assets	314	390
Actuarial gain / (loss)	471	102
Employer contributions	501	498
Plan participants' contributions	31	28
Benefits paid from plan	(968)	(512)
Expenses paid	0	(1)
Premiums paid	(17)	0
Fair value of plan assets at end of year	12,650	12,318
(Deficit) at end of year	(7,222)	(3,788)

History of Experience gains and losses :

	2012		2011		2010		2009	
	€'000	%	€'000	%	€'000	%	€'000	%
Difference between expected and actual return on scheme assets ³	471	4.0	102	0.8	(811)	(6.9)	1,180	9.9
Experience gains/(losses) of scheme liabilities ³	(344)	(2.0)	575	3.6	510	3.1	1,018	6.6
Changes in Assumptions	(3,337)		(1,216)		383		(1,046)	
Total amount recognised in the STRGL	(3,210)		(539)		82		1,152	

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.

³The percentages shown represent :

- i. the difference between expected and actual return on scheme assets as a percentage of the year end scheme assets,
- ii. The experience gains/ (losses) of scheme liabilities as a percentage of scheme liabilities.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (Continued)

17. EMPLOYEES REMUNERATION

The average numbers of persons employed by the group in the financial year was 172 (2011: 176) and is analysed into the following categories:-

Group:	Note	2012	2011
IGB & Subsidiaries - Full time staff		100	104
IGB & Subsidiaries - Race night casual staff		72	72
		<u>172</u>	<u>176</u>

The staff costs are comprised of:

	€	€
Wages, salaries, redundancy and expenses	6,311,939	6,270,449
Employer's social insurance costs	484,981	505,715
Employer's Contribution to PRSA scheme	58,149	67,640
Defined Benefit Scheme Current Service Cost	16 245,000	216,000
	<u>7,100,069</u>	<u>7,059,804</u>

The average numbers of persons employed by Bord na gCon in the financial year was 92 (2011: 94) and is analysed into the following categories:-

Bord na gCon:	2012	2011
IGB- Full time staff	51	53
IGB- Race night casual staff	41	41
	<u>92</u>	<u>94</u>

The staff costs are comprised of:

Wages, salaries, redundancy and expenses	4,081,558	3,911,229
Employer's social insurance costs	266,558	283,775
Employer's pension and benefits costs **	351,881	476,495
	<u>4,699,997</u>	<u>4,671,499</u>

The basis on which these numbers are shown has been changed to reflect the full time equivalents of casual staff employed on race nights. The prior year comparatives have been restated to reflect this change.

**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 2012 (Continued)

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

	2012 €	2011 €
Surplus before taxation	308,069	475,261
Group interest payable	530,315	550,489
Interest receivable	0	(167)
Operating Surplus	<u>838,384</u>	<u>1,025,583</u>
(Profit)/Loss on disposal of fixed assets	(2,000)	825,956
Grants to private stadia	1,117,588	1,520,000
Decrease in intangible assets	4,300	4,300
Depreciation	2,332,261	2,842,998
Amortisation of capital reserve	(1,722,209)	(2,770,729)
Increase in stocks	(17,102)	(5,625)
Decrease/(Increase) in debtors	1,155,344	(706,648)
Decrease in creditors and provisions	(142,468)	(1,033,785)
Net Pension	224,000	148,000
Net cash inflow from operating activities	<u>3,788,098</u>	<u>1,850,050</u>

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

	2012 €	2011 €
(Decrease)/Increase in cash	(1,887)	300,934
Increase in debt	(11,401)	(1,116,422)
Net Movement	(13,288)	(815,488)
Opening net debt	(22,190,419)	(21,374,931)
Closing net debt	<u>(22,203,707)</u>	<u>(22,190,419)</u>

20. ANALYSIS OF NET DEBT

	Opening Balance €	Cash-flow €	Closing Balance €
Cash	811,634	(1,887)	809,747
Overdrafts	(289,588)	125,760	(163,828)
Bank loan	(22,712,465)	(137,161)	(22,849,626)
	<u>(22,190,419)</u>	<u>(13,288)</u>	<u>(22,203,707)</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2012 (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	368	41,176	1,433	(5,410)	37,567
Movement in Capital reserve (Note 12)	0	(2,570)	0	0	(2,570)
Deficit for year attributable to Group	362	0	0	0	362
Actuarial Loss	0	0	0	(3,210)	(3,210)
Closing Balance at 31 December	<u>730</u>	<u>38,606</u>	<u>1,433</u>	<u>(8,620)</u>	<u>32,149</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 a Board Member of Bord na gCon provided services to the Board. The value of these services came to €750.

23. COMMITMENTS & CONTINGENCIES

The board have no further capital commitments requiring disclosure.

24. GOING CONCERN

Bord na gCon have agreed credit facilities up to December 2016 with borrowing limits of €25 million. The borrowings are on an interest only basis until 2016. At 31 December 2012, net bank borrowings stood at €22.2 million (Gross bank borrowings €23,013,454 less cash at bank and on hand €809,747).

The Board consider that the going concern basis remains appropriate based on five-year projections, which assume increases in the operating surplus over the period. This is based on

- An annual allocation of funds from the Oireachtas under Section 12 of the Horse and Greyhound Racing Act 2001. In 2012 €11.258 million was made available and €11.004 million was made available for 2013.
- Increased profits from racing facilities which will be augmented by new income streams from off-stadium wagering and streaming of racing events to selected international markets.

25. APPROVAL OF ACCOUNTS

The accounts were approved by the Board Members on October 31st 2013



DETAILED GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 €	2011 €
Turnover			
Tote Receipts		22,155,001	23,868,379
Bookmaker Income		306,629	357,193
Gate receipts and programme sales		3,015,381	3,252,220
Catering Income		1,231,959	1,407,342
Sponsorship - Board Stadia		676,929	705,127
Entry Fees - Board Stadia		769,750	839,480
Sponsorship - Private Stadia		227,840	239,485
Entry Fees - Private Stadia		463,710	463,440
Dog Sales Commission		6,816	16,151
Miscellaneous		1,168,618	1,152,868
Net return on Pension Scheme Assets		(480,000)	(430,000)
Turnover from racing facilities		29,542,633	31,871,685
Allocation from Horse & Greyhound Racing Fund		11,258,000	11,460,000
Expenses			
Tote Pay out		(17,081,606)	(18,626,868)
Prize money - Board Stadia		(4,835,060)	(4,853,229)
Prize money - Private Stadia		(2,365,088)	(2,395,833)
Staff costs	17	(7,100,069)	(7,059,804)
Operating grants to private stadia		(265,433)	(270,400)
Tote equipment hire		(376,109)	(378,105)
Rent and Rates		(576,878)	(550,522)
Light & Heat		(477,363)	(512,910)
Repairs and renewals		(438,734)	(494,574)
Dog Sales costs		(917)	(4,822)
Other Track costs		(629,954)	(629,903)
Insurance		(94,771)	(116,344)
Contribution to Retired Greyhound Trust		(131,763)	(142,648)
Advertising		(1,593,588)	(1,531,399)
Travel & Promotion		(508,654)	(541,231)
Depreciation		(2,332,261)	(2,842,998)
Impairment of non-trading fixed assets		(974,810)	0
Grant Amortised		1,722,209	2,770,727
Impairment of capital grants on non-trading assets		974,810	0
Administration Costs		(1,335,266)	(1,389,800)
Inter track Expenses		(244,922)	(210,241)
I.T. Database Costs		(180,434)	(179,075)
Operating and administration costs		(38,846,661)	(39,959,979)
Operating surplus		1,953,972	3,371,706
Grants to private stadia		(1,117,588)	(1,520,000)
Gain/(Loss) on disposal of tangible fixed assets	3	2,000	(825,956)
Group interest payable		(530,315)	(550,489)
Surplus before taxation		308,069	475,261