



Bord na gCon

Annual Report 2014



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BORD na gCON

WELCOME

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

In accordance with section 19(2) of the Greyhound Industry Acts, 1958 and 1993, Bord na gCon presents its Annual Report and Financial Statements for the year ended 31st December 2014, to the Minister for Department of Agriculture, Food and the Marine.

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

All 17 stadia licensed by Bord na gCon operated during the year 2014. Seven of these licensed stadia 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 (tote) pools; by a turnover charge on on-course bookmaker betting; and Exchequer funding. Receipts from these sources are used to augment prize money, grant-aid development at stadia to enable them improve spectator facilities, to develop public auction sales, to advertise greyhound racing, to promote greyhound welfare and to regulate the industry including the operation of a national drug testing laboratory.



Foreword to Annual Report 2014 by Chairman - Phil Meaney

The annual report for Bord na gCon (Irish Greyhound Board, IGB) represents what has been a difficult trading year for the Industry but also a year where processes of significant strategic change were commenced that will assist the IGB to develop an environment where stakeholders can apply their trade with increased certainty and confidence. The staggered recovery in the economy is evident in the performance of our stadia, performance in Shelbourne Park continues to improve into the current year while performance in regional venues remains challenged which is reflective of the sport and leisure led industries within which the IGB operates.

In spite of these challenges, there were notable achievements in the year under review.

- i. The Board welcomed the publication of the Indecon Business Review and commenced the implementation of the recommendations outlined in this report. On behalf of the IGB I wish to acknowledge the input from Indecon to this process and also thank Minister Simon Coveney TD and Minister Tom Hayes TD for initiating this review and their support on its implementation.
- ii. IGB welcomed the comments of the Minister of Finance in his 2015 budgetary speech where he acknowledged the future funding of the Horse and Greyhound industry. The Irish Government's support of the Greyhound Racing Industry reflects the important role it plays in the Irish economy. The additional allocation received in 2015, €2.756m will assist in maintaining the highest welfare and integrity standards while at the same time ensuring that the sport can thrive rather than just survive into the future.
- iii. The Board completed development of their technology platform which now allows the live broadcasting of the Irish Greyhound content to a wide international audience. Also it was very welcome that Amarac (Turf TV) announced, with the support of Paddypower.com and BoyleSport.com that from September 1 2015 live pictures from 3 IGB stadia will be available for broadcast to the Irish and UK based bookmaker shops.
- iv. The Board welcomed the conclusion of the report from the Comptroller and Auditor General on the Limerick project, which has removed all previous uncertainties on this matter.
- v. Additionally development of the IGB wagering APP, Barking Buzz, was completed in 2014 with the activity on this wagering platform increasing each month.
- vi. Support for each of the IGB flagship events continues to increase year on year, 2014 was no exception to this trend. IGB acknowledge and thank the many sponsors of these events at all our stadia. It was a tremendous boost to the Industry to see Independent Newspaper joining the list of many loyal sponsors of Irish Greyhound Racing.
- vii. From January 2015, IGB has successfully completed the transfer of their food and beverage offerings to Events & Hospitality service at the IGB. Customer feedback has been very positive on their experience under this new structure which offers significant future opportunities to the IGB. I would like to take this opportunity to thank the previous catering operators for the loyal service to the IGB during their tenure.

On January 9th 2014 Adrian Neilan completed his contract with the IGB and the Board was pleased to announce the appointment of Ms Geraldine Larkin as its new Chief Executive Officer from July 1st 2014. Geraldine brings a wealth of regulatory and governance experience which will be of significant benefit in implementation of the strategic changes as mapped out in the Indecon Report. I am confident that these required changes will be delivered by Geraldine and the entire team within the IGB. I would also like to acknowledge Michael Murnane our CFO who stepped into the position as acting CEO during the period between Adrian's departure and the appointment of Geraldine.

As outlined the support for the IGB's flagship events continues to increase year on year. During 2014 the support and involvement of John Boyle and his team at BoyleSport.com as the official sponsor to the 2014 Derby really added to the overall event from the first round to the final.

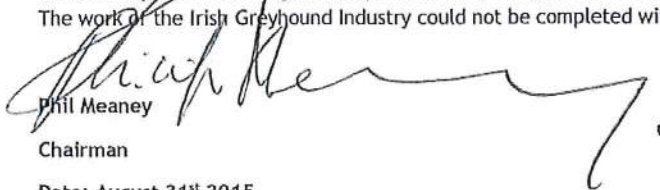
As noted previously I would like to thank both Ministers of Agriculture and their officials within the Department of Agriculture Food & the Marine for their continued support during the year.

The support from our patrons cannot go unnoticed and without a special note of appreciation. It is these supporters that form the backbone of this indigenous industry. The IGB wish to reassure these members, while the business model of the IGB will undergo changes their support will not be forgotten and with the stabilisation of the Industry their efforts will be duly rewarded.



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I would also like to thank all my colleagues on the Board who have given generously of their time to serve the Industry. Brendan Moore resigned his position as a Board member on 22 January 2014. I would also like to take this opportunity to pay a special note of thanks to Teresa Wall who stepped down from the Board on 28 May 2014. Her input to the Board meetings over her tenure of 7 years on the Board and more specifically during my time as Chairman was always welcomed, Teresa's positive input into the development of the Industry will not easily be forgotten. I would also like to wish a very warm welcome to both Riona Heffernan and Colm Gaynor as new Board members. I am sure the depth of knowledge and experience they bring to the Board will greatly enhance the advancement of the Irish Greyhound Industry. The work of the Irish Greyhound Industry could not be completed without IGB staff whose hard work and commitment is greatly appreciated.


Phil Meaney
Chairman

Date: August 31st 2015



Foreword to Annual Report 2014 by Chief Executive Officer - Geraldine Larkin

2014 was a landmark year for Bord na gCon (IGB). The publication in July by the Minister of the Indecon review into the Greyhound industry marks a significant milestone both for the IGB and the industry alike. This report will act as a key driver in re-energising and restructuring the greyhound industry. It is encouraging to note that notwithstanding current difficulties, the consultants were of the view that with the implementation of the Report's recommendations and the continued support of the Minister and Government, there is a positive future for the industry ahead.

The IGB submitted a detailed, time-lined response to the Indecon Report and has focused its commitments around the key strategies of Governance, Finance, Regulation and Welfare. These interconnected strategies will, when implemented, go considerably towards supporting the future growth and development of the industry. The key principle underpinning the IGB response is to target financial resources towards those stadia making the greatest contribution to the industry. Throughout 2015, stadia performance at both IGB and private stadia will be monitored using a variety of metrics to assess performance on a variety of factors which are not exclusively financial.

Already in 2014 significant progress has been achieved by the IGB in its response to the challenges raised by Indecon.

- A new risk management framework has been introduced.
- A plan for the disposal of assets - both core and non-core - has been finalised and implementation commenced with the objective of permanent debt reduction.
- Standard operating procedures have been reviewed and many revised with a number of others subject to further revision during 2015.
- Implementation of strategic intelligence lead testing.
- Conclusion of an agreement with the Boards' bank in August 2015.
- Significant advancement towards addressing the deficit in the IGB's defined benefit pension scheme.
- In the area of welfare, the IGB continues to seek to work against animal cruelty. Inspections are increasing and bringing investigations of incidents of cruelty to a conclusion is a priority with increased sanctions for breaches of welfare standards.

In line with our commitment to Indecon, changes to racing operations will continue to be undertaken in conjunction with industry stakeholders and will be grounded on consultations with all industry participants. The IGB acknowledges the contributions of stakeholders to date and looks forward to building on that in the future.

2014 continued to remain a challenge to the IGB financially. While the Industry marquee events continue to be well supported the industry continues to experience declines in the average attendance per meeting, which has a knock on effect on track operations and tote performance. As detailed in the Tote and Commercial reviews we are continuing to identify new opportunities and ways to increase the brand awareness of the IGB both at home and abroad to drive future growth across the stadia network. While funding from the Horse & Greyhound Funds in 2014 was further reduced, the IGB welcomed the announcement of the additional allocation from the Horse and Greyhound Fund in Budget 2015. These additional funds will be a key driver in the implementation of the Indecon proposals including addressing the debt burden that will ultimately stabilise the industry. These additional funds will also be invested in marketing the industry to achieve broader attendance and ownership basis.

In 2014 a significant upgrade of the technology infrastructure was completed to enable broadcast of live pictures and streaming of TOTE data from 10 Stadia within the IGB stadium network. In addition, since the successful launch of the general industry information and mobile betting app "Barking Buzz" in April 2014, this platform has been bringing greyhound racing to a wider audience and continues to grow.

Reluctantly the previous decision to increase prize money taken from the start of January 2013 was reversed and prize money is now at the rates payable during 2012. This decision was taken as the anticipated commercial improvement did not materialise from the increased payments. It is the intention of the IGB to review the current supports to the industry and in consultation with industry stakeholders, to develop a new scheme to support existing owners and attract new owners into the industry.

Expenditure control of operations along with achievement of value for money remain key objectives in managing both operations at central and stadia level. While all operational areas within the IGB remain focused on the above objectives, on the back of several years of spending cutbacks, maintaining such a reduced level of expenditure in operational areas is becoming increasingly challenging as the stadia



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Infrastructure requires new investment and refurbishment. Additional resources are also being invested in resourcing a management team to drive the industry forward and also in ensuring the integrity of the industry.

While the IGB can showcase the industry to new markets, this will not succeed if the integrity of the industry is not beyond reproach. 2014 saw the start of significant changes to ensure the success of this very important indigenous industry. A key part of this work is safeguarding and protecting the integrity of the sport and its racing. This is the responsibility of all stakeholders - the IGB and industry participants', greyhound owner's, trainers and all participants to our industry. Together we must ensure that there is no place in greyhound racing for anyone or anything which will undermine the integrity of this great sport and of the sporting animals we are so proud of and passionate about.

In this my first year as CEO of Bord na gCon, I am delighted to be working with all those of you involved in the many diverse aspects of the sport. Thank you for the support I have received since my appointment, and for your engagement and time since then. There might not always be agreement but with exchange and debate come new ideas and possibilities.

Special acknowledgement of the key role of sponsors of the industry for their ongoing support of racing activities. A particular acknowledgement of new sponsors Boylesports.com for their sponsorship of the Derby and to Dublin Coach for their 5 year sponsorship of the Puppy Derby. An acknowledgement also of the longstanding sponsors of the industry and in particular to Gain Feeds for their increased sponsorship in 2014 and to the McManus family for their continued sponsorship of the Kirby stake in Limerick.

I wish to thank my colleagues in the IGB and also in the Department of Agriculture Food and Marine for their patience as I came to a full understanding of the industry. Finally I wish to acknowledge the time and commitment of all Board members and in particular to Chairman Phil Meaney for their work on behalf of the industry.

Geraldine Larkin

Chief Executive Officer

Date: August 31st 2015



FINANCE OVERVIEW

2014 was a year where the IGB experienced a further decline in the traditional aspects of their business but continued to invest to expand the Irish Greyhound Industry into new markets.

IGB continued to invest in the research and development of their racing content for transmission in the format required by the contracted international customers. While this product and service was being developed, IGB were required to maintain the established traditional system of providing content of their inter-track pictures and TOTE data to facilitate wagering on races held in the IGB regional tracks. These "side by side" broadcasting systems have been discontinued from January 1 2015 with traditional broadcasting by Satellite services being replaced by leased fibre broadband lines. Part of development work resulted in the launch of the IGB APP "Barking Buzz" in April 2014. Since its launch date this app has gained 3,019 followers and generated Tote revenue of €187,004 to 31 December 2014.

A Surplus from racing activities of €805,425 was generated in 2014. The decline in this surplus when compared to 2013 surplus, €1,818,258 is indicative of the additional investment incurred in Tote activities and the reduced attendance to the 1,736 race meetings held at the 17 stadia in the IGB stadium network accompanied by exceptional track operational costs including the provision for bad and doubtful debts.

The groups operating surplus ¹ at €698,920 was affected by the reduction in the surpluses generated from racing activities. The group's surplus has been made more difficult given that expenditure of the IGB group had already been reduced by 27% since 2008 which has resulted in deficiencies in resources as identified during the Indecon review. However a group surplus was generated during 2014 in spite of a reduction in funding from the Horse & Greyhound Racing Funds of €160,000. IGB completed their investment into a cloud based structure which has avoided incurring an estimated capital outlay of €1.0m in technology equipment. Additionally the transfer to the cloud based structure will also assist in the IGB achieving a continuing modern and flexible technology platform which will be of increased importance for the IGB. IGB maintained their spend in marketing of the Industry including the development of a new branding campaign for the stadium network controlled by the IGB.

The IGB's net bank position at the end of 2014 at €22.4 million remained broadly unchanged from the net bank position at the end of 2013. Additionally IGB assets were not subject to any impairment charge following a review as required under Financial Reporting Standard 11 (Impairment of Fixed Assets and Goodwill). IGB has significantly advanced funding proposals to address the deficit in the IGB defined pension scheme.

Outlook statement

The planned improvements in financial performance of the group is projected to be achieved through an integrated programme of measures, including the internationalisation of the Irish racing product through commingling, streaming and sale of the television pictures. Additionally it is intended to improve the results from stadia operations to include traditional track tote and track results. This will be achieved through the development of alternative sources of income at stadia level, taking advantage of the flexibility offered through a consolidated food and beverage service along with central control of expenditure. With this introduction offered by the food and beverage service and restoring investment into marketing resources, IGB believe it has the required resources to achieve their targeted operating profit.

The realisation of an asset disposal strategy to include core and non-core assets will be a key component towards the permanent retirement of bank borrowings from the IGB balance sheet. Permanent retirement of bank debt will allow the IGB to further develop its regulatory function, advance investment in marketing strategies towards development of the greyhound industry and ultimately provide an improved return to greyhound owners, breeders and trainers with an increase in prizemoney and other support. Retirement of bank debt along with addressing the deficit on the defined benefit pension scheme will ensure all stakeholders involved in Irish Greyhound Racing will be able to operate their trade within a stable greyhound industry that will offer future opportunities to those who chose to be involved.

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



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TOTE REVIEW

Bord na gCon launched the IGB general information and betting mobile app 'Barking Buzz' in May 2014 and revamped the IGB web sites www.irishgreyhoundboard.ie and www.gogreyhoundracing.ie and this has resulted in a very healthy overall internet/mobile growth of 55%.

The "Barking Buzz" app has been nominated for a number of technology awards including the Ireland e-Government Awards (Innovation and mobile categories) and the Irish Appys (Best Gaming and Sports App category).

Further development is planned to promote online and mobile offering through an embedded betting portal which will be more intuitive and will take IGB to the forefront of their customers Tote online betting experience nationally and internationally.

2014 was a year where Tote built a pioneering communications infrastructure that would move away from the traditional satellite redistribution of live greyhound racing pictures and data (2 Live tracks Shelbourne and Harold's Cross) to video over Internet protocol (VOIP) which now offers live racing pictures and data from 10 tracks. This has also allowed the IGB to offer a greater Inter-track service to domestic customers offering them the opportunity to wager on greyhound racing from many more tracks.

The IGB also moved all of its head office and track information technology (I.T.) applications to the 'cloud' and this has given the organisation a great deal more flexibility and dynamism in providing I.T. solutions to all of its stakeholders. This exciting development has been well received by potential international commingling partners as it affords them the critical mass required to promote Irish Greyhounds.

In 2014 Tote signed commingling deals with William Hill and Coral with a further major bookmaker expected to sign. The work to align all the above with the current tote systems and VOIP pictures from tracks is well under way and it is expected that the first bets will be struck during quarter 4 of 2015.

International commingling deals with other operators (USA/Latin America etc.) have commenced in quarter 2 2015 and the growth from our new partners will help grow the Tote both internationally and domestically.

The Tote jackpot reached €10k early in 2014 and it is the aim, to better that considerably in 2015 as this will attract significant interest and Tote investment from international commingling third parties and indeed other international Tote organisations. IGB also enjoyed some very healthy trio returns with pay-outs regularly exceeding over €100 (Four Trio's returned over €700 each for a €1 stake in December alone).

2014 was a year where the Tote carried out a full restructure of their IT platforms and the delivery methods of its product in order to meet the rapidly changing international demands and standards for our product and to position us to deliver to all market types in 2015 and beyond.

At the end of 2014 the Tote had started implementing a time and attendance system for all 17 IGB stadia and that will deliver greater efficiencies in the use of these resources.

The Tote system tender is due for competition in 2015 and it is hoped efficiencies and offerings will improve by its successful award and implementation through the use of new technologies and developments.



MARKETING & COMMERCIAL REVIEW

2014, while a very busy year commercially, was also a year where general economic conditions, pressure on disposable income and extreme weather conditions (especially during the first quarter) provided significant challenges in terms of attendances and income generation for greyhound racing in Ireland.

2014 marked the roll-out of the newly developed stadium brand strategy. This strategy was developed following considerable consumer research which was commissioned by the IGB. The results of this research led to individual IGB stadium and IGB corporate brand strategies being developed. A common stadium brand identity was designed and implemented for all IGB stadia. The reasons were to enable greater marketing efficiencies and consistency of marketing execution across the stadium network. Since the launch all consumer facing activity focuses exclusively on the stadium brand and name - generating immediate recall and brand loyalty for each venue. The IGB brand is no longer the brand for consumer activity; it is the corporate brand and as such is the vehicle for corporate activity such as regulation, welfare, financial activity and communications.

Go Greyhound Racing and www.gogreyhoundracing.ie were launched as part of the overall strategy as the umbrella brand for consumer marketing activity. It acts as a link between local and national marketing activity and permits national campaigns to again develop the consumer brand loyalty to the venue and event rather than a corporate title: www.igb.ie.

Potential customers were identified as those living within a 45 minute radius from each venue. While much of the marketing activity is centrally developed and managed, the execution is localised permitting each stadium to partner with local media outlets to ensure full penetration of their target market.

As part of this strategy the IGB digital platforms also underwent significant change. Each stadium now has its own web address and presence to support each venue in their own local marketplace. www.gogreyhoundracing.ie is the overarching site to support and link the local websites and is the consumer destination for all national marketing campaigns.

These developments have enabled a more integrated approach to all digital activity including social media. It has ensured an integrated approach to all elements of the marketing mix and has met the objective of raising awareness of individual stadiums locally and greyhound racing nationally - both of which improve attendances and income generation.

Tote branding was also redesigned and updated to ensure design synergy within the portfolio of IGB brands.

In order to gain a greater understanding of the requirements of potential sponsors, IGB commissioned research among key sponsorship managers and marketing directors during 2014. This allowed the IGB to gain a greater understanding of the requirements of potential sponsors. IGB has now refined and segmented its sponsorship offering based on the feedback from key decision makers.

A number of key sponsorships were announced during 2014.

- Boylesports.com was unveiled as sponsors for the Irish Greyhound Derby and The Race of Champions as part of a 3 year agreement. This level of commitment shown by John Boyle to greyhound racing is to be commended and it helps to maintain the position of the sport in the public consciousness.
- Dublin Coach committed to a 5 year sponsorship deal for the Puppy Derby. Again this is another significant commitment to the industry. As part of the agreement Dublin Coach became the official travel partner for the IGB and currently provides free bus links to Shelbourne Park, Harolds Cross and Limerick Greyhound Stadium from city centre locations.
- GAIN, a subsidiary of Glanbia who are a long-time sponsor of Irish Greyhound Racing, increased their investment further in Irish Greyhound Racing with the announcement of an impressive 7 key race events nationwide during 2014.

A number of our feature events were broadcast live on RTE 2. These were the Boylesports.com Irish Greyhound Derby, Boylesports.com Race of Champions and The Con and Annie Kirby Memorial Puppy Stake. These and other key classic events including the Connolly's Red Mills Irish Laurels and the Kerry Agri Business Irish St Leger were very successful events during 2014.

The IGB were present during the 2014 National Ploughing Championships. This was a very worthwhile exercise. IGB were able to engage directly with all the visitors to the stand including regular patrons, lapsed visitors and new potential attendees at IGB stadia. This was the first time in a number of years that IGB were present at the ploughing champions, a flagship event in the Irish business calendar.

IGB continues to target the international market to grow attendances. IGB staff were present at number of national and international trade fairs in 2014. A series of events were undertaken with Tourism Ireland and Fáilte Ireland during the year that will lead to an increased presence internationally in 2015. This will particularly benefit IGB at European Trade Fairs for the MICE, Travel and Tour Operator Markets. International visitors to IGB stadia are and will remain an essential component of the overall business mix at stadium level.



MARKETING & COMMERCIAL REVIEW (Continued)

IGB was nominated for a range of awards during 2014. These include the following;

- Sports Sponsorship Awards
 - Boylesports.com Irish Derby, Shelbourne Park
 - Race Day with the Roses, Kingdom Greyhound Stadium
 - Con & Annie Kirby Memorial Puppy Stake, Limerick Greyhound Stadium
- Croi Healthy Eating Awards
 - Galway Greyhound Stadium Restaurant
 - Limerick Greyhound Stadium Restaurant

Throughout the year each stadium was the location for numerous benefit nights. These nights supported and helped raise funds for many worthy causes in each locality. IGB facilities provide a valuable infrastructure for many communities nationwide to generate much needed funds.

IGB finished 2014 on a positive note with very strong bookings achieved during the key Christmas market with a particularly strong performance achieved in Shelbourne Park and Galway Greyhound Stadium.

The activity outlined above gives some indication of the volume of key projects managed during 2014. Many of these key initiatives will begin to deliver tangible benefits in 2015 and beyond.



REGULATION REVIEW

Overall, 2014, was a year where work commenced set against the backdrop of regulatory and welfare reform recommendations arising from the Indecon Report. This Report delivered an independent assessment and investigation of all aspects of the IGB including regulation and welfare which has provided a road map of recommendations in order to align the IGB with best international practice and highest standards of compliance in greyhound racing regulation, welfare and integrity.

IGB have made significant progress in numerous areas of regulation and welfare with many plans in progress. Protecting the integrity of greyhound racing is increasingly at the core of the regulation and welfare department. It is recognised that essential to the successful growth and sustainability as an industry, the confidence of the public in the integrity of racing regulation and welfare functions is paramount. It is for this reason that IGB has invested resources and strategy in this area throughout 2014 which can be seen throughout the regulatory and welfare developments which are as follows:

Regulation:

- **Licensing:** Throughout 2014 a number of changes to the licensing application process for trainers were completed. This will ensure all trainers are 'suitable' to enter or remain in racing both in terms of their professionalism and integrity.
- **Public Consultation on Regulatory Reform:** In December 2014, the Regulation department launched a first phase of Public Consultation- which was one of the commitments that IGB made following the Indecon Report. Further consultations are planned during 2015.
- **Anti-doping and Medication Control:** In 2014 the Regulation Department commenced an intelligence-led testing regime in both in and out of competition stakes. It was recognised that this area is a crucial regulatory mechanism in the testing policy and in order to ensure that anti-doping and medication control policy is derived from a level playing field. 2014 also saw an increase in monetary sanctions issued by the Control Committee in addition to extended testing for a maximum period of 6 months pursuant to section 8 29(e) of the 2007 Racing Regulations. Finally regulatory mechanisms are now in place to facilitate the processing of cases before the Control Committee as expeditiously as possible.
- **Developments in Artificial Insemination Regulations 2005:** In September 2014, IGB in consultation with the Irish Coursing Club and in accordance with the provisions of Section 39 of the Greyhound Industry Act 1958 amended the Artificial Insemination of Greyhounds Regulations 2005 removing the two-year time limit that currently applies to the use of the stud sire semen after death.
- **Artificial Insemination Study:** Following on from the aforementioned legislative changes in the Artificial Insemination Regulations during 2014, the Regulation Department of the IGB has made progress in researching the requisite expertise necessary for a scientific study into the area of Artificial Insemination of Irish Greyhounds. The research to be carried out, once complete, would enable us to assess the necessary modern molecular, quantitative genetic and genomic studies in order to advise on the necessity of an appropriate regulatory instrument for Artificial Insemination of Greyhounds practices if any. This is an exciting study for the Irish Greyhound Industry and thus far the Regulation Department have completed discussions with experts in this field, all of whom have extensive experience and qualifications in Quantitative Genetics, and Animal & Bioscience Research. We look forward to the completion and results of this study in early 2016.

Welfare:

The IGB Retired Greyhound Trust continued to provide financial assistance to a number of Private Greyhound Rescues. Through its network of International Rehoming Agencies, the RGT provides rehoming opportunities for the retired greyhounds in the care of some of the organisations that continue to engage with the IGB.

- In 2014, the number of greyhounds rehomed through the Retired Greyhound Trust Scheme increased by 20% versus 2013. This was the fourth year in a row that the RGT has increased the number of retired greyhounds it rehomed year on year.
- The Retired Greyhound Trust now collaborates with Rehoming Agencies in Italy, Germany, Czech Republic, Belgium, Sweden and Canada and are very thankful to the various agencies for sourcing suitable homes for the retired Irish greyhounds.
- RGT will continue to source additional Rehoming Opportunities in Europe and North America to continue to increase the number of retired greyhounds which it rehomes.

Retired Greyhound Shows: To promote the suitability of retired greyhounds as pets in Ireland the IGB and the Retired Greyhound Trust teamed up with the Irish Kennel Club and GAIN Pet Foods to run a number of Retired Greyhound Shows throughout Ireland in January and February. Category winners at these shows qualified for the National Finals which were part of the Irish Kennel Clubs National Show at the IKC Show Centre on 17th March 2014. Retired Greyhounds were in the Show Ring for approx. one hour on the day and the event generated a lot of attention from those in attendance. The IGB, the Retired Greyhound Trust and GAIN Pet Foods will continue to organise Retired Greyhound Shows in 2015 and beyond to promote retired greyhounds as pets in Ireland.



REGULATION REVIEW (Continued)

Fixed Payment Notices and Welfare Notices: Following investigations by the IGB, the Irish Coursing Club served Fixed Payment Notices on a number of individuals for being in breach of the Welfare of Greyhounds Act 2011. The IGB has also served two Welfare Notices on individuals under the Welfare of Greyhounds Act 2011.

EU requirements for the Transportation of Greyhounds to UK and Europe: IGB advised Owners and Trainers of the EU Regulations (Council Directive 92/65/EEC Balai Directive) relating to pet travel and the identification requirements for the commercial movement of dogs. In recognition of the above requirements the IGB has organised continuous EU Travel and Pet Passport Events in 2014 at various stadia in Ireland in 2014 and into 2015. This has proved to be a very successful welfare and integrity initiative whereby the service provides for (i) the Micro chipping of greyhounds - ahead of new national legislation that will make this a legal requirement for all dogs in Ireland, (ii) the Issuing of an EU Pet Passport, and (iii) the Administration of a Rabies Shot.

Greyhound Welfare initiatives: All reported incidents of greyhound cruelty and neglect are investigated by IGB and recommendations are made regarding sanctions to be imposed on those found to be in breach of the Welfare of Greyhounds Act 2011. Any Information gathered, following Welfare Inspections, will continually be shared with Local Authorities, An Garda Síochána and ISPCA. In 2014, a Race Injury database was compiled and regularly updated which covers all greyhound tracks and enables the IGB to have a detailed analysis of injuries trends at certain tracks should they occur.



BORD na gCON

CONTROL COMMITTEE / CONTROL APPEAL COMMITTEE

The independent Control Committee and Control Appeal Committee continue to adjudicate on all matters concerning the integrity of Greyhound Racing. The Control Committee is comprised of well-known and respected people from the industry. Details of membership during 2014 are as follows:

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

Meetings of the Control Committee take place on a regular basis and greatly enhance the independence of the disciplinary structure within greyhound racing and this, together with the 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 during 2014 are as follows:-

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

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



**AUDITED REPORTS
& GROUP FINANCIAL STATEMENTS**



BORD na gCON

MEMBERS AND OTHER INFORMATION

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

MEMBERS OF THE BOARD

Phil Meaney	
Teresa Wall	(Resigned 28 th May 2014)
Billy O'Dwyer	
Tim Gilbert	
Brendan Moore	(Resigned 22 nd January 2014)
Tony McNamee	
Mattie Murphy	
Riona Heffernan	(Appointed 5 th February 2014)
Colm Gaynor	(Appointed 28 th May 2014)

CHIEF EXECUTIVE OFFICER

Adrian Neilan	(Contract Completed 9 th January 2014)
Michael Murnane - Acting	(10 th January 2014 - 30 th June 2014)
Geraldine Larkin	(Appointed 1 st July 2014)

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



BORD na gCON

BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The Board Members submit herewith their annual report and audited financial statements for the year ended 31 December 2014.

Bord na gCon is a body corporate created to fulfil the functions assigned to it by the Greyhound Industry Act 1958. No constitutional changes are required by the Companies Act 2014.

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 prizemoney and grants to various bodies involved in the greyhound racing and breeding industry plus the promotion of greyhound welfare and the regulation of the industry including the operation of the national drug testing laboratory. There have been no significant changes in these activities during the year.

While 2014 was a challenging year with the Group generating an operating surplus of €698,920 (2013 - €1,774,598) plans continue to be developed and implemented, which have been detailed in the Board's reply to the Indecon recommendation. Permanent retirement of bank debt, addressing the deficit on the IGB defined benefit pension scheme and stabilisation of the commercial activity of the IGB are key objectives of the strategic initiatives being implemented by the IGB.

IGB were not required to impair their fixed assets following a detailed review as part of the audit process. The net bank debt was broadly similar to 2013. The Board do not have any capital commitments at 31 December 2014.

Key Summary Performance for 2014

	2014	2013
Total Prizemoney	<u>€7,396,077</u>	<u>€7,852,151</u>
Sponsorship	<u>€879,725</u>	<u>€878,874</u>
Operating surplus ²	<u>€698,920</u>	<u>€1,774,598</u>
Attendance	<u>644,389</u>	<u>687,510</u>
Number of meetings held	<u>1,736</u>	<u>1,753</u>
Average attendance per meeting	<u>371</u>	<u>392</u>

2. SUBSIDIARIES

Information provided in respect of the subsidiary companies is set out in Note 16 of the financial statements.

² Operating surplus is defined as earnings before interest, taxation, depreciation, amortisation and defined benefit pension costs.



BORD na gCON

BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

3. MEMBERS OF THE BOARD

The Board held 16 meetings during 2014 and the members who held office during the year along with their meeting attendance was as follows:-

Member	No of Meetings
Phil Meaney	16
Teresa Wall (Resigned 28 th May 2014)	4
Billy O'Dwyer	16
Tim Gilbert	15
Brendan Moore (Resigned 22 nd January 2014)	0
Tony McNamee	16
Mattie Murphy	16
Riona Heffernan (Appointed 5 th February 2014)	14
Colm Gaynor (Appointed 28 th May 2014)	9

As the IGB is a body corporate created by the Greyhound Industry Act 1958 it has no shares/debentures that the members can hold interest in. Further, the Board members hold no interests in any of the Board's subsidiaries.

4. HEALTH & SAFETY

The well-being of the IGB's employees is safeguarded through adherence to health and safety standards throughout all company locations. Board Members are cognisant of their responsibilities under the Safety Health & Welfare at Work Act 2005 and the Safety Health & Welfare at Work Regulations 2007 and have a designated health and safety manager. There were no reportable accidents in 2014.

5. ACCOUNTING RECORDS

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

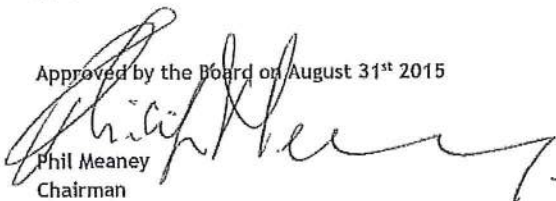
6. SUBSEQUENT EVENTS

No material events have occurred after the Balance Sheet date which require additional disclosure.

7. AUDITOR

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

Approved by the Board on August 31st 2015


Phil Meaney
Chairman


Tim Gilbert
Board Member



STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The Board Members are responsible for preparing the Board Members' report and the financial statements in accordance with applicable Irish law and regulations.


Irish company law requires board members to prepare financial statements for each financial year. Under the law, directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the 31st December 2014 and of the income and expenditure for the year ended 31st December 2014 and otherwise comply with the Companies Act 2014.


In preparing these 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.
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board Members are responsible for ensuring that the IGB keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus of the IGB to be determined with reasonable accuracy, and enable the financial statements and Board Members' report to comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board on August 31st 2015


Phil Meaney
Chairman


Tim Gilbert
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 2014 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 income and expenditure account, the group statement of total recognised gains and losses, the group balance sheet, Bord na gCon balance sheet, the group cash flow 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 2014 and of the group's deficit for 2014.

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 the group deficit for the year of €1 million and to Note 25 to the financial statements. The note discloses that the Board considers that preparation of the financial statements on the going concern basis remains appropriate, based on the assumption of increased state funding, with effect from 2015, increases in profit from racing facilities, including new income streams, the continuation of the Board's bank borrowing facilities and future sale of assets in accordance with an asset disposal strategy.

Matters on which I report by exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- 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

My audit identified a number of instances of non compliance with public procurement guidelines. The statement on internal financial control outlines the measures taken by Bord na gCon to improve its procurement functions.

Seamus McCarthy
Comptroller and Auditor General
31 August 2015



BORD na gCON

STATEMENT ON INTERNAL FINANCIAL CONTROL

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

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

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

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

A formal process to identify and evaluate organisation business risks are in place. The Risk Management Committee meet regularly during the year and the Risk Register is reviewed by the Audit Committee and the Board. Critical risks are reviewed at board meetings on an on-going basis.

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

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

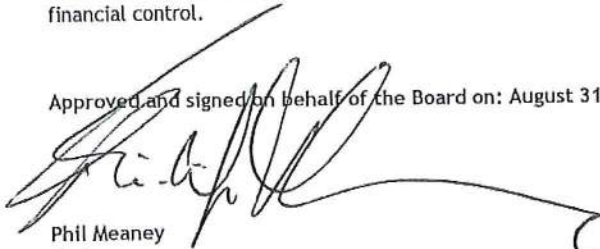
In August 2013, the Board appointed a procurement officer. Work on ensuring compliance with procurement guidelines continued throughout 2014. Group procurement policies and procedures are continually being reviewed to ensure compliance with European and National legislative frameworks and the Code of Practice for the Governance of State Bodies. In certain limited circumstances, contracts awarded following a formal public procurement process have been extended while awaiting strategic business decisions.

The IGB has an outsourced Internal Audit Function which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice on the Governance of State Bodies and which reports directly to the Audit Committee and in turn to the Board of the IGB.

The Internal Audit plans are carried out based on a Risk Analysis profile of activity and expenditure and plans are pre-approved by the Audit Committee on behalf of the Board. In 2014, four Audit Committee meetings were held with full attendance by committee members. Internal audit work conducted provides independent assurances to the Board that the Internal Financial Control process remains effective.

I confirm that for the year ended 31st December 2014 the Board conducted a review of the effectiveness of the system of internal financial control.

Approved and signed on behalf of the Board on: August 31st 2015


Phil Meaney
Chairman



BORD na gCON

STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies adopted by the group include the following:

(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 are 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 Board 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 Board 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 income and expenditure account and allocated to the individual subsidiaries on a proportionate basis. The Board does not recognise impairment of individual assets within the group or stadia that are offset by excess of valuation over carrying value in other stadia.

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

Depreciation

Freehold land is not depreciated. Depreciation on the remaining 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 Income and expenditure Account.

(f) Borrowing Costs

All Interest costs are recognised in the Income and Expenditure account in the year that they are incurred.



STATEMENT OF ACCOUNTING POLICIES (Continued)

(g) 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 Income and expenditure 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 prizemoney grants and funding for the development of the industry by way of capital grants. Where funding received exceeded the aggregate of levy compensation, prizemoney grants and capital grants to private stadia, the excess was regarded as a capital grant and transferred to the Capital Reserve. Where funding received was less than the aggregate, a transfer was made from the Capital Reserve to the Revenue Reserve. From 2012, the Board has decided not to transfer amounts to the Capital Reserve where amounts received from the Horse and Greyhound Fund exceeds levy compensation, prizemoney grants and capital grants to private stadia.

(h) 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 Income and expenditure Account in the periods in which the non-monetary assets are recovered.

(i) Retirement Benefits

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 Income and Expenditure 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 Income and Expenditure 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.

(j) Prizemoney

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

(k) Turnover

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



GROUP INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 €	2013 €
Turnover			
Tote Turnover		19,900,138	21,396,402
Bookmaker Income		212,144	263,498
Track Income		4,907,970	4,970,325
Total Turnover from Racing Activities		25,020,252	26,630,225
Winnings Paid on Tote Wagering		(15,311,299)	(16,432,448)
Operating Costs	5	(8,903,528)	(8,379,519)
Direct Costs		(24,214,827)	(24,811,967)
Surplus from Racing Activities		805,425	1,818,258
Other Income			
Allocation from the Horse & Greyhound Racing Fund		10,844,000	11,004,000
Prizemoney Contributions from Owners and Sponsors		2,031,641	2,114,186
Media Income		40,000	40,000
Other Income		289,221	63,397
Total Other Income		13,204,862	13,221,583
Expenditure			
Contribution to Prizemoney		(5,364,436)	(5,737,965)
Incentive Schemes		(147,428)	0
Prizemoney Contributions from Owners and Sponsors		(2,031,641)	(2,114,186)
Racing Integrity and Governance		(1,691,191)	(1,509,015)
Operating Grants to Private Stadia		(287,730)	(253,533)
Contribution to Greyhound Welfare & the Irish Retired Greyhound Trust		(221,051)	(134,030)
Information Technology		(686,178)	(403,428)
Bord na gCon Administration Costs		(1,880,853)	(2,161,612)
Marketing & Promotions		(1,000,859)	(951,474)
Net Expenditure		(13,311,367)	(13,265,243)
Group Operating Surplus before Interest, Depreciation and Taxation		698,920	1,774,598
Depreciation	8	(2,150,998)	(2,237,507)
Capital Grants Amortised	14	1,736,557	1,714,423
Interest on Loans		(492,299)	(502,258)
Profit on Disposal of Fixed Assets	3	3,500	0
Defined Benefit Pension Costs		(880,311)	(921,000)
(Deficit)/Surplus before taxation	1 & 19	(1,084,631)	(171,744)
Taxation	6	0	0
Loss Attributable to Minority Interest	17	82,525	51,314
Group Deficit for the year		(1,002,106)	(120,430)
Opening Balance at 1 January		609,917	730,347
Closing Balance at 31 December		(392,189)	609,917

The Statement of Accounting Policies and notes on pages 29 to 41 form part of these financial statements.

Approved by the Board on August 31st 2015

Phil Meaney

Tim Gilbert



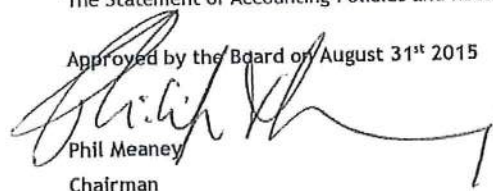
BORD na gCON

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2014 €	2013 €
Deficit for the financial year		(1,002,106)	(120,430)
<u>Pension Scheme Movements:</u>			
Actual return less expected return on schemes assets		1,149,000	(472,000)
Experience Gains and (Losses)		(288,000)	1,645,000
Changes in Assumptions		<u>(3,886,000)</u>	<u>(334,000)</u>
Actuarial (Loss)/Gain recognised in the pension scheme	18	<u>(3,025,000)</u>	<u>839,000</u>
Total Recognised (Loss)/Gain for the year		<u><u>(4,027,106)</u></u>	<u><u>718,570</u></u>

The Statement of Accounting Policies and notes on pages 29 to 41 form part of these financial statements.

Approved by the Board on August 31st 2015


Phil Meaney
Chairman


Tim Gilbert
Board Member



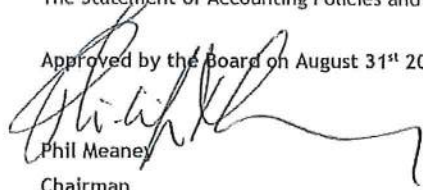
BORD na gCON

GROUP BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 €	2013 €
FIXED ASSETS			
Intangible assets	7	17,200	21,500
Tangible assets	8	62,890,932	64,577,283
Financial assets		5,951	5,951
		<u>62,914,083</u>	<u>64,604,734</u>
CURRENT ASSETS			
Stocks	10	142,886	139,777
Debtors	11	1,950,171	2,386,666
Cash at bank and on hand		880,169	1,141,418
		<u>2,973,226</u>	<u>3,667,861</u>
CREDITORS (Amounts falling due within one year)	12	<u>(6,118,033)</u>	<u>(6,491,998)</u>
NET CURRENT ASSETS LESS CURRENT LIABILITIES		<u>(3,144,807)</u>	<u>(2,824,137)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		59,769,276	61,780,597
CREDITORS (Amounts falling due after more than one year)	13	(22,710,700)	(22,401,833)
Net Pension (Liability)	18	<u>(10,365,000)</u>	<u>(6,839,000)</u>
NET ASSETS		<u>26,693,576</u>	<u>32,539,764</u>
FINANCED BY:			
Revenue Reserve		(392,189)	609,917
Capital reserve	14	35,253,555	36,942,825
Other reserves	15	1,433,177	1,433,177
Pension reserve		<u>(10,806,000)</u>	<u>(7,781,000)</u>
Capital and Reserves	22	25,488,543	31,204,919
Minority interests	17	<u>1,205,033</u>	<u>1,334,845</u>
		<u>26,693,576</u>	<u>32,539,764</u>

The Statement of Accounting Policies and notes on pages 29 to 41 form part of these financial statements.

Approved by the Board on August 31st 2015


Phil Meaney
Chairman


Tim Gilbert
Board Member



BORD na gCON

BORD Na gCON BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 €	2013 €
FIXED ASSETS			
Intangible assets	7	17,200	21,500
Tangible assets	8	1,543,489	1,442,432
Financial assets	9	11,567,559	10,519,989
		<u>13,128,248</u>	<u>11,983,921</u>
CURRENT ASSETS			
Stocks	10	80,463	83,314
Debtors	11	841,463	616,494
Cash at bank and on hand		709,571	877,736
		<u>1,631,497</u>	<u>1,577,544</u>
CREDITORS (Amounts falling due within one year)	12	<u>(10,847,019)</u>	<u>(11,053,334)</u>
NET CURRENT LIABILITIES		(9,215,522)	(9,475,790)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,912,726	2,508,131
CREDITORS (Amounts falling due after more than one year)	13	<u>(22,710,700)</u>	<u>(22,401,833)</u>
NET LIABILITIES		<u>(18,797,974)</u>	<u>(19,893,702)</u>
FINANCED BY:			
Revenue Reserve		98,298	(998,700)
Capital Reserve	14	(20,166,010)	(20,164,740)
Other Reserves	15	1,269,738	1,269,738
		<u>(18,797,974)</u>	<u>(19,893,702)</u>

The Statement of Accounting Policies and notes on pages 29 to 41 form part of these financial statements.

Approved by the Board on August 31st 2015


Phil Meaney
Chairman


Tim Gilbert
Board Member



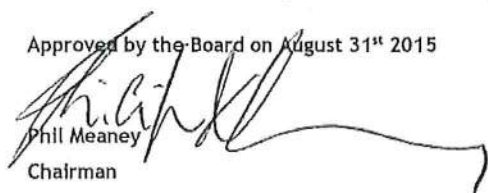
BORD na gCON

GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 €	2013 €
Net Cash inflow from operations	19	424,191	1,335,441
Returns on investments and servicing of finance			
Interest received		0	0
Interest paid		(576,421)	(354,623)
		<u>(576,421)</u>	<u>(354,623)</u>
Taxation		<u>0</u>	<u>0</u>
Capital expenditure & financial investment			
Payments to acquire tangible assets		(464,647)	(614,740)
Receipts from disposal of tangible assets		3,500	0
		<u>(461,147)</u>	<u>(614,740)</u>
Net inflow/(outflow) before use of liquid resources & financing		<u>(613,377)</u>	<u>366,078</u>
Finance			
(Repayment)/Drawdown of Loans & Overdrafts		352,128	(34,407)
		<u>352,128</u>	<u>(34,407)</u>
Increase/(Decrease) in cash	20 & 21	<u><u>(261,249)</u></u>	<u><u>331,671</u></u>

The Statement of Accounting Policies and notes on pages 29 to 41 form part of these financial statements.

Approved by the Board on August 31st 2015


 Phil Meaney
 Chairman


 Tim Gilbert
 Board Member



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014

1. GROUP (DEFICIT)/SURPLUS

	Notes	2014 €	2013 €
<u>Group Surplus before taxation has been arrived at after charging:</u>			
Auditor's remuneration		66,594	70,759
Depreciation	8	2,150,998	2,237,507
Group Interest Payable - bank loans and overdrafts		492,299	502,258
Redundancy Costs		0	151,445
<u>and after crediting:</u>			
Amortisation of capital reserve	14	1,736,557	1,714,423
Interest receivable		0	0
		0	0

The Chief Executive Officer's remuneration package was as follows:-	Former CEO Jan 1-Jan 9 2014	Acting CEO Jan 10 -Jun 30 2014	Current CEO Jul 1 - Dec 31 2014	2014 €	2013 €
Duration of emloyment					
Basic salary	5,524	57,069	66,460	129,053	162,043
Pension contributions	0	4,320	16,615	20,935	38,315
Other remuneration	0	0	0	0	4,123
	5,524	61,389	83,075	149,988	204,481

The CEO's other remuneration in 2013 represents the value of benefit in kind amounts received by the CEO.

Bord na gCon - Surplus

The surplus after taxation for the year of the Bord na gCon parent entity is €1,096,998 (2013: surplus of €1,518,028). The surplus has been dealt with in the financial statements.

2. REMUNERATION OF BOARD MEMBERS AND EXPENSES

	2014 €	2013 €
<u>IGB Group Board Members' remuneration:-</u>		
- Phil Meaney	21,600	19,880
- Teresa Wall	5,250	12,600
- Tim Gilbert	12,600	12,600
- Billy O'Dwyer	12,600	12,600
- Martin Murphy	12,600	12,600
- Brendan Moore	1,050	12,600
- Tony McNamee	12,600	12,600
- Riona Heffernan	11,372	0
- Colm Gaynor	0	0
	89,672	95,480
Board Members' travel & subsistence	47,745	48,562
Board Members' meeting expenses	906	1,767
	48,651	50,329



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

3. PROFIT ON DISPOSAL OF TANGIBLE FIXED ASSETS

Bord na gCon disposed of 2 motor vehicles during 2014 yielding a profit of €3,500. No assets were disposed in 2013.

4. EMPLOYEE REMUNERATION

The average numbers of persons employed by the group in the financial year is set out below

Group:	Note	2014	2013
I&B & Subsidiaries - Full time staff		110	104
I&B & Subsidiaries - Race night casual staff		73	72
		<u>183</u>	<u>176</u>
		€	€

The staff costs are comprised of:

Wages, salaries, redundancy and expenses		6,721,266	6,597,424
Employer's social insurance costs		597,379	505,106
Employer's Contribution to PRSA scheme		102,634	44,307
Defined Benefit Scheme Current Service Cost	18	880,311	921,000
		<u>8,301,590</u>	<u>8,067,837</u>

No employee costs were capitalised during the year (2013: €0).

5. OPERATING COSTS OF TRACK ACTIVITIES

	2014	2013
	€	€
Tote Other Operational Costs	808,145	741,333
Tote Staff Costs	1,532,835	1,456,366
Betting Collection Staff Costs	118,963	123,853
Track Other Operational Costs	3,730,411	3,483,232
Track Staff Costs	2,713,174	2,574,735
Total Operating Costs	<u>8,903,528</u>	<u>8,379,519</u>



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

6. TAXATION

There was no corporation tax charge arising in 2014 (2013 - €0)

7. INTANGIBLE ASSETS

<u>Group</u>	2014			2013		
	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	(150,575)	43,000	(107,575)	(150,575)	43,000	(107,575)
AMORTISATION						
At 1 January	150,575	(21,500)	129,075	150,575	(17,200)	133,375
Released during the year	0	(4,300)	(4,300)	0	(4,300)	(4,300)
At 31 December	150,575	(25,800)	124,775	150,575	(21,500)	129,075
Net Book Value at 31 December	0	17,200	17,200	0	21,500	21,500
 <u>Bord na gCon</u>						
COST						
Cost at 1 January				21,500	25,800	
Released during the year				(4,300)	(4,300)	
At 31 December				17,200	21,500	

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.



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

8. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Leasehold Buildings	Equipment	Motor Vehicles	Total
Group	€	€	€	€	€
Cost					
At 1 January	46,309,378	33,062,146	21,863,440	291,988	101,526,952
Additions	0	0	464,647	0	464,647
Disposals	0	0	0	89,350	89,350
At 31 December	46,309,378	33,062,146	22,328,087	202,638	101,902,249
Accumulated Depreciation					
At 1 January	6,454,009	11,100,985	19,122,511	272,164	36,949,669
Charge for year	489,360	993,590	661,888	6,160	2,150,998
Disposals	0	0	0	89,350	89,350
At 31 December	6,943,369	12,094,575	19,784,399	188,974	39,011,317
Net Book Value					
At 31 December 2014	39,366,009	20,967,571	2,543,688	13,664	62,890,932
At 31 December 2013	39,855,369	21,961,161	2,740,929	19,824	64,577,283
Bord na gCon					
	€	€	€	€	€
Cost					
At 1 January	614,608	1,866,021	10,876,155	280,050	13,636,834
Additions	0	0	323,264	0	323,264
Disposals	0	0	0	89,350	89,350
At 31 December	614,608	1,866,021	11,199,419	190,700	13,870,748
Accumulated Depreciation					
At 1 January	192,860	1,212,175	10,529,141	260,226	12,194,402
Charge for year	12,024	33,067	170,956	6,160	222,207
Disposals	0	0	0	89,350	89,350
At 31 December	204,884	1,245,242	10,700,097	177,036	12,327,259
Net Book Value					
At 31 December 2014	409,724	620,779	499,322	13,664	1,543,489
At 31 December 2013	421,748	653,846	347,014	19,824	1,442,432

The cost of fixed assets included above which have been fully depreciated at 31 December 2014 amounts to €16,677,707 (2013: €16,012,570) for the group, and to €10,811,591 (2013: €10,146,454) for Bord na gCon.

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. This asset 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.

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, Cork Greyhound Race Company Limited and The Kingdom Greyhound Racing Company Limited are being used as security for a €24.75million loan facility, provided by AIB Bank, to the group.



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)
TANGIBLE FIXED ASSETS (Continued - Prior Year)

Group	Freehold Land and Buildings	Leasehold Buildings	Equipment	Motor Vehicles	Total
	€	€	€	€	€
Cost					
At 1 January 2013	45,983,642	33,062,146	21,574,439	291,988	100,912,215
Additions	325,736	0	289,001	0	614,737
Disposals	0	0	0	0	0
At 31 December 2013	46,309,378	33,062,146	21,863,440	291,988	101,526,952
Accumulated Depreciation					
At 1 January 2013	5,928,317	10,110,711	18,408,723	264,411	34,712,162
Charge for year	525,692	990,274	713,788	7,753	2,237,507
Disposals	0	0	0	0	0
At 31 December 2013	6,454,009	11,100,985	19,122,511	272,164	36,949,669
Net Book Value					
At 31 December 2013	39,855,369	21,961,161	2,740,929	19,824	64,577,283
At 31 December 2012	40,055,325	22,951,435	3,165,716	27,577	66,200,053
Bord na gCon					
Cost					
At 1 January 2013	614,608	1,866,021	10,806,989	280,050	13,567,668
Additions	0	0	69,166	0	69,166
Disposals	0	0	0	0	0
At 31 December 2013	614,608	1,866,021	10,876,155	280,050	13,636,834
Accumulated Depreciation					
At 1 January 2013	180,834	1,179,104	10,291,508	252,473	11,903,919
Charge for year	12,026	33,071	237,633	7,753	290,483
Disposals	0	0	0	0	0
At 31 December 2013	192,860	1,212,175	10,529,141	260,226	12,194,402
Net Book Value					
At 31 December 2013	421,748	653,846	347,014	19,824	1,442,432
At 31 December 2012	433,774	686,917	515,481	27,577	1,663,749

IMPAIRMENT REVIEW

As set out in the accounting policies IGB completed an impairment review of all fixed assets within the IGB group in accordance with FRS 11 - [Impairment of Fixed Assets and Goodwill]. This review compared the carrying value of group assets with the greater of (a) the market value or (b) the value in use, this being the present value of future cash flows deriving from the group assets under review.

The 2014 impairment review determined that no provision was required. The key assumptions underpinning this assessment were:

- Planned reductions in the extent of track operational losses through improved commercial performance accompanied by the adjustment of the racing schedule,
- Increased profits from the traditional Board's Tote operations,
- Increases in contributions from new betting and other products/services.
- Budgeted proceeds from the Board's asset disposal programme.



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

9. FINANCIAL ASSETS

	2014	2013
	€	€
<u>Bord na gCon:</u>		
Shares in subsidiaries at cost less amounts written off	244,452	244,452
Long term loans to subsidiaries	11,323,107	10,275,537
	<u>11,567,559</u>	<u>10,519,989</u>

Details of group's percentage of issued equity capital and nature of business of subsidiary companies are given in Note 16.

10. STOCKS

	2014	2013
	€	€
<u>Group:</u>		
Totalisator and track equipment	138,501	136,889
Sundry consumable stocks	4,385	2,888
	<u>142,886</u>	<u>139,777</u>
<u>Bord na gCon:</u>		
Totalisator and track equipment	76,078	80,426
Sundry expense stocks	4,385	2,888
	<u>80,463</u>	<u>83,314</u>

11. DEBTORS

	2014	2013
	€	€
<u>Group:</u>		
Trade debtors and prepayments	1,931,739	1,992,876
Other debtors	5,553	133
VAT recoverable	12,879	393,657
	<u>1,950,171</u>	<u>2,386,666</u>
<u>Bord na gCon:</u>		
Trade debtors and prepayments	841,330	616,361
Others debtors	133	133
	<u>841,463</u>	<u>616,494</u>

Trade Debtors and Prepayments includes €480,943 (2013 - €367,316), due from two stadia operated by private enterprises and licensed by the IGB. These balances are subject to agreed repayment terms. Bord na gCon have reached agreement with one of the private enterprises to transfer the benefit of a rental agreement to the Board that will significantly reduce the balance due to the Board. This transfer will be completed by the end of 2015.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

12. CREDITORS (Amounts falling due within one year)

The creditors and accruals figures include the following amounts:

	2014	2013
	€	€
Group:		
Trade & Other Creditors	4,279,197	4,593,642
Accruals	1,218,361	1,321,142
Bank advances	620,475	577,214
	<u>6,118,033</u>	<u>6,491,998</u>
Bord na gCon:		
Trade & Other Creditors	2,771,937	2,857,875
Accruals	989,516	996,384
Amounts due to subsidiary companies	6,465,091	6,712,577
Bank advances	620,475	486,498
	<u>10,847,019</u>	<u>11,053,334</u>

The creditors and accruals figures include the following amounts:

	2014	2013
	€	€
Group:		
VAT	<u>142,412</u>	<u>138,761</u>
PAYE/PRSI	<u>232,802</u>	<u>177,997</u>
Bord na gCon:		
VAT	<u>40,479</u>	<u>15,564</u>
PAYE/PRSI	<u>177,475</u>	<u>131,961</u>

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

	2014	2013
	€	€
Group:		
Bank borrowings	<u>22,710,700</u>	<u>22,401,833</u>
Bord na gCon:		
Bank borrowings	<u>22,710,700</u>	<u>22,401,833</u>

Under the new loan facilities agreed with its bank on August 14th 2015, IGB have agreed facility to the value of €24.75 million which is structured as follows:

1. Revolving Credit Facility of €12.5 million which falls due for review or repayment on December 9th 2016.
2. A term loan facility of €6.0m which is subject to fixed annual repayments of €0.75 million together with the application of any proceeds of the IGB's asset disposal policy to 31st December 2017.
3. An overdraft facility of €6.25 million which is subject to annual review.

An average Interest rate of 2.2% was chargeable on sums drawn during 2014 from the overdraft and revolving credit facility.

Under the agreed facility The Board's assets as outlined in Note 8 are held as security for the total facilities. In addition IGB have undertaken to ensure that all net sale proceeds from any of its assets shall be applied in permanent reduction of the facilities.



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

14. CAPITAL RESERVE

	Group		Bord na gCon	
	2014	2013	2014	2013
	€	€	€	€
Transfer from surplus				
- In previous years	73,813,320	73,813,320	73,813,320	73,813,320
- In current year	0	0	0	0
	<u>73,813,320</u>	<u>73,813,320</u>	<u>73,813,320</u>	<u>73,813,320</u>
Amounts written back				
- In previous years	(11,113,993)	(11,113,993)	2,300,994	2,300,994
- In current year	0	0	0	0
	<u>(11,113,993)</u>	<u>(11,113,993)</u>	<u>2,300,994</u>	<u>2,300,994</u>
Grants to Board owned stadia				
- In previous years	(1,941,837)	(1,941,837)	(94,658,431)	(94,702,751)
- In current year	0	(0)	0	44,320
	<u>(1,941,837)</u>	<u>(1,941,837)</u>	<u>(94,658,431)</u>	<u>(94,658,431)</u>
Amortisation to Income and Expenditure				
- In previous years	(24,172,771)	(22,509,896)	(1,620,623)	(1,619,353)
- In current year	(1,736,557)	(1,714,423)	(1,270)	(1,270)
- Attributable to minority interest	47,287	51,548	0	0
	<u>(25,862,041)</u>	<u>(24,172,771)</u>	<u>(1,621,893)</u>	<u>(1,620,623)</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>35,253,555</u>	<u>36,942,825</u>	<u>(20,166,010)</u>	<u>(20,164,740)</u>

15. OTHER RESERVES

	2014	2013
	€	€
<u>Group:</u>		
General reserve	1,269,738	1,269,738
Other reserve	163,439	163,439
	<u>1,433,177</u>	<u>1,433,177</u>
<u>Bord na gCon:</u>		
General reserve	<u>1,269,738</u>	<u>1,269,738</u>

The other reserve represents amenity grants received by subsidiary companies.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

16. SUBSIDIARIES

Details of shareholding of Bord na gCon in subsidiary companies

Shelbourne Greyhound Stadium Limited	100.00%
Dublin Greyhound and Sports Association Limited	100.00%
Cork Greyhound Race Company Limited	100.00%
The Kingdom Greyhound Racing Company Limited	100.00%
Waterford Greyhound Race Company (1953) Limited	100.00%
Youghal Greyhound Race Company Limited	98.80%
Limerick Greyhound Racing Track Limited	100.00%
Mullingar Greyhound Racing Company Limited (Note 17)	51.00%
Abargrove Limited	100.00%
Clonmel Greyhound Racing Company Limited	100.00%
Galway Greyhound Stadium Limited	100.00%

Each subsidiary is involved in the Greyhound Industry. Bord na gCon stadium in Clonmel is subject to a sporting lease granted to Davis Road Greyhound Stadium Plc at a peppercorn rent. All subsidiary companies are incorporated in the Republic of Ireland.

There has been no change in share ownership during 2014.

17. 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 2014 (Continued)

18. PENSIONS

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

Defined Contribution Scheme

In respect of the DC PRSA Scheme the Board's contribution in 2014 amounted to €102,634 (2013: €44,307).

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 2014 by a qualified independent actuary. The major assumptions used by the actuary were:

	As at 31/12/2014	As at 31/12/2013
Rate of increase in salaries	2.3%	3.0%
Rate of increase in pensions payment	1.5%	2.0%
Rate of increase of state retirement pension	1.5%	2.0%
Discount rate	2.1%	3.8%
Inflation assumption	1.5%	2.0%
Life expectancy		
Retiring Today (member age 65)	23.6	23.5
Retiring Today (member age 40)	26.5	26.4

<u>The assets in the scheme and the rate of return were:</u>	Assets as at 31/12/2014 €'000	14 Expected return %	Assets as at 31/12/13 €'000	13 Expected return %
Fixed Interest	8,866	2.1%	7,660	3.6%
Cash	4,093	0.0%	4,203	0.0%
Other (insured assets)	343	2.1%	324	3.6%
Total Market value of assets	13,302		12,187	
Present value of scheme liabilities	(23,667)		(19,026)	
(Deficit)/Surplus in the scheme	(10,365)		(6,839)	
Related deferred tax liability	0		0	
Net Pension Asset/(Liability)	(10,365)		(6,839)	

<u>Defined Benefit Pension Costs charged to the Income & Expenditure Account:</u>	2014 €'000	2013 €'000
Current service cost	361	371
Past service cost	0	0
Interest on scheme liabilities	724	776
Expected return on scheme assets	(205)	(226)
Curtailements	0	0
	880	921



BORD na gCON

NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

PENSIONS (Continued)

<u>Analysis of the amount recognised in the statement of total recognised gains and losses is as follows:</u>	2014 €'000	2013 €'000
Actual return less expected return on scheme assets	1,149	(472)
Experience gains and losses	(288)	1,645
Changes in assumptions	<u>(3,886)</u>	<u>(334)</u>
Actuarial gain/(loss) recognised in the STRGL	<u><u>(3,025)</u></u>	<u><u>839</u></u>

Analysis of the movement in benefit obligation	2014 €'000	2013 €'000
Benefit obligation at beginning of year	19,026	19,872
Service cost	361	371
Interest cost	724	776
Plan participants' contributions	25	29
Actuarial loss/(gain)	4,174	(1,311)
Benefits paid	(601)	(667)
Premiums paid	(42)	(44)
Benefits obligation at end of year	<u>23,667</u>	<u>19,026</u>

Change in plan assets		
Fair value of plan assets at beginning of year	12,187	12,650
Expected return on plan assets	205	226
Actuarial gain/(loss)	1,149	(472)
Employer contributions	379	465
Plan participants' contributions	25	29
Benefits paid from plan	(601)	(667)
Premiums paid	(42)	(44)
Fair value of plan assets at end of year	<u>13,302</u>	<u>12,187</u>
(Deficit) at end of year	<u><u>(10,365)</u></u>	<u><u>(6,839)</u></u>

<u>History of Experience gains and losses</u>	2014		2013		2012		2011	
	€000	%	€000	%	€000	%	€000	%
Difference between expected & actual return on scheme assets (**)	1,149	8.6%	(472)	(4.0%)	471	4.0%	102	1.0%
Experience gains/(losses) of scheme liabilities (**)	(288)	-1.2%	1,645	9.0%	(344)	(2.0%)	575	3.6%
Changes in actuarial assumptions	<u>(3,886)</u>		<u>(334)</u>		<u>(3,337)</u>		<u>(1,216)</u>	
	<u><u>(3,025)</u></u>		<u><u>839</u></u>		<u><u>(3,210)</u></u>		<u><u>(539)</u></u>	



BORD na gCON

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

(**) *The percentages shown represent; the difference between expected and actual return on scheme assets as a percentage of the year end scheme assets The experience gains/ (losses) of scheme liabilities as a percentage of scheme liabilities.*



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

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

	2014	2013
	€	€
Deficit before taxation	(1,084,631)	(171,744)
Group interest paid	576,421	354,623
Operating (Deficit)/Surplus	(508,210)	182,879
(Profit)/Loss on disposal of fixed assets	(3,500)	0
Grants to private stadia	0	0
Decrease in intangible assets	4,300	4,300
Depreciation	2,150,998	2,237,507
Amortisation of capital reserve	(1,736,557)	(1,714,423)
Increase in stocks	(3,109)	(13,040)
Decrease/(Increase) in debtors	436,495	(344,663)
Decrease in creditors and provisions	(417,226)	526,881
Net Pension	501,000	456,000
Net cash inflow from operating activities	<u>424,191</u>	<u>1,335,441</u>

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

	2014	2013
	€	€
Increase/(Decrease) in cash	(304,510)	(81,715)
(Decrease)/Increase in debt	(308,867)	447,793
Net Movement	(613,377)	366,078
Opening net debt	(21,837,629)	(22,203,707)
Closing net debt	<u>(22,451,006)</u>	<u>(21,837,629)</u>

21. ANALYSIS OF NET DEBT

	Opening Balance	Cash-flow	Closing Balance
	€	€	€
Cash	1,141,418	(261,249)	880,169
Overdrafts	(577,214)	(43,261)	(620,475)
Bank loan	(22,401,833)	(308,867)	(22,710,700)
	<u>(21,837,629)</u>	<u>(613,377)</u>	<u>(22,451,006)</u>

22. RECONCILIATION OF MOVEMENTS IN CAPITAL AND RESERVES

	Revenue Reserve	Capital Reserve	General Reserve	Pension Reserve	Total
	€'000	€'000	€'000	€'000	€'000
Opening Balance at 1 Jan	610	36,943	1,433	(7,781)	31,205
Movement in Capital reserve (Note 14)	0	(1,689)	0	0	(1,689)
Deficit for year attributable to Group	(1,002)	0	0	0	(1,002)
Actuarial Loss	0	0	0	(3,025)	(3,025)
Closing Balance at 31 December	<u>(392)</u>	<u>35,254</u>	<u>1,433</u>	<u>(10,806)</u>	<u>25,488</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2014 (Continued)

23. BOARD MEMBERS' INTEREST

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 to 31 December 2014 a Board Member of Bord na gCon provided services to the Board. The value of these services came to €750 (2013 - €750.)

24. COMMITMENTS & CONTINGENCIES

The Board is involved in legal cases, the outcome of which are not possible to predict. No provision has been made in the financial statements for the year ended 31 December 2014.

The board have no capital commitments requiring disclosure.

25. GOING CONCERN

The Board consider the going concern basis remains appropriate based on projections and actions detailed within Bord na gCon's reply to Indecon's report on the review of the Irish Greyhound Industry. The key assumptions underpinning the Board's considerations include:

- At 31 December 2014, net bank borrowings stood at €22.4 million (Gross bank borrowings €23.3 million less cash at bank and on hand €0.9 million), 2013 net bank borrowing stood at €21.8 million. Bord na gCon bank facilities operated within the agreed facility during 2014 and this position remains unchanged.
- The revised banking facilities, put in place with effect from August 2015 (see note 13), will remain in place and new facilities will be made available upon the expiry of the facilities in 2016 and 2017.
- The disposal of both core and non-core assets, including the former Head Office in Henry Street Limerick and the Harold's Cross properties, will take place in accordance with IGB's reply to the Indecon proposals.
- An annual allocation of funds from the Oireachtas under section 12 of the Horse and Greyhound Racing Act 2001. The allocation budgeted for 2015 is €13.6 million (2014, €10.844 million).
- Increased profits from racing facilities which will be supported by new income streams from off stadium wagering and on-line streaming of racing events.

26. PRESENTATION CHANGES AND RESTATEMENT OF PRIOR YEAR FIGURES

The 2013 comparative figures for the Group Income and Expenditure Account have been reclassified in line with the revised layout of that Account adopted for 2014.

27. APPROVAL OF ACCOUNTS

The accounts were approved by the Board Members on August 31st 2015