

**ACT Gambling and
Racing Commission**

Statement of Intent

2015-16

ACT Gambling and Racing Commission

The ACT Gambling and Racing Commission is a Territory Authority established under the *Gambling and Racing Control Act 1999*.

This Statement of Intent for 2015-16 has been prepared in accordance with Section 61 of the *Financial Management Act 1996*.

The responsible Minister, Chief Minister Andrew Barr MLA, was consulted during the preparation of the Statement of Intent.

The Statement of Intent, which focuses on the 2015-16 Budget year, has been developed in the context of a four year forward planning horizon to be incorporated, as far as practicable, into the ACT Gambling and Racing Commission's strategic and business planning processes.

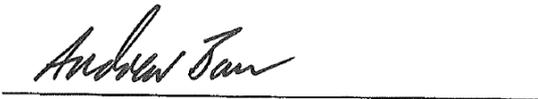
The ACT Gambling and Racing Commission 2015-16 Statement of Intent has been agreed between:



John Haskins AM
Chairperson on behalf of
ACT Gambling and Racing Commission



Andrew Barr MLA
Treasurer



Andrew Barr MLA
Chief Minister

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Purpose

Corporate Objectives

The major corporate objectives of the ACT Gambling and Racing Commission (the Commission) relevant to this Statement of Intent are:

- subject to the *Gambling and Racing Control Act 1999* (the Act), to operate as a customer service oriented entity along business-like lines;
- to use financial practices and maintain accounts and records which satisfy the requirements of the *Financial Management Act 1996*, including the associated ACT Accounting and Disclosure Policy Papers, modelled on the requirements of the Australian Accounting Standards which fairly present the Commission's financial position, operational and cash flow results for planning and reporting purposes;
- to use benchmarking to operate at least as efficiently as alternative service providers and to provide quality, value for money services in all aspects of the Commission's operations;
- to minimise the possibility of criminal or unethical activity in order to satisfy stakeholders' expectations in relation to the regulation and oversight of gaming and wagering operations in the Territory;
- to provide a productive and satisfying working environment for staff and a commitment to high standards of human resource management based on the principles of equal employment opportunity; and
- to adopt high standard operating practices to safeguard the environment, health and safety of staff.

Business Objectives

The core business objectives of the Commission are summarised under Section 6(2) of the Act. The main focus of the Commission is on the regulation and monitoring of all gambling activities in the ACT, namely:

- gaming machines;
- casino;
- totalisator;
- racing and wagering;
- lotteries; and
- interactive gambling.

Regulation and monitoring incorporates the following undertakings:

- ensuring that all revenues (fees, taxes and levies) from gambling are correctly paid to the Government in a timely manner;
- ensuring appropriate advice on gambling regulation and legislation is provided to the Government;
- ensuring the appropriate conduct of gambling through the licensing and inspection of venues and operators and the issuing of relevant permits for trade promotion lotteries and raffles; and
- ensuring the suitability of people working in the gambling industry through appropriate approvals and licensing of persons to perform particular functions.

In performing its functions, the Commission must promote the public interest by protecting consumers and reducing the risks and costs to the community and to individuals of problem gambling.

The Commission also has additional functions relating to the conduct of research on the social effects of gambling and of problem gambling, as well as community education relating to gambling activity.

The following specific objectives relate to the Commission's main areas of activity.

Gaming Machines

In addition to ensuring that gaming machine operations are free from criminal influence, the Commission's principal objective in regulating the operations of gaming machines in the ACT is to ensure that licensees comply with the requirements of the legislation. This ensures that gaming machines are operated fairly and in accordance with approved standards.

A risk based strategy of regular detailed audits as well as a random audit program are used to assess the compliance of gaming machine licensees. The Commission undertakes a detailed assessment in accordance with the legislation of any application for a new gaming machine licence or an amendment to an existing licence.

The Commission has legislative responsibility for administering the Problem Gambling Assistance Fund. This includes verifying that the levy from gaming machine operators is correctly paid within the required timeframes and that expenditure from the fund is in accordance with the statutory requirements.

The Commission verifies that all gaming machine tax revenue is correctly paid within the required timeframes. A strategy of comprehensive desk and physical audits of gaming machine licensee returns and operations is undertaken monthly to check accuracy of financial reports.

Additionally, the Commission analyses and reports to the Minister annually on the extent to which gaming machine licensees are making community contributions required under the legislation.

Casino

The Commission's primary objective for the regulation of casino operations is to ensure that they are free from criminal influence. In order to achieve this, the Commission ensures that casino gaming activity is conducted fairly and that the casino operator complies with all legislative requirements. This includes adherence to the rules of the games and all control procedures. Proposed amendments to the approved rules of games or control procedures are thoroughly investigated prior to their implementation.

The Commission conducts regular and random audits of casino activities to ensure that all statutory requirements are met and that Government revenue is correctly paid within the required timeframes.

Monitoring of the casino licensee's on-going suitability is undertaken by the Commission.

Totalisator

The Commission's primary objective for the regulation of the totalisator is to ensure that the betting systems and activities are conducted in accordance with the legislative requirements including the relevant harm minimisation aspects.

The Commission conducts regular and random audits of totalisator activity to ensure that the totalisator system and equipment are approved and that the rules are approved and complied with. The Commission also ensures that Government revenue is correctly paid in a timely manner.

Advice, as required, is provided to the Minister on the on-going suitability of the totalisator licensee.

Racing and Wagering

The Commission licenses and regulates the activities of race and sports bookmakers pursuant to the provisions of the *Race and Sports Bookmaking Act 2001*.

Bookmaker licences are issued strictly in accordance with the suitability requirements of the relevant legislation, following close scrutiny and analysis of information provided by applicants and other law enforcement agencies together with the results of associated investigations. Similarly, proposed amendments to the rules governing the conduct and operations of sports bookmakers are rigorously assessed for consistency with relevant legislative requirements prior to approval by the Commission.

The Commission has statutory responsibilities associated with the resolution of betting disputes. The Commission also provides secretariat and administrative support for the

Racing Appeals Tribunal, an independent authority established under the *Racing Act 1999* to hear and determine appeals from persons aggrieved by decisions of controlling bodies responsible for the conduct of racing.

Interactive Gambling

The Commission is responsible for administration and regulation of any interactive gambling operations licensed in the Territory and for the review of associated policy and legislation. This activity is undertaken in the context of Commonwealth legislation that provides significant restrictions on the conduct of interactive gambling in Australia.

The Commission is also responsible for monitoring technological developments that may be used in connection with the provision of interactive gambling services. Such developments may include:

- communication/carrier technologies;
- electronic commerce technologies;
- computer and network security technologies;
- personnel, physical and environmental security; and
- hardware and software solutions.

Other Gaming

The Commission regulates the conduct of other gaming activities such as pool betting schemes, Keno and minor lotteries including raffles, trade promotion lotteries and Housie. As with major gaming activity, the Commission ensures that all legislative requirements are met and that the required fees and charges are paid when due.

A strategy of compliance audit programs is used to ensure that games are conducted fairly and in accordance with legislation. A program of random audits is used to assess compliance by operators with predetermined rules, guidelines and the payment of prizes.

Harm Minimisation, Research and Education

The Commission is required by the *Gambling and Racing Control Act 1999* to monitor and research the social effects of gambling and problem gambling in the ACT and to provide education services.

These functions inform the Commission's activities in protecting consumers and reducing the risks and costs to the community and individuals of problem gambling.

Nature and scope of activities

General Activities

During 2015-16, the Commission will continue to give priority to maintaining its relationships with gambling regulators and law enforcement agencies both nationally and internationally to ensure that it remains at the forefront of gambling regulation and that any harm that may arise from the conduct of gambling activities is minimised. A key business activity in achieving this will be the Commission's ongoing participation in national forums examining issues associated with gambling regulation and responsible gambling. These forums include the Australasian Casino and Gaming Regulators' Chief Executive Officers Group, the Regulators' Responsible Gambling Working Party and Gaming Machine National Standards Working Party.

Involvement in these forums ensures that the Commission is kept abreast of initiatives being developed both nationally and internationally to enhance gaming regulation and promote responsible gambling. These forums also enable the Commission to benchmark its own regulatory practices and operations in striving for best practice.

The Commission, as part of Access Canberra, will explore synergies and ways to collaborate across the ACT Government to increase its operational, skills and knowledge base to enhance its delivery of services.

The Commission will continue to fund the Problem Gambling Support Service and will monitor contract performance by the service provider. Additional funding of projects under the Problem Gambling Assistance Fund will also be undertaken by the Commission in addition to the continuation of the agreed joint longitudinal research study with NSW.

The Commission's ongoing research agreement with the Australian National University Centre for Gambling Research will be maintained with the initiation of new research projects to be conducted by the Centre in 2015-16. Highlights for 2015-16 will include the completion of an updated prevalence study into gambling and problem gambling in the ACT as well as the initiation of new research projects.

During 2015-16, the Commission will continue its involvement in inter-jurisdictional forums concerned with cross border racing and wagering issues. The Commission will provide ongoing advice to Government and other agencies on developments in this area including any appropriate measures that may need to be taken to ensure that the integrity of the local industry is maintained.

The Commission will maintain its on-going partnerships with gambling providers and community groups to create open channels of communication in relation to regulatory matters and legislative policy change and implementation. The Commission's program of

review of ACT gaming laws will continue in 2015-16. The Commission will continue to assist Economic Development with other gaming related policy issues as required.

During 2015-16, the Commission will assist the Public Accounts Committee as required with its Inquiry into elements impacting on the future of the ACT clubs sector.

The following specific tasks relating to the Commission's core activities will also be undertaken:

Gaming Machines

An active risk based audit and inspection program will continue to be conducted to ensure licensee compliance with all legislative requirements, including:

- club eligibility and control;
- approval of gaming machine suppliers;
- acquisition and disposal of machines;
- licensing of machine technicians; and
- the level of community contributions made by licensees.

Additionally, the Commission will continue to undertake detailed audits to ensure that gaming machine licensees pay the appropriate level of tax and Problem Gambling Assistance Fund levy in a timely manner.

The Commission will assist with the development and implementation of any legislative changes commenced or continued during 2015-16.

Casino

In regulating the operations of the casino, the Commission will continue to monitor gaming activity to ensure that staff and patrons adhere to the rules of games.

In addition, through a detailed audit compliance program, the following activities will be conducted or undertaken in accordance with approved procedures:

- verification of tax payments;
- issue of casino employee licences to relevant staff;
- approval of purchase and use of gaming equipment; and
- monitoring of the handling and recording of cash and chip transactions.

Authorised officers will continue to update and revise the audit compliance plan to ensure that key risk areas are adequately monitored and that any adverse or illegal activity is detected and addressed at an early stage.

Totalisator

The Commission will ensure through its audit program that the following matters are appropriately complied with:

- timely revenue payments to Government;
- systems and equipment are approved;
- rules are approved and adhered to;
- influential persons are approved; and
- betting and account activity is in accordance with the rules and other statutory requirements.

Racing and Wagering

The Commission will continue to monitor activity during 2015-16 in relation to licensing and probity functions under the *Race and Sports Bookmaking Act 2001*. The Commission will also resolve betting disputes and issue written directions as appropriate on dispute outcomes.

The Commission, in conjunction with relevant stakeholders, will continue to monitor the application of all racing and wagering statutes to ensure that arrangements establishing and regulating the three codes of racing in the ACT remain appropriate.

Other Gaming

As well as monitoring the ACT's revenue sharing arrangements relating to the sale of interstate lottery products in the ACT, the Commission will undertake a wide range of minor lottery related approval and compliance activities relating to raffles, Housie and trade promotion lotteries.

The Commission will ensure that approved lotteries comply with relevant conditions including that the lottery is conducted properly and that subscribers' interests are adequately protected. An audit program of lottery activities will continue to monitor compliance in this area.

Information or complaints relating to alleged illegal gaming will be investigated as appropriate.

Harm Minimisation, Research and Education

The Commission will ensure that research projects undertaken continue to provide relevant and reliable information to assist policy decision making.

The Commission will continue to consider and approve suitable projects under the Problem Gambling Assistance Fund in order to alleviate, or inform about, problem gambling. Advice will continue to be received from the Problem Gambling Assistance Fund Advisory Committee to ensure industry and other stakeholders participate in the process.

The Commission's ongoing community consultation with regard to research and education and legislative reviews will continue through its Gambling Advisory Reference Group as well as specific periods of stakeholder consultation as required.

Based on research outcomes, the Commission will develop appropriate engagement strategies to assist problem gamblers and other affected people, including through the problem gambling website.

Risks

In relation to the delivery of the Commission's objectives, the following risks and associated mitigation strategies have been identified. In broad terms, the Commission has a comprehensive Risk Management Plan which is regularly reviewed and updated and is followed by all staff in undertaking their duties and activities.

Corporate Objectives

The main risks in relation to meeting the Commission's corporate objectives are that the Commission does not operate in an efficient business-like manner and that the various accounting standards and policies are not followed. A further risk exists in relation to staff management and skill development as well as the provision of a safe working environment.

These risks are minimised by having extensive staff training and awareness programs, monitoring and supervising activity and carefully checking that all accounting and financial systems are being followed.

External and internal audits are conducted on the Commission's operations with the Auditor-General undertaking a detailed financial and performance review annually.

Business Objectives

The main risks in relation to meeting the Commission's business objectives are that gaming activity occurs in breach of the ACT gaming laws without being detected; all taxes, levies and fees are not fully collected or paid in a timely manner; and the Commission has insufficient staff with appropriate skills and experience to undertake its functions.

These risks are mitigated by the conduct of comprehensive regular and random audits on all licensees to ensure compliance with the legislation. Taxes and levies for gaming machines and taxes for the casino are collected and verified each month with action being taken for any non-compliance. Sports bookmaking licensee taxes are also audited and verified each month.

The Commission's audit program is regularly reviewed and revised to ensure that it reflects the current level of risk in relation to non-compliance of legislative requirements. The Commission also undertakes an education program for licensees to ensure that they are fully aware of their compliance responsibilities and obligations.

The Commission undertakes staff training to ensure staff have sufficient skills to perform their duties. Performance and development planning is undertaken to ensure effective allocation of resources with appropriate succession planning.

Performance Measures and targets

Objective	Activity	Target 2015-16		Target 2016-17		Target 2017-18		Target 2018-19	
1. Effectively regulate gambling and racing activity for statutory compliance	Compliance audit of operator activity to detect compliance with legal framework	Casino	130	Casino	130	Casino	130	Casino	130
		Gaming Machines	250						
		Bookmakers and Totalisator	50						
		Minor Lotteries	20						
2. Ensure compliance with statutory payments of taxes and fees	Revenue audit of operator activity to ensure correct payment of taxes and fees received	Casino	12	Casino	12	Casino	12	Casino	12
		Gaming Machines	12						
		Bookmakers and Totalisator	12						
3. Keep informed about problem gambling issues and harm minimisation strategies	Initiate or complete research projects; analyse significant research projects conducted elsewhere	Initiate, complete or analyse at least 5 research projects		Initiate, complete or analyse at least 5 research projects		Initiate, complete or analyse at least 5 research projects		Initiate, complete or analyse at least 5 research projects	
4. Undertake measures designed to reduce the negative impact of problem gambling	Initiate or complete projects through the Problem Gambling Assistance Fund	Initiate or complete at least 2 projects		Initiate or complete at least 2 projects.		Initiate or complete at least 2 projects		Initiate or complete at least 2 projects	
5. Review gaming legislation and policies and implement changes	Critical examination of gaming laws and gaming policy issues	Completion of 1 report, brief or review		Completion of 1 report, brief or review		Completion of 1 report, brief or review		Completion of 1 report, brief or review	
6. Keep informed about developments in gaming and regulatory practices	Attend relevant meetings and conferences	Attend at least two meetings or conferences		Attend at least two meetings or conferences		Attend at least two meetings or conferences		Attend at least two meetings or conferences	
7. Effectively manage Commission resources	Ensure that all Commission resources are effectively utilised	Achieve or improve the 2015-16 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus		Achieve or improve the 2016-17 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus		Achieve or improve the 2017-18 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus		Achieve or improve the 2018-19 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus	

Key Performance Indicators for 2015-16 to 2018-19

Assessment of performance against 2014-15 objectives

Objective	Activity	Measured by	Expected Outcome 2014-2015	Target 2015-2016
1. Effectively regulate gambling and racing activity for statutory compliance	Compliance audit of operator activity to detect compliance with legal framework	Number of compliance audits as follows: Casino 100 Gaming Machines 250 Bookmakers and Totalisator 60 Minor Lotteries 20	Number of compliance audits as follows: Casino 100 Gaming Machines 250 Bookmakers and Totalisator 60 Minor Lotteries 20	Number of compliance audits as follows: ¹ Casino 130 Gaming Machines 250 Bookmakers and Totalisator 50 Minor Lotteries 20
2. Ensure compliance with statutory payments of taxes and fees	Revenue audit of operator activity to ensure correct payment of taxes and fees received	Number of revenue audits as follows: Casino 12 Gaming Machines 12 Bookmakers and Totalisator 12	Number of revenue audits as follows: Casino 12 Gaming Machines 12 Bookmakers and Totalisator s 12	Number of revenue audits as follows: Casino 12 Gaming Machines 12 Bookmakers and Totalisator 12
3. Keep informed about problem gambling issues and harm minimisation strategies	Initiate or complete research projects; analyse significant research projects conducted elsewhere	Number of research projects initiated, completed or analysed	Initiate, complete or analyse at least 5 research projects	Initiate, complete or analyse at least 5 research projects
4. Undertake measures designed to reduce the negative impact of problem gambling	Initiate or complete projects through the Problem Gambling Assistance Fund	Number of projects initiated or completed	Initiate or complete at least 3 projects	Initiate or complete at least 2 projects ²
5. Review gaming legislation and policies and implement changes	Critical examination of gaming laws and gaming policy issues	Provision of reports or briefs to Commission or Minister, implementation of reviews or policy issues considered	Completion of at least 1 report, brief or review	Completion of 1 report, brief or review
6. Keep informed about developments in gaming and regulatory practices	Attend relevant meetings and conferences	Number of meetings and conferences attended	Attend at least two meetings or conferences	Attend at least two meetings or conferences
7. Effectively manage Commission resources	Ensure that all Commission resources are effectively utilised	Comparing actual outcome with 2014-15 Budget	Achieve or improve the 2014-15 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus	Achieve or improve the 2015-16 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus

Notes:

1. Compliance audit program adjusted in 2015-16 on a risk basis to take into account one sports bookmaker ceasing trading and surrendering its licence.
2. The target for 2015-16 has been reduced from 3 projects to 2 projects due to existing commitments of large projects that will continue into 2015-16 and beyond.

Employment profile

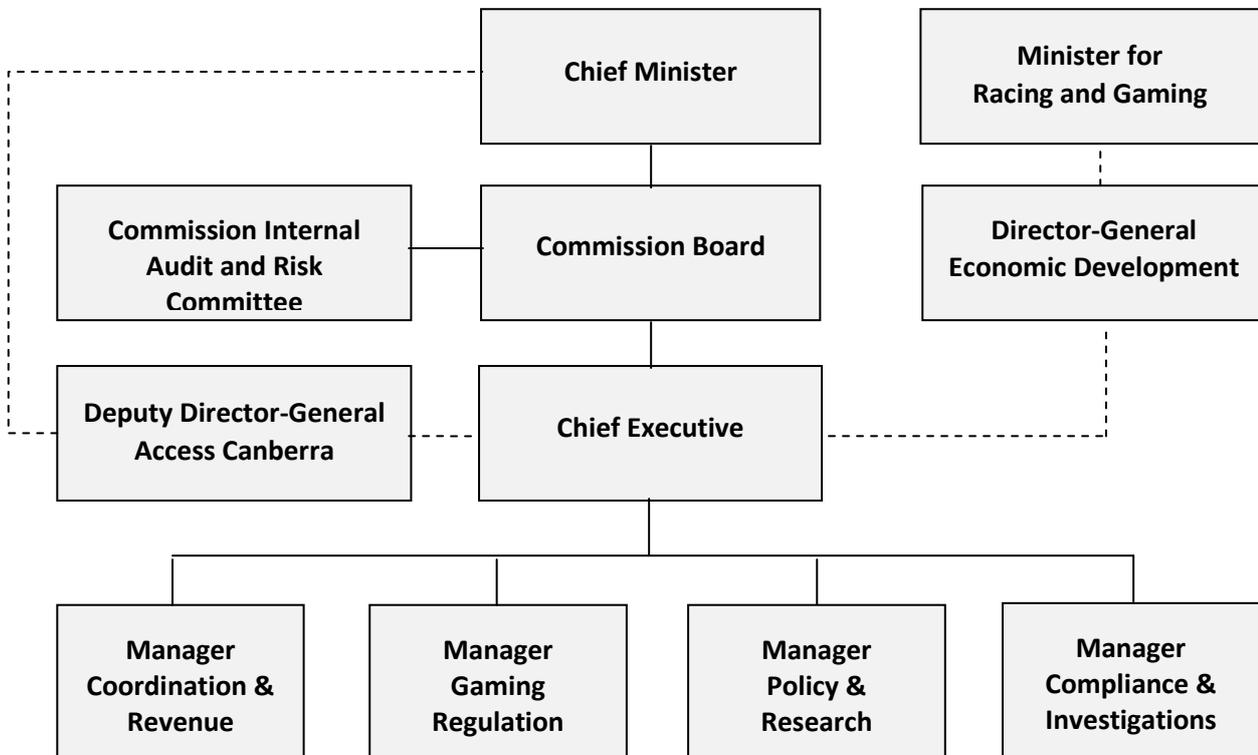
The Commission ensures that its operations are consistent with the requirements of the *Public Sector Management Act 1994*, the relevant Enterprise Bargaining Agreement and all other relevant industrial relations legislation, Awards and conditions.

In relation to staffing levels, the Commission’s planned position for the 2014-15 year end is 29.1 full-time equivalent employees (FTE) with the estimated staffing level for 2015-16 being 32.8 FTE.

The Commission undertakes to provide periodic reports against the attached employment profile in a form reasonably requested from time to time which may include age, gender, duration of employment, and membership of equal employment opportunity (EEO) classifications.

During 2015-16, the Commission will continue to institute and monitor best practice workplace health and safety policies and programs to decrease workers’ compensation costs by reducing the average cost, number and average duration of any claims.

Organisational Chart



Strategic Human Resource Plan

The ACT Gambling and Racing Commission's estimated staffing profile at the end of the 2014-15 financial year is 29.1 FTE. The break-up of positions is as follows:

Level	Function	Male	Female
SES	Chief Executive	1	0
SOG B	Section Manager	3	1.6
SOG C	Assistant Section Manager	4.4	3
ASO 6	Authorised Officer	2	2
ASO 5	Authorised Officer	0.9	4.2
ASO 4	Authorised Officer	2	5
Total		13.3	15.8

The ACT Gambling and Racing Commission estimated staffing profile planned for the 2015-16 financial year is 32.8 FTE. The break-up of positions is as follows:

Level	Function	Male	Female
SES	Chief Executive	1	0
SOG B	Section Manager	3	1.6
SOG C	Assistant Section Manager	4.6	3
ASO 6	Authorised Officer	3	2
ASO 5	Authorised Officer	2	5.6
ASO 4	Authorised Officer	2	5
Total		15.6	17.2

Monitoring and reporting

The ACT Gambling and Racing Commission shall satisfy the requirements of the Chief Minister's Annual Reports Directions. The ACT Gambling and Racing Commission Annual Report will, amongst other things, report against the requirements of this Statement of Intent.

The *Financial Management Act 1996* authorises the Treasurer to obtain financial and other statements from the ACT Gambling and Racing Commission for a stated period including annual, quarterly and monthly reporting.

Quarterly Reporting

To enable consolidated whole of Government reporting requirements to be met on a quarterly basis, the ACT Gambling and Racing Commission will ensure the availability to the Treasurer, through the Chief Minister, Treasury and Economic Development Directorate (by the eighth working day of each quarter, unless otherwise indicated), information, in the prescribed form and detail, in respect of the previous quarter:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity;
- d) Cash Flow Statement;
- e) Operating Statement material variance explanations against seasonal budget provided by the ACT Gambling and Racing Commission;
- f) Status Report to supplement performance reporting to the Assembly and provide stakeholders with a summary on progress against budget highlights, significant initiatives and major projects (by the tenth working day of each quarter); and
- g) Management Discussion and Analysis of results to date, forecast results and related issues that may impact on the financial condition of the ACT Gambling and Racing Commission (by the tenth working day of each quarter).

Monthly Reporting

In addition to the quarterly information required as identified above, on a monthly basis the ACT Gambling and Racing Commission will ensure the availability to the Treasurer through the Chief Minister, Treasury and Economic Development Directorate (by the eighth working day of each month) the financial statements, in the prescribed form and required detail, in respect of the previous calendar month.

Annual Reporting

As part of preparations for end of year reporting, the Chief Minister, Treasury and Economic Development Directorate will advise the dates when the following documents are required at the Chief Minister, Treasury and Economic Development Directorate and at the Auditor-General's Office:

- a) certified financial statements;
- b) management discussion and analysis;
- c) a full and accurate set of audited financial records for the preceding financial year in the form requested; and
- d) consolidation packs relating to the annual financial statements, draft and final.

Financial Arrangements

The budgeted operating revenues included under the Commission's financial plan are received as an appropriation based on the Commission's budgeted expenditure for the period. This expenditure includes employee and supplies and services expenses.

The Commission does not expect any additional major transactions to occur other than as indicated in the budgeted financial statements.

Financial Statements

Budgeted financial statements for the 2015-16 Budget year, as well as forward estimates for the three financial years commencing 2015-16 appear below. These general purpose financial statements have been prepared in accordance with the ACT's Model Financial Statements and include:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity;
- d) Cash Flow Statement; and
- e) Notes to the Financial Statements as appropriate including variations from the 2014-15 Budget to the 2014-15 Estimated Outcome and variances from the 2014-15 Estimated Outcome to the 2015-16 Budget that are in excess of \$0.250 million and 5 per cent.

ACT Gambling and Racing Commission Operating Statement

2014-15 Budget \$'000		2014-15 Est. Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
4,614	Government Payment for Outputs	4,614	4,726	2	4,878	4,960	5,042
56,643	Taxes, Fees and Fines	58,827	54,508	-7	55,896	57,317	58,776
86	Interest	86	94	9	101	104	107
1,085	Other Revenue	1,085	1,112	2	1,140	1,169	1,198
25	Resources Received Free of Charge	25	25	-	25	25	25
62,453	Total Revenue	64,637	60,465	-6	62,040	63,575	65,148
Gains							
32	Other Gains	7	0	-100	0	0	0
32	Total Gains	7	0	-100	0	0	0
62,485	Total Income	64,644	60,465	-6	62,040	63,575	65,148
Expenses							
2,961	Employee Expenses	2,995	3,045	2	3,124	3,159	3,200
421	Superannuation Expenses	421	442	5	458	468	477
2,255	Supplies and Services	2,255	2,295	2	2,368	2,428	2,489
109	Depreciation and Amortisation	109	109	-	48	36	24
2	Borrowing Costs	2	2	-	2	2	2
56,643	Transfer Expenses	58,827	54,508	-7	55,896	57,317	58,776
62,391	Total Expenses	64,609	60,401	-7	61,896	63,410	64,968
94	Operating Result	35	64	83	144	165	180
94	Total Comprehensive Income	35	64	83	144	165	180

ACT Gambling and Racing Commission Balance Sheet

Budget as at 30/6/15 \$'000		Est. Outcome as at 30/06/15 \$'000	Budget as at 30/6/16 \$'000	Var %	Estimate as at 30/6/17 \$'000	Estimate as at 30/6/18 \$'000	Estimate as at 30/6/19 \$'000
Current Assets							
3,836	Cash and Cash Equivalents	4,259	4,367	3	4,609	4,854	5,102
4,471	Receivables	4,385	4,390	..	4,395	4,400	4,405
1	Other Current Assets	1	1	-	1	1	1
8,308	Total Current Assets	8,645	8,758	1	9,005	9,255	9,508
Non Current Assets							
38	Property, Plant and Equipment	20	44	120	42	40	38
169	Intangibles	192	95	-51	59	35	23
207	Total Non Current Assets	212	139	-34	101	75	61
8,515	TOTAL ASSETS	8,857	8,897	..	9,106	9,330	9,569
Current Liabilities							
4,425	Payables	4,106	4,109	..	4,112	4,115	4,118
20	Finance Leases	16	7	-56	7	7	14
892	Employee Benefits	926	827	-11	840	852	864
126	Other Liabilities	127	127	-	127	127	127
5,463	Total Current Liabilities	5,175	5,070	-2	5,086	5,101	5,123
Non Current Liabilities							
7	Finance Leases	0	28	#	21	14	0
185	Employee Benefits	173	226	31	282	333	384
192	Total Non Current Liabilities	173	254	47	303	347	384
5,655	TOTAL LIABILITIES	5,348	5,324	..	5,389	5,448	5,507
2,860	NET ASSETS	3,509	3,573	2	3,717	3,882	4,062
REPRESENTED BY FUNDS EMPLOYED							
2,858	Accumulated Funds	3,506	3,570	2	3,714	3,879	4,059
2	Reserves	3	3	-	3	3	3
2,860	TOTAL FUNDS EMPLOYED	3,509	3,573	2	3,717	3,882	4,062

ACT Gambling and Racing Commission Statement of Changes in Equity

Budget at 30/6/15 \$'000		Est. Outcome as at 30/06/15 \$'000	Budget as at 30/6/16 \$'000	Var %	Estimate as at 30/6/17 \$'000	Estimate as at 30/6/18 \$'000	Estimate as at 30/6/19 \$'000
Opening Equity							
2,637	Opening Accumulated Funds	3,344	3,506	5	3,570	3,714	3,879
2	Opening Asset Revaluation Reserve	3	3	-	3	3	3
2,639	Balance at the Start of the Reporting Period	3,347	3,509	5	3,573	3,717	3,882
Comprehensive Income							
94	Operating Result for the Period	35	64	83	144	165	180
94	Total Comprehensive Income	35	64	83	144	165	180
0	Total Movement in Reserves	0	0	-	0	0	0
Transactions Involving Owners Affecting Accumulated Funds							
127	Capital Injections	127	0	-100	0	0	0
127	Total Transactions Involving Owners Affecting Accumulated Funds	127	0	-100	0	0	0
Closing Equity							
2,858	Closing Accumulated Funds	3,506	3,570	2	3,714	3,879	4,059
2	Closing Asset Revaluation Reserve	3	3	-	3	3	3
2,860	Balance at the End of the Reporting Period	3,509	3,573	2	3,717	3,882	4,062

ACT Gambling and Racing Commission Cash Flow Statement

2014-15 Budget \$'000		2014-15 Est. Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
4,614	Cash from Government for Outputs	4,614	4,726	2	4,878	4,960	5,042
56,643	Taxes, Fees and Fines	58,827	54,508	-7	55,896	57,317	58,776
86	Interest Received	86	94	9	101	104	107
1,236	Other Receipts	1,211	1,231	2	1,259	1,288	1,317
62,579	Operating Receipts	64,738	60,559	-6	62,134	63,669	65,242
Payments							
2,886	Related to Employees	2,886	3,074	7	3,055	3,096	3,137
421	Related to Superannuation	421	459	9	458	468	477
2,232	Related to Supplies and Services	2,232	2,272	2	2,345	2,405	2,466
2	Borrowing Costs	2	2	-	2	2	2
119	Other	119	119	-	119	119	119
56,643	Territory Receipts to Government	58,827	54,508	-7	55,896	57,317	58,776
62,303	Operating Payments	64,487	60,434	-6	61,875	63,407	64,977
276	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	251	125	-50	259	262	265
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
10	Purchase of Property, Plant and Equipment and Capital Works	10	10	-	10	10	10
10	Investing Payments	10	10	-	10	10	10
-10	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-10	-10	-	-10	-10	-10

ACT Gambling and Racing Commission Cash Flow Statement Con't

2014-15 Budget \$'000		2014-15 Est. Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
127	Capital Injections from Government	127	0	-100	0	0	0
127	Financing Receipts	127	0	-100	0	0	0
Payments							
7	Repayment of Finance Leases	7	7	-	7	7	7
7	Financing Payments	7	7	-	7	7	7
120	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	120	-7	-106	-7	-7	-7
386	NET INCREASE / (DECREASE) IN CASH HELD	361	108	-70	242	245	248
3,450	CASH AT THE BEGINNING OF REPORTING PERIOD	3,898	4,259	9	4,367	4,609	4,854
3,836	CASH AT THE END OF REPORTING PERIOD	4,259	4,367	3	4,609	4,854	5,102

Notes to the Financial Statements

Significant variations are as follows:

Operating Statement

- Taxes Fees and Fines: the decrease of \$4.319 million in the 2015-16 Budget from the 2014-15 estimated outcome is mainly due to a decrease in the casino licence fee of (\$4.969 million) as a result of the revised licence fee of \$4.459 million paid in February 2015 as part of the casino sale process which covers the period to 7 February 2020. A decrease in ACTTAB revenue (\$0.672 million) is also reflected following revised arrangements as part of the sale of ACTTAB to Tabcorp ACT Ltd in October 2014. These decreases are partly offset by increases in gaming machine revenue (\$0.821 million) and interstate lotteries (\$0.383 million).
- Transfer Expenses: the decrease of \$4.319 million in the 2015-16 Budget from the 2014-15 estimated outcome is due to the reasons noted above under Taxes Fees and Fines.

Balance Sheet

- Cash and Cash Equivalents: the increase of \$0.423 million in the 2014-15 estimated outcome from the original budget is mainly the result of positive cash flows generated from operating activities.
- Payables: the decrease of \$0.319 million in the 2014-15 estimated outcome from the original budget mainly reflects a decrease in gaming taxation that is collected on behalf of the Territory and an expected decrease in accrued expenses payable at the end of the 2014-15 reporting period.

Statement of Changes in Equity

Variations in the statement are explained in the notes above.

Statement of Cash Flow

Variations in the statement are explained in the notes above.