



**Irish Greyhound Board
Bord na gCon**

Annual Report 2008

Contents

Page	
2	Welcome
3	Foreword by Chairman
5	Foreword by CEO
7	Board Members
8	Preface and Key Summary
9	Control Committee
10	National Greyhound Awards
11	Chairman's Statement of Internal Financial Control
13	Board Members' Report
15	Report of Comptroller & Auditor General
17	Group Profit & Loss Account
19	Group Balance Sheet
20	Bord na gCon Balance Sheet
21	Group Cash Flow
22	Notes on the Group Financial Statements
36	Detailed Group Profit & Loss Account



Welcome

De réir théarmaí Ailt 19(2) de Achtanna Tionscail na gCon, 1958 agus 1993, cuireann Bord na gCon a Thuarascáil um Chuntais don Bhliain dar Críoch 31 Mí na Nollag, 2008, faoi bhráid an Roinn Ealaíon, Spóirt agus Turasóireachta.

In accordance with section 19(2) of the Greyhound Industry Acts, 1958 and 1993, Bord na gCon presents its Report and Accounts for the year ended 31st December 2008, to the Minister for Arts, Sport and Tourism.

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

A total of 17 tracks licensed by Bord na gCon operated during the year 2008. Eight of these tracks licensed are owned and operated by private enterprise. Funding for Bord na gCon is sourced by a turnover charge on the on-course bookmaker betting, by a percentage deduction from totalisator pools and Exchequer funding. Receipts from these sources are used to augment prize money, to grant-aid development at tracks to enable them to improve spectator facilities, to develop public auction sales, to advertise greyhound racing and to operate a national drug testing laboratory.





Foreword to Annual Report 2008

Dick O'Sullivan

Chairman

2008 has been a year of immense challenge for the greyhound racing industry in Ireland. Nevertheless, despite the grim economic winds that have blown across the country, the Board has still been able to produce a significant surplus for the continued development of the sport.

There are too many people reliant on the Greyhound Industry for us to bury our heads and wait for an upturn. We have to make our own plans to lessen the impact of reduced consumer spending in the short term but also to plan for the longer term future and secure ourselves for that.

The maintenance of prize money grants at similar levels to 2007 has been a cornerstone of the Board's approach to managing its resources. Ours is a sport where the financial return derived by its contributors is based on the merit of performance on the track.

Our prize money is distributed far and wide throughout the body of the industry. It benefits owners, breeders, trainers, kennel staff, walkers, vets and all those thousands of others who keep the show on the road.

The progress of our new stadium in Limerick has been a boost not only to confidence in the sport but also to the local economy. The work which started at the end of 2008 will continue through to completion of a brand new, top class facility that the people of Limerick and the Mid-West have long deserved.

Our sport generates €500 million of economic activity in Ireland. We are an indigenous traditional industry that is immune to the charms of low cost economies around the world.

We need Government to stand in support of the contribution which we make. The provision of 11,000 full and part-time jobs cannot be overlooked in a rush to support other more technological but less sustainable employment.

The drop of €1.7 million in funding from the Horse and Greyhound Fund in 2009 will be difficult to absorb but the uncertainty over the longer term basis of funding from central government is of even greater concern.

Without commitment, uncertainty grows and a spiral of decline can gain hold. We must fight hard to ensure that the Horse and Greyhound Fund is renewed and committed to not only for 2009 but for the longer term.

The success of the Horse and Greyhound Racing Fund has paid significant dividend in terms of the ability of the industry to generate financial benefits for the state, particularly in rural areas.

In 2009 the net contribution of the state towards the sport will be less than €2 million. Compare this to the cost were the industry to contract by 10 per cent. This would place a financial burden on the state of more than €12 million in lost tax and increased social welfare.

The Horse and Greyhound Racing Fund is of great benefit to the country as a whole. It must be retained.

Lest we forget, this has also been a great year on the track. The performance of *Shelbourne Aston* in the Paddy Power Irish Greyhound Derby, on a night when betting turnover at Shelbourne Park passed €1 million for the first time, was one to stir the blood.



Sport has a great role to play in lifting the national spirit in difficult times. The Irish Greyhound Board, our executives and staff the length of Ireland will rise to the challenges that face us over the next 12 months. Together with the owners, trainers, breeders, bookmakers, sponsors and so many others on whom the industry relies, we will make it through and emerge stronger on the other side.

Dick O'Sullivan
Chairman





Foreword to Annual Report 2008
Chief Executive Officer
Adrian Neilan

We entered 2008 on the crest of a buoyant economy with the sport on a strong financial footing. As is clearly evident all around us the year did not end as it had begun in terms of the general economy.

Nevertheless we have still produced an operating surplus for the year of €5.1 Million, a full 80 per cent ahead of the surplus achieved in 2006, if marginally down on 2007.

This will allow us in 2009 to maintain prize money payments at as fair a level as is possible in order to effectively distribute funds to every corner of the sport.

It will also allow us to continue the capital development programme which is needed to ensure the long term security of the industry.

The year ended as well with plenty of encouragement. We entertained 34,000 customers on Christmas packages and produced a return on total operations of €1.1 million, significantly ahead of even the best of previous years.

We remain positive that the fundamentals of the sport are strong.

There is little shelter however, from the economic storms that have affected every aspect of Irish business and society over the past year. While attendance rose at Harold's Cross, helping this stadium to perform very strongly, there was an overall 12 per cent drop in the number of race goers attending the country's greyhound stadia. There was a related 8 per cent drop in tote betting turnover.

Tote betting, while down on last year, nonetheless holds out significant hope for the future with the development of partnerships to provide Irish greyhound racing as a betting medium in international markets. In 2008 we generated over €500,000 in betting from Sweden and in 2009 this project will be extended to other European markets and possibly the British betting shop market as well.

Also on an overseas theme we undertook an initiative with Fáilte Ireland which enabled 13,000 French holidaymakers to take advantage of a pre-booking facility to enjoy a 'Night at the Dogs'. This single initiative generated revenue of well over €350,000 and has been rolled out to Spain, Italy, South Africa and Scandinavia in time for the 2009 summer season.

The role of Irish greyhound racing in betting shops remains strong, as evidenced by the continued welcome support of all the nation's largest bookmakers as key sponsors within our sport. The Paddy Power Irish Greyhound Derby witnessed an important milestone last September when on-track betting with Tote and bookmakers surpassed €1 million on a single night for the first time ever.

2008 saw the introduction of a loyalty card which rewards regular customers of our tracks, and the adoption of electronic funds transfer to streamline and regularise the payment of prize money at all our tracks.

Greyhound racing continues to play a vital role at the heart of rural communities, as well as being an ever popular urban night out. Over €7 million was raised for local and charitable causes through fundraisers.

In terms of capital development we completed the redevelopment of Waterford stadium, and in the early part of 2009 we will commence pre-construction on the new stadium at Limerick, confirming our confident assertion that greyhound racing will continue to play a central role in Irish sport and society for many years into the future.



We have continued to make many positive advances in the area of greyhound welfare with track improvements at Harold's Cross and Waterford as well as a new injured greyhound transporter at Curraheen Park. We have also developed links for the re-homing of greyhounds in new parts of the world. We will continue to devote energy and resource to the vital area of greyhound welfare.

In December, in order to counter the damaging drop of €1.7 million in the Horse and Greyhound Racing Fund for 2009, the Irish Greyhound Board announced a €2 million package of cost savings and rationalisation. Among the changes implemented were changes to tote and levy operations, savings from head office and track operation costs, and reviews of staffing levels and remuneration levels.

We have acted quickly and with confidence to address the overall slowdown in economic activity and how it affects our sport. The action we have taken enables us to maintain prize money which provides the greatest benefit to the greatest number of participants in the sport; and also to press ahead with the building of a new stadium in Limerick which has been required for a number of years.

In adopting these courses of action we are dealing with the short term needs of those involved in the sport and also ensuring that our facilities remain at the level our customers will expect for many years to come.

Adrian Neilan
CEO



Bord na gCon Information

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

MEMBERS OF THE BOARD

Dick O'Sullivan
Daniel J. Reilly
Tony McKenna
Frank O'Connell
Teresa Wall
Billy O'Dwyer (appointed 14/04/08)
Tim Gilbert (appointed 14/04/08)

CHIEF EXECUTIVE OFFICER

Adrian Neilan

REGISTERED OFFICE

104 Henry Street
Limerick

SOLICITORS

Holmes O'Malley Sexton
Bishopsgate
Henry Street
Limerick

BANKERS

Allied Irish Bank Plc
Bank of Ireland Plc

AUDITOR

Comptroller and Auditor General
Dublin Castle
Dublin 2



Preface and Key Summary

A total of 17 tracks licensed by Bord na gCon operated during the year 2008. Of the country's 17 greyhound tracks, the Board owns the following tracks: Shelbourne Park, Harold's Cross, Cork, Tralee, Waterford, Youghal, Limerick and Galway and also has a 51% share in the Mullingar track.

Key Summary Performance for 2008

- Board direct prize money grants were kept at 2007 levels.
- Construction on the new Limerick Stadium was started in September 2008 which will deliver 250 jobs during the construction phase and 100 jobs during operations.
- Over €7.0 million was raised by various organisations and clubs who used IGB facilities for Benefit Meetings in 2007. Bord na gCon believe this shows how greyhound racing fulfils a hugely important social remit to local organisations and has now become the preferred choice of clubs and charities to raise much needed funds. It also shows that Greyhound Racing now fulfils a huge social need in rural Ireland given the funds raised.
- In December 2008 we had over 34,000 people booked in for Christmas parties and this allowed the month of December 2008 to deliver an operational performance of over €1 million in capital surplus.
- The overall capital surplus delivered at €5 million was down only 6% from 2007 levels but was 133% higher than 2006 levels.
- Although attendances were down overall we did benefit from a lot of tourist groups from foreign countries and we hope to develop this further in 2009.

	2007	2008	% change
Total Prizemoney	11,394,390	12,232,750	-7%
Sponsorship	1,742,962	2,097,456	-17%
Operating surplus before grants	5,092,876	5,402,362	-6%
Attendance	1,123,133	1,281,894	-12%

Capital Development Programme

In terms of capital development, Bord na gCon completed the redevelopment of the Waterford stadium and work on the new stadium in Limerick started at the end of 2008.



Control Committee

Bord na gCon established an independent Control Committee and Control Appeal Committee in June 2007 to adjudicate on all matters concerning the integrity of greyhound racing. The Committee is comprised of well known and respected people from the industry and is made up of -

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

The Independent Control Committee held its first meeting on July 25, 2007 and has appropriately dealt with cases brought to its attention by Bord na gCon throughout 2008. Meetings of the Control Committee take place monthly and greatly enhance the independence of the disciplinary structure within greyhound racing and this, together with the Boards extensive prohibited substance testing regime, enhances public confidence in greyhound racing as a clean sport. The action or sanction taken in any particular case is a matter entirely for the Control Committee within the Regulations. In all cases where a finding of a prohibited substance in a greyhound is established before the Control Committee (or the Control Appeal Committee on an appeal to it), the findings in the case are published in accordance with the regulations established by the Board. The independent Control Appeal Committee determines appeals made to it pursuant to Article 14 of the Greyhound Industry (Control Committee and Control Appeal Committee) Regulations 2007, from decisions of the Control Committee and is chaired by Mr Frank O'Leary (MRCVS). Other members include Fiona Hughes (MRCVS) and Matt Breslin (B.A L.L.B.). The Board operates a zero tolerance prohibited substance testing regime. Substances which cannot be traced back to normal feeding are considered prohibited. The high level of testing conducted by the Board is significant in comparison to other sporting authorities and is a measure of the Board's commitment to integrity management.

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



National Greyhound Racing Awards 2008

Naas, Co. Kildare played host to the 2008 National Greyhound Racing Awards at the Killashee House Hotel on Sunday, 29th March 2009. The prestigious function was attended by over 300 people, among well known faces from the industry. Minister Martin Cullen TD presented the awards on the night. Chairman of the Irish Greyhound Board, Dick O'Sullivan reported on the continued success the industry had achieved in 2008 and the obstacles that the industry faced over the next year.

National Greyhound Awards Winners:

Dog of the Year:

Shelbourne Aston

Owner: Hehir-Curtin-Montgomery Syndicate

Trainer: Pat Curtin

Breeder: John Marks

Bitch of the Year:

Oran Majestic

Owner: Des Whyte & Elliot Whyte

Trainer: John McGee

Breeder: Des Whyte & Elliot Whyte

Sprinter of the Year:

Almighty Jack

Owner: Larry O'Shea

Trainer: James Roche

Breeder: Patrick Murray

Marathon Dog of the Year:

Olympic Show

Owner: Tony Howard

Trainer: Paul Hennessy

Breeder: Philip O'Keefe & Bill O'Keefe

Brood Bitch of the Year:

Queen Survivor

Owner: John Marks & Anthony Dunlavy

Hall of Fame Award:

Seamus Graham

Special Merit Award

This year Bord na gCon presented two Special Merit Awards. The first award was presented to the family of the late **John Carroll** from Croom, Co. Limerick. John was involved in re-homing greyhounds since the establishment of the Retire Greyhound Trust in the 1990's and was fundamental to its success.

The second award was presented to **Paddy Jordan**, a man who has dedicated most of his working life to greyhound racing and is one of the reasons why Longford Track has survived over the years. He has been involved with the track since 1958 and is regarded as one of the best haredrivers in the country.



STATEMENT ON INTERNAL FINANCIAL CONTROL

On behalf of the Board members of Bord na gCon, I acknowledge our responsibility to ensure that an effective system of internal financial controls is maintained and operated by the Board and its subsidiary companies.

The systems of internal financial control can only provide reasonable but not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely period.

Control Environment

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

- Clearly defining management responsibilities, authority and accountability.
- Establishing formal procedures for monitoring activities and safeguarding assets of the business.
- Developing a culture of accountability across all levels of the organisation.
- The Internal Audit Committee and the Internal Audit Function complying with the Framework Code of Best Practice as outlined in the code of practice for the Governance of State Bodies.

Business Risks

Risk assessment of the business operations is conducted on an annual basis by senior management. In 2008 a risk officer was appointed who was independent of the Internal Audit function. The Board recognises the need to ensure that risks are continually reviewed by the Audit Committee and the Audit Committee has considered the risk assessment in 2008. As part of this review the Audit Committee and the Board considered its processes for identifying and evaluating business risks to ensure that they:

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

On an ongoing basis, major business risks are matters of discussion at Board meetings; in particular the Board approves all borrowings and five year rolling cash flows.

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

- A comprehensive annual budgeting and financial reporting system which is reviewed and approved by the Board
- Regular reviews by the Board of overall strategy, business and financial plans and variance against operating and capital budgets.
- Regular meetings with the Department of Arts Sport & Tourism in relation to the industries performance to discuss and review long term industry and organisational improvement opportunities



The Board has delegated to their Internal Audit Committee and the senior management the function of monitoring the internal audit function. To operate effectively the Board's Audit Committee should meet at least four times a year and this criterion has been met in 2008. An external resource outsourced from a firm of accountants provides advice to the Audit Committee and attended their meetings. The Board has an internal audit function which is mandated to operate in accordance with the requirements of the Code of Practice for the Governance of State Bodies. The work of the internal audit is informed by analysis of the risks to which the Board is exposed and annual internal audit plans are based on this analysis. In 2008, it was necessary to assign the internal auditor to other duties to provide cover for staff on extended leave. As a result the work of the internal auditor was curtailed in 2008. It is intended to reassign the internal auditor to audit work in 2009.

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

Annual Review of Controls

I confirm that in the year ended 31st December 2008, there was a review of the effectiveness of the system of internal financial control.

Signed on behalf of the Board.

Dick O'Sullivan.
Chairman



BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The Board Members submit herewith their report and audited financial statements for the year ended 31 December 2008.

1. PRINCIPAL ACTIVITIES

The principal activities of the Group continue to be:

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

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

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

2. GROUP TRADING RESULTS FOR THE YEAR

	2008 €	2007 €
Turnover	<u>58,026,539</u>	<u>63,433,949</u>
Operating surplus before grants	5,092,876	5,402,362
Grants to private tracks	<u>(257,012)</u>	<u>(207,778)</u>
Surplus on ordinary activities	4,835,864	5,194,584
Gain on disposal of tangible fixed assets	2,500	11,838
Group interest payable	(177,662)	(355,235)
Taxation	(7,293)	(24,027)
Profit attributable to minority interests	(17,695)	(66,841)
Surplus for the year	<u><u>4,635,714</u></u>	<u><u>4,760,319</u></u>

3. SUBSIDIARIES

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

4. MEMBERS OF THE BOARD

The members who held office during the year are listed on page 7.



BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008 (Continued)

5. STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The Board Members are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Bord na gCon and of its profit or loss for that year. In preparing those financial statements, the Board Members are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Bord na gCon will continue in business.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

6. HEALTH & SAFETY

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

7. AUDITOR

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

Approved by the Board on 23rd October 2009.

Dick O'Sullivan

Teresa Wall



BORD NA gCON

Group Accounts

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

I have audited the Financial Statements of Bord na gCon for the year ended 31 December 2008 under the Horse and Greyhound Racing Act, 2001.

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

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

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

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

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

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

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

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

Basis of Audit Opinion

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

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

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of Bord na gCon's and the group's affairs at 31 December 2008 and of the group's surplus for the year then ended.

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

John Buckley
Comptroller and Auditor General
29 October 2009

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 €	2007 €
Turnover from racing facilities			
Allocation from the Horse & Greyhound Racing Fund		58,026,539	63,433,949
		15,257,000	14,572,000
		<u>73,283,539</u>	<u>78,005,949</u>
Operation and administration costs		(68,190,663)	(72,603,587)
Operating Surplus before grants		5,092,876	5,402,362
Grants to private tracks		(257,012)	(207,778)
		<u>4,835,864</u>	<u>5,194,584</u>
Operating Surplus on ordinary activities		4,835,864	5,194,584
Gain on disposal of tangible fixed assets	3	2,500	11,838
		<u>4,838,364</u>	<u>5,206,422</u>
Surplus before interest on ordinary activities		4,838,364	5,206,422
Group interest payable		(177,662)	(355,235)
		<u>4,660,702</u>	<u>4,851,187</u>
Surplus on ordinary activities before taxation		4,660,702	4,851,187
Taxation	4	(7,293)	(24,027)
		<u>4,653,409</u>	<u>4,827,160</u>
Surplus on ordinary activities after taxation		4,653,409	4,827,160
Surplus attributable to minority interests		(17,695)	(66,841)
		<u>4,635,714</u>	<u>4,760,319</u>
Surplus for year		4,635,714	4,760,319
Transfer to Capital Reserve	12	(3,585,161)	(1,798,525)
Retained Surplus for year		1,050,553	2,961,794
Opening Balance at 1 January		<u>6,903,556</u>	<u>3,941,762</u>
Closing Balance at 31 December		<u><u>7,954,109</u></u>	<u><u>6,903,556</u></u>

The surplus after taxation for the year dealt with in the financial statements of Bord na gCon is a surplus of €3,120,369 (2007: surplus of €2,848,582).

The notes (on pages 22 to 35) and the Detailed Group Profit and Loss Account (on page 36) form part of these financial statements.

Approved by the Board on 23rd October 2009.

Dick O'Sullivan

Teresa Wall



GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2008 €	2007 €
Surplus for the financial year		<u>4,635,714</u>	<u>4,760,319</u>
Actual return less expected return on schemes assets		(6,129,000)	(1,590,000)
Experience Gains and (Losses)		(275,000)	76,000
Changes in Assumptions		<u>1,142,000</u>	<u>871,000</u>
Actuarial loss recognised in the pension scheme	16	<u>(5,262,000)</u>	<u>(643,000)</u>
Total Recognised (Loss)/Gain for the year		<u>(626,286)</u>	<u>4,117,319</u>

The notes (on pages 22 to 35) and the Detailed Group Profit and Loss Account (on page 36) form part of these financial statements.

Approved by the Board on 23rd October 2009.

Dick O'Sullivan

Teresa Wall



GROUP BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	2008 €	2007 €
FIXED ASSETS			
Intangible assets	5	27,947	(30,111)
Tangible assets	6	60,860,927	56,448,082
Financial assets		5,951	5,951
		<u>60,894,825</u>	<u>56,423,922</u>
CURRENT ASSETS			
Stocks	8	114,261	161,889
Debtors	9	3,421,174	2,395,612
Cash at bank and on hand		1,094,806	1,481,834
		<u>4,630,241</u>	<u>4,039,335</u>
CREDITORS (Amounts falling due within one year)	10	(9,354,816)	(8,909,035)
		<u>(4,724,575)</u>	<u>(4,869,700)</u>
NET CURRENT LIABILITIES			
		56,170,250	51,554,222
CREDITORS (Amounts falling due after more than one year)	11	(10,281,276)	(7,990,180)
Net Pension (Liability)/Asset	16	(4,818,000)	(10,000)
		<u>41,070,974</u>	<u>43,554,042</u>
NET ASSETS			
FINANCED BY:			
Profit and Loss Account		7,954,109	6,903,556
Capital reserve	12	35,910,996	34,144,968
Other reserves	13	1,433,177	1,433,177
Pension reserve		(6,105,000)	(843,000)
		<u>39,193,282</u>	<u>41,638,701</u>
Capital and Reserves	21	39,193,282	41,638,701
Minority interests	15	1,877,692	1,915,341
		<u>41,070,974</u>	<u>43,554,042</u>

The notes (on pages 22 to 35) and the Detailed Group Profit and Loss Account (on page 36) form part of these financial statements.

Approved by the Board on 23rd October 2009.

Dick O'Sullivan

Teresa Wall



BORD Na gCON BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	2008 €	2007 €
FIXED ASSETS			
Intangible assets	5	43,000	-
Tangible assets	6	3,424,478	4,000,995
Financial assets	7	5,015,823	4,495,586
		<u>8,483,301</u>	<u>8,496,581</u>
CURRENT ASSETS			
Stocks	8	53,074	54,465
Debtors	9	1,532,042	1,035,602
Cash at bank and on hand		597,108	600,244
		<u>2,182,224</u>	<u>1,690,311</u>
CREDITORS (Amounts falling due within one year)	10	(10,828,922)	(9,440,322)
NET CURRENT LIABILITIES		<u>(8,646,698)</u>	<u>(7,750,011)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(163,397)	746,570
CREDITORS (Amounts falling due after more than one year)	11	(10,281,276)	(7,990,180)
NET LIABILITIES		<u>(10,444,673)</u>	<u>(7,243,610)</u>
FINANCED BY:			
Profit and Loss Account		2,336,479	2,788,521
Capital Reserve	12	(14,050,890)	(11,301,869)
Other Reserves	13	1,269,738	1,269,738
		<u>(10,444,673)</u>	<u>(7,243,610)</u>

The notes (on pages 22 to 35) and the Detailed Group Profit and Loss Account (on page 36) form part of these financial statements.

Approved by the Board on 23rd October 2009.

Dick O'Sullivan

Teresa Wall



GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 €	2007 €
Net Cash outflow from operating activities	18	(9,115,150)	(9,031,415)
Returns on investments and servicing of finance			
Interest received		6,609	6,282
Interest paid		(177,662)	(355,235)
		<u>(171,053)</u>	<u>(348,953)</u>
Taxation		<u>(24,027)</u>	<u>(16,812)</u>
Capital expenditure & financial investment			
Payments to acquire tangible assets		(7,380,010)	(2,478,475)
Receipts from disposal of tangible assets		116,940	(169,092)
Grants paid to non-Bord na gCon tracks		(257,012)	(207,778)
		<u>(7,520,082)</u>	<u>(2,855,345)</u>
Equity dividends paid		<u>-</u>	<u>(9,800)</u>
Net outflow before use of liquid resources & financing		(16,830,312)	(12,262,325)
Finance			
Allocation from Horse & Greyhound Racing Fund		15,257,000	14,572,000
(Drawdown)/Repayments of Loans & Overdrafts		1,186,284	(2,202,086)
Increase/(Decrease) in cash	19 & 20	<u>(387,028)</u>	<u>107,589</u>

The notes (on pages 22 to 35) and the Detailed Group Profit and Loss Account (on page 36) form part of these financial statements.

Approved by the Board on 23rd October 2009.

Dick O'Sullivan

Teresa Wall



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008**1. ACCOUNTING POLICIES****(a) Accounting convention**

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

(b) Basis of consolidation

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

(c) Fixed assets and depreciation

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

Freehold land	Nil
Freehold and leasehold premises	2%
Totalisator buildings	10%
Totalisator equipment	20%
Track equipment, furniture and fittings etc.	10%
Leased tote equipment	10%
Computer equipment	20%
Motor vehicles	20%

(d) Leases**Finance leases**

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

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

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

Operating leases

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

(e) Stocks

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

(f) Deferred Taxation

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



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

(g) **Oireachtas Grants**

Oireachtas grants receivable are treated as revenue grants and credited to the Profit and Loss Account.

(h) **Capital Reserve**

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

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

(i) **Goodwill**

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

(j) **Pensions**

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

Defined Contribution Scheme

Payments to the PRSA scheme are charged to the 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.

(k) **Prizemoney**

In 2008 all prize money payments were made directly to owners by Bord na gCon. In prior years Bord na gCon funded the greyhound stadia directly and the stadia distributed the prizemoney to owners.

(l) **Turnover**

Turnover represents revenue from race meetings and other ancillary services including bar and restaurant operations. In previous years only income from Board Owned tracks was included. However, in line with the revised arrangements in respect of Prizemoney (see (k) above) Sponsorship and Entry Fees surrendered by Private Tracks to Bord na gCon is now also recognised.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008 (Continued)**2. GROUP SURPLUS BEFORE TAXATION**

	2008		2007
	€		€
Group Surplus before taxation has been arrived at after charging:			
Board Members' remuneration	104,500		103,333
Auditor's remuneration	84,142		83,502
Depreciation (Note 6)	2,895,143		2,995,475
Interest payable on loans and overdrafts	177,662		355,235
Termination payments (incl. legal costs)			-
Redundancy Costs	260,000		264,590
Chief Executive Officer's remuneration:			
Basic salary	160,056	121,473	
Performance related bonus	-	31,166	
Superannuation costs	28,809	30,660	
Other remuneration	15,000	15,000	198,299
	<u>203,865</u>	<u>15,000</u>	
And after crediting:			
Amortisation of capital reserve (Note 12)	1,862,227		1,970,676
Interest receivable	6,609		6,282
	<u>6,609</u>		<u>6,282</u>

3. PROFIT ON DISPOSAL OF TANGIBLE FIXED ASSETS

In 2008, Bord na gCon disposed of various assets which resulted in a net profit of €2,500.



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

4. TAXATION

	2008 €	2007 €
Corporation Tax Liability	(7,293)	(24,027)

The corporation tax charge for 2008 arises due to a provision for tax on profits of Mullingar Greyhound Stadium of €7,293.

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

5. INTANGIBLE FIXED ASSETS – NEGATIVE GOODWILL

Group	2008 €	2007 €
COST		
Cost at 1 January	(150,575)	(150,575)
Acquired during the year	43,000	-
At 31 December	<u>(107,575)</u>	<u>(150,575)</u>
AMORTISATION		
At 1 January	120,464	105,406
Released during the year	15,058	15,058
At 31 December	<u>135,522</u>	<u>120,464</u>
NET BOOK AMOUNT AT 31 DECEMBER	<u>27,947</u>	<u>(30,111)</u>

Bord na gCon	2008 €	2007 €
COST		
Acquired during the year	43,000	-
At 31 December 2008	<u>43,000</u>	<u>-</u>

During 2008, the greyhound newspaper Greyhound Weekly ceased trading. The Irish Greyhound Board had, to cessation of trading, advertised in the publication and submitted articles. The publication had a wide circulation with-in the greyhound community who were particularly interested in the section titled “Talking Dogs”. The rights and know-how of the “Talking Dogs” section were purchased by the Irish Greyhound Board and are now available to view on our website www.igb.ie. The acquisition cost for “Talking Dogs” will be amortised over 10 years in line with our current policy.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008 (Continued)
6. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings	Leasehold Buildings	Totalisator Track and Other Equipment	Leased Tote Equipmen t	Motor Vehicles	Total
	€	€	€	€	€	€
Cost:						
At 1 January 2008	24,736,028	34,321,993	19,532,250	108,210	354,929	79,053,410
Additions	6,650,786	65,987	631,887	0	31,350	7,380,010
Disposals	114,440	-	-	-	60,591	175,031
Adjustment						
Asset Re-classification						
At 31 December 2008	<u>31,272,374</u>	<u>34,387,980</u>	<u>20,164,137</u>	<u>108,210</u>	<u>325,688</u>	<u>86,258,389</u>
Accumulated Depreciation:						
At 1 January 2008	3,451,428	6,332,257	12,573,245	108,210	140,188	22,605,328
Charge for year	459,955	687,551	1,641,676	-	63,543	2,852,725
Disposals	-	-	-	-	60,591	60,591
Adjustment						
Asset Re-classification						
At 31 December 2008	<u>3,911,383</u>	<u>7,019,808</u>	<u>14,214,921</u>	<u>108,210</u>	<u>143,140</u>	<u>25,397,462</u>
Net Book Amount:						
At 31 December 2008	<u>27,360,991</u>	<u>27,368,172</u>	<u>5,949,216</u>	<u>-</u>	<u>182,548</u>	<u>60,860,927</u>
At 31 December 2007	<u>21,284,600</u>	<u>27,989,736</u>	<u>6,959,005</u>	<u>-</u>	<u>214,741</u>	<u>56,448,082</u>
Bord na gCon						
Cost:						
At 1 January 2008	492,944	1,866,021	10,052,038	12,154	342,991	12,766,148
Additions	-	-	199,230	-	31,350	230,580
Disposals	-	-	-	-	60,591	60,591
At 31 December 2008	<u>492,944</u>	<u>1,866,021</u>	<u>10,251,268</u>	<u>12,154</u>	<u>313,750</u>	<u>12,936,137</u>
Accumulated Depreciation:						
At 1 January 2008	124,972	1,014,225	7,483,166	12,154	130,636	8,765,153
Charge for year	9,591	33,071	703,278	-	61,157	807,097
Disposals	-	-	-	-	60,591	60,591
At 31 December 2008	<u>134,563</u>	<u>1,047,296</u>	<u>8,186,444</u>	<u>12,154</u>	<u>131,202</u>	<u>9,511,659</u>
Net Book Amount:						
At 31 December 2008	<u>358,381</u>	<u>818,725</u>	<u>2,064,824</u>	<u>-</u>	<u>182,548</u>	<u>3,424,478</u>
At 31 December 2007	<u>367,972</u>	<u>851,796</u>	<u>2,568,872</u>	<u>-</u>	<u>212,355</u>	<u>4,000,995</u>

The cost of fixed assets included above which have been fully depreciated at 31 December 2008 amounts to €9,040,773 (2007: €8,915,535) for the group, and to €6,768,089 (2007:€6,454,588) for Bord na gCon.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008 (Continued)**6. TANGIBLE FIXED ASSETS continued**

The assets of Dublin Greyhound & Sports Association Limited, Kingdom Greyhound Racing Company Limited and The Waterford Greyhound Race Company, 1953, Limited are being used as security for a €12.7M loan facility, provided by AIB Bank, to the group.

Freehold Land and Buildings includes €1,275,351 in respect of an Asset under Development - No depreciation is charged on assets under development.

7. FINANCIAL ASSETS

	2008	2007
	€	€
Bord na gCon		
Shares in subsidiaries at cost less amounts written off	244,452	244,452
Long term loans to subsidiaries	4,771,371	4,251,134
	<u>5,015,823</u>	<u>4,495,586</u>
	<u><u>5,015,823</u></u>	<u><u>4,495,586</u></u>

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

8. STOCKS

	2008	2007
	€	€
Group:		
Bar stocks	7,771	45,232
Totalisator and track equipment	57,341	73,647
Sundry expense stocks	49,149	43,010
	<u>114,261</u>	<u>161,889</u>
	<u><u>114,261</u></u>	<u><u>161,889</u></u>
Bord na gCon:		
Totalisator and track equipment	36,496	37,253
Sundry expense stocks	16,578	17,212
	<u>53,074</u>	<u>54,465</u>
	<u><u>53,074</u></u>	<u><u>54,465</u></u>



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

9. DEBTORS

	2008	2007
	€	€
Group:		
Trade debtors and prepayments	3,164,343	2,333,395
Other debtors	194,376	51,715
VAT recoverable	62,455	10,502
	<u>3,421,174</u>	<u>2,395,612</u>
Bord na gCon:		
Trade debtors and prepayments	1,432,123	954,101
Others debtors	133	133
Amounts due from subsidiary companies	99,786	81,368
	<u>1,532,042</u>	<u>1,035,602</u>

All amounts receivable from debtors are due within one year.

10. CREDITORS (Amounts falling due within one year)

	2008	2007
	€	€
Group:		
Creditors and accruals	8,099,782	6,549,189
Bank advances	1,255,034	2,359,846
	<u>9,354,816</u>	<u>8,909,035</u>
Bord na gCon:		
Creditors and accruals	5,839,084	4,609,455
Amounts due to subsidiary companies	4,246,532	3,103,798
Bank advances	743,306	1,727,069
	<u>10,828,922</u>	<u>9,440,322</u>

The creditors and accruals figures include the following amounts:

Group:		
VAT	75,986	140,806
PAYE/PRSI	338,324	374,369
Bord na gCon:		
VAT	11,384	18,329
PAYE/PRSI	235,775	284,908



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

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

	2008	2007
	€	€
Group:		
Bank borrowings	10,281,276	7,990,180
	<u> </u>	<u> </u>
Bord na gCon:		
Bank borrowings	10,281,276	7,990,180
	<u> </u>	<u> </u>

12. CAPITAL RESERVE

	Group		Bord na gCon	
	2008	2007	2008	2007
	€	€	€	€
Transfer from surplus				
- In previous years	59,146,212	57,347,687	59,146,212	57,347,687
- In current year	3,585,161	1,798,525	3,585,161	1,798,525
	<u>62,731,373</u>	<u>59,146,212</u>	<u>62,731,373</u>	<u>59,146,212</u>
Amounts written back				
- In previous years	(10,213,571)	(9,931,989)	803,088	-
- In current year	-	(281,582)	-	-
	<u>(10,213,571)</u>	<u>(10,213,571)</u>	<u>803,088</u>	<u>-</u>
Grants to Board owned tracks				
- In previous years	(1,933,867)	(1,933,867)	(69,638,165)	(68,269,331)
- In current year	(7,970)	-	(6,332,912)	(565,746)
	<u>(1,941,837)</u>	<u>(1,933,867)</u>	<u>(75,971,077)</u>	<u>(68,835,077)</u>
Amortisation to Profit and Loss Account				
-In previous years	(13,211,913)	(11,289,400)	(1,613,004)	(1,611,734)
-In current year	(1,862,227)	(1,970,676)	(1,270)	(1,270)
-Attributable to minority interest	51,065	48,164	-	-
	<u>(15,023,075)</u>	<u>(13,211,912)</u>	<u>(1,614,274)</u>	<u>(1,613,004)</u>
Amortisation of amounts written back				
- In previous years	358,106	344,927	-	-
- In current year	-	13,179	-	-
	<u>358,106</u>	<u>358,106</u>	<u>-</u>	<u>-</u>
Balance at 31 December	<u>35,910,996</u>	<u>34,144,968</u>	<u>(14,050,890)</u>	<u>(11,301,869)</u>



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

13. OTHER RESERVES

	2008	2007
	€	€
Group:		
General reserve	1,269,738	1,269,738
Other reserve	163,439	163,439
Total	1,433,177	1,433,177
Bord na gCon:		
General reserve	1,269,738	1,269,738
Other reserve	-	-
Total	1,269,738	1,269,738

The other reserve represents amenity grants received by subsidiary companies.

14. SUBSIDIARIES

	Percentage of equity Held by Bord na gCon 2008 and 2007
Shelbourne Greyhound Stadium Limited	100%
Dublin Greyhound and Sports Association Limited	100%
Cork Greyhound Race Company Limited	100%
The Kingdom Greyhound Racing Company Limited	100%
Waterford Greyhound Race Company (1953) Limited	100%
Youghal Greyhound Race Company Limited	98.8%
Limerick Greyhound Racing Track Limited	100%
Mullingar Greyhound Racing Company Limited (see Note 15)	51%
Abargrove Limited	100%
Clonmel Greyhound Racing Company Limited	100%
Galway Greyhound Stadium Limited	100%
Each subsidiary is involved in the Greyhound Industry.	

All subsidiary companies are incorporated in the Republic of Ireland.

15. MINORITY INTERESTS

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

Negative goodwill of €150,575 arose on acquisition. To 31st December, 2008 €135,522 has been released to the Profit and Loss Account with the remainder being shown on the face of the Balance Sheet as an intangible asset (see Note 6). All other minority interests are not shown separately as the amounts involved are insignificant.



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008 (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 2008 amounted to €79,370 (2007: €59,349). 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 2008 by a qualified independent actuary. The major assumptions used by the actuary were:

	As at 31/12/2008	As at 31/12/2007
	%	%
Rate of increase in salaries	3.50	4.50
Rate of increase in pensions payment	2.00	2.25
Rates of increase of pensions in deferment	2.00	2.25
Discount rate	5.75	5.50
Inflation assumption	2.00	2.25

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

	Assets As at 31/12/2008 €'000	Expected Return 2008 %	Assets As at 31/12/2007 €'000	Expected Return 2007 %
Equities	5,781	7.8	10,913	7.9
Fixed Interest	2,576	3.8	2,291	4.4
Property	708	6.8	1,098	6.9
Other (insured assets)	1,055	2.9	902	4.6
Total Market value of assets	<u>10,120</u>		<u>15,204</u>	
Present value of scheme liabilities	(14,938)		(15,214)	
(Deficit)/Surplus in the scheme	<u>(4,818)</u>		<u>(10)</u>	
Related deferred tax liability	-		-	
Net Pension Asset/(Liability)*	<u>(4,818)</u>		<u>(10)</u>	



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

16. PENSIONS (Continued)

	2008	2007
	€000's	€000's
Analysis of the amount charged to operating profit as follows:		
Current service cost	449	465
Past service cost	-	-
	<u>449</u>	<u>465</u>
	<u><u>449</u></u>	<u><u>465</u></u>

Analysis of the amount credited to other finance income is as follows:

Interest on scheme liabilities	(840)	(721)
Expected return on scheme assets	1,079	1,042
	<u>239</u>	<u>321</u>
	<u><u>239</u></u>	<u><u>321</u></u>

Analysis of the amount recognised in the statement of total recognised gains and losses is as follows :

Actual return less expected return on scheme assets	(6,129)	(1,590)
Experience gains and losses	(275)	76
Changes in assumptions	1,142	871
	<u>(5,262)</u>	<u>(643)</u>
Actuarial gain/(loss) recognised in the STRGL	<u><u>(5,262)</u></u>	<u><u>(643)</u></u>

Analysis of the movement in surplus during the year as follows :

Surplus/(Deficit) at beginning of year	(10)	35
Current service cost	(449)	(465)
Contributions	664	742
Other finance income	239	321
Actuarial gain/(Loss)	(5,262)	(643)
	<u>(4,818)</u>	<u>(10)</u>
Surplus/(Deficit) at end of year	<u><u>(4,818)</u></u>	<u><u>(10)</u></u>

History of Experience gains and losses :

	2008		2007		2006		2005	
	€'000	%	€'000	%	€'000	%	€'000	%
Difference between expected and actual return on scheme assets	(6,139)	(60.6)	(1,590)	(10.5)	693	4.5	1,726	12.6
Experience gains and losses of scheme liabilities	(275)	(1.84)	76	0.5	445	3.0	277	1.8
Total amount recognised in the STRGL	(5,262)		(643)	(4.2)	1,236	8.0	1,912	12.5

Bord na gCon – FRS 17:

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



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

17. EMPLOYEES REMUNERATION

The average numbers of persons employed by the group in the financial year was 607 (2007: 660) and is analysed into the following categories:-

Group:	Note	2008	2007
Senior Management		8	8
Middle Management		28	29
Executive Officers/Clerical		52	47
Field Staff		20	19
Control stewards		13	13
Other		4	4
		<u>125</u>	<u>120</u>
Part time staff - track		482	540
		<u>607</u>	<u>660</u>

The staff costs are comprised of:

		€	€
Wages, salaries and expenses		8,583,143	8,959,943
Employer's social insurance costs		730,902	744,182
Employer's Contribution to PRSA scheme		79,370	59,349
Defined Benefit Scheme - Current Service Cost	16	<u>449,000</u>	<u>465,000</u>
		<u>9,842,415</u>	<u>10,228,474</u>

The average numbers of persons employed by Bord na gCon in the financial year was 435 (2007: 454) and is analysed into the following categories:-

Bord na gCon:	2008	2007
Senior Management	7	7
Middle Management	11	11
Executive Officers/Clerical	30	20
Field Staff/Control Stewards	16	16
Other	2	2
	<u>66</u>	<u>56</u>
Part time staff - track	369	398
	<u>435</u>	<u>454</u>

The staff costs are comprised of:

Wages, salaries and expenses	5,427,508	5,553,278
Employer's social insurance costs	421,681	430,443
Employer's pension and benefits costs *	442,548	453,579
	<u>6,291,737</u>	<u>6,437,300</u>

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



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

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

	2008	2007
	€	€
Surplus before taxation	4,660,702	4,851,187
Interest payable	177,662	355,235
Interest receivable	(6,609)	(6,282)
Operating Surplus	<u>4,831,755</u>	<u>5,200,140</u>
(Profit)/Loss on disposal of fixed assets	(2,500)	(11,838)
Allocation from Horse & Greyhound Racing Fund	(15,257,000)	(14,572,000)
Grants to private tracks	257,012	207,778
Decrease in intangible assets	(58,058)	(15,058)
Depreciation	2,852,725	2,995,475
Amortisation of capital reserve	(1,862,227)	(1,970,674)
(Increase)/Decrease in stocks	47,628	2,918
(Increase) in debtors	(1,025,562)	(502,615)
Increase/(Decrease) in creditors and provisions	1,555,077	232,459
Net Pension	(454,000)	(598,000)
Net cash outflow from operating activities	<u>(9,115,150)</u>	<u>(9,031,415)</u>

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

	2008	2007
	€	€
Increase/(Decrease) in cash	(387,028)	107,589
(Increase)/Decrease in debt	<u>(1,186,284)</u>	<u>2,202,086</u>
Net Movement	(1,573,312)	2,309,675
Opening net funds	(8,868,192)	(11,177,867)
Closing net funds	<u>(10,441,504)</u>	<u>(8,868,192)</u>

20. ANALYSIS OF NET DEBT

	Opening Balance	Cashflow	Closing Balance
	€	€	€
Cash	1,481,834	(387,028)	1,094,806
Overdrafts	(2,359,846)	1,104,812	(1,255,034)
Bank loan	(7,990,180)	(2,291,096)	(10,281,276)
	<u>(8,868,192)</u>	<u>(1,573,312)</u>	<u>(10,441,504)</u>



NOTES ON THE GROUP FINANCIAL STATEMENTS 31 DECEMBER 2008 (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	6,904	34,145	1,433	(843)	41,639
Movement in Capital reserve (Note 13)	-	1,766	-	-	1,766
Surplus for year attributable to Group	1,051	-	-	-	1,051
Actuarial Gain/(Loss)	-	-	-	(5,262)	(5,262)
Closing Balance at 31 December	<u>7,954</u>	<u>35,911</u>	<u>1,433</u>	<u>(6,105)</u>	<u>39,194</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 goods to the value of €50,420 were purchased by group companies from a company with which a Board Member is associated. This contract was awarded, following a tendering process, before the person concerned became a Board Member.

23. COMMITMENTS & CONTINGENCIES

The Board has capital commitments for Stadium Grants of €2.9m.

24. GOING CONCERN

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

25. APPROVAL OF ACCOUNTS

The accounts were approved by the Board Members on 23rd October 2009.



DETAILED GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 €	2007 €
Turnover			
Tote Receipts		44,045,453	48,361,958
Bookmaker Income		777,914	743,269
Gate receipts and programme sales		5,466,583	5,916,970
Catering Income		2,722,732	3,022,696
Sponsorship – Board Tracks		1,221,879	1,564,441
Entry Fees – Board Tracks		1,038,424	979,632
Sponsorship – Private Tracks		521,083	533,015
Entry Fees – Private Tracks		667,472	687,048
Dog Sales Commission		29,382	39,450
Miscellaneous		1,296,617	1,264,470
Net return on Pension Scheme Assets		239,000	321,000
Turnover from racing facilities	2	<u>58,026,539</u>	<u>63,433,949</u>
Allocation from Horse & Greyhound Racing Fund		15,257,000	14,572,000
Expenses			
Tote Payout		(35,141,227)	(38,357,297)
Prizemoney – Board Tracks		(6,955,380)	(7,731,399)
Prizemoney – Private Tracks		(4,439,010)	(4,501,351)
Staff costs	18	(9,842,414)	(10,228,474)
Operating grants to private tracks		(405,291)	(431,187)
Tote equipment hire		(906,881)	(859,817)
Rent and Rates		(560,825)	(538,400)
Light & Heat		(568,324)	(581,631)
Depreciation		(2,852,725)	(2,995,475)
Grant Amortised		1,862,227	1,970,676
Repairs and renewals		(906,012)	(793,562)
Dog Sales costs		(6,672)	(11,021)
Other Track costs		(1,214,386)	(1,385,183)
Insurance		(89,276)	(197,242)
Contribution to Retired Greyhound Trust		(218,035)	(221,737)
Advertising		(1,902,547)	(1,956,500)
Travel, Promotion & Entertainment		(723,953)	(676,167)
Administration Costs		(2,535,928)	(2,299,070)
Intertrack Expenses		(609,102)	(606,949)
I.T. Database Costs		(174,902)	(201,801)
Operating and administration costs		<u>(68,190,663)</u>	<u>(72,603,587)</u>
Operating surplus before grants		5,092,876	5,402,362
Grants to private tracks		(257,012)	(207,778)
Profit/Loss on disposal of tangible assets	3	2,500	11,838
Group interest payable		(177,662)	(355,235)
Operating surplus before taxation		<u>4,660,702</u>	<u>4,851,187</u>

