

ACT GAMBLING AND RACING COMMISSION

Objectives

The ACT Gambling and Racing Commission is an independent statutory authority established under the *Gambling and Racing Control Act 1999* to control, supervise and regulate gambling and racing activities in the Territory.

The Commission commenced operations on 1 December 1999 and consolidated the functions of the existing Casino Surveillance Authority and the racing, betting, gaming and lotteries elements formerly the responsibility of the Department of Treasury and Infrastructure.

The Commission's responsibilities include the continued development and implementation of the regulatory framework for interactive gambling in the ACT. In addition, the Commission is responsible for the regulatory oversight of ACTTAB Limited. The Commission conducts and co-ordinates research and data collection activities in respect of gambling in the ACT.

The Commission has powers under 12 separate Acts to ensure gambling (including casino and Internet gambling) and racing are conducted lawfully and the correct level of taxes and fees are paid.

2000-01 Highlights

Strategic and operational issues to be pursued in 2000-01 are:

- developing an integrated regulatory regime in respect of gambling and racing;
- continuing to enhance the regulatory framework for interactive gambling;
- providing an acceptable standard of public protection in all areas of gaming and wagering;
- keeping the casino crime-free by continuing to closely monitor activity within the casino;
- examining gambling laws within the Territory to ensure their continued effectiveness; and
- co-ordinating research, data collection and other social policy issues associated with gambling and racing in the Territory.

Gambling and Racing Commission Operating Statement

1999-00 Budget \$'000		1999-00 Est. Outcome \$'000	2000-01 Budget \$'000	Var %	2001-02 Estimate \$'000	2002-03 Estimate \$'000	2003-04 Estimate \$'000
Revenue							
2 664	Taxes Fees and Fines	34 171	39 935	17	40 746	41 577	42 436
1 300	User Charges - ACT Government	50	980	#	0	0	0
13	Interest	5	13	160	13	13	13
25	Resources Received free of charge	13	25	92	25	25	25
4 002	Total Revenue	34 239	40 953	20	40 784	41 615	42 474
Expenses							
1 477	Employee Expenses	826	1 438	74	1 448	1 458	1 468
245	Superannuation Expenses	128	235	84	237	240	243
2 271	Administrative Expenses	771	1 982	157	1 002	1 002	1 002
72	Depreciation and Amortisation	40	71	78	72	5	5
11	Interest	11	7	-36	2	0	0
0	Transfer Expenses	32 595	37 233	14	38 037	38 860	39 704
4 076	Total Expenses	34 371	40 966	19	40 798	41 565	42 422
-74	Operating Result	-132	-13	-90	-14	50	52
0	Accumulated Funds - Start of Period	0	282	..	269	255	305
0	Accum Funds Opening Adjustment	0	0	-	0	0	0
200	Capital Injections	200	0	-100	0	0	0
-318	Inc/Dec in Net Assets from Admin Restructure	214	0	-100	0	0	0
-192	Accumulated Funds - End of Period	282	269	-5	255	305	357

**Gambling and Racing Commission
Statement Of Financial Position**

Budget as at 30/6/00 \$'000		Est.Outcome as at 30/6/00 \$'000	Planned as at 30/6/01 \$'000	Var %	Planned as at 30/6/02 \$'000	Planned as at 30/6/03 \$'000	Planned as at 30/6/04 \$'000
Current Assets							
368	Cash	840	851	1	858	941	1 026
3	Other	8	8	-	8	8	8
371	Total Current Assets	848	859	1	866	949	1 034
Non Current Assets							
150	Property, Plant and Equipment	210	151	-28	89	94	99
150	Total Non Current Assets	210	151	-28	89	94	99
521	TOTAL ASSETS	1 058	1 010	-5	955	1 043	1 133
Current Liabilities							
64	Creditors	64	64	-	64	64	64
75	Borrowings	75	79	5	0	0	0
169	Employee Entitlements	205	217	6	227	237	247
308	Total Current Liabilities	344	360	5	291	301	311
Non Current Liabilities							
79	Borrowings	79	0	-100	0	0	0
325	Employee Entitlements	352	380	8	408	436	464
1	Other Provisions	1	1	-	1	1	1
405	Total Non Current Liabilities	432	381	-12	409	437	465
713	TOTAL LIABILITIES	776	741	-5	700	738	776
-192	NET ASSETS	282	269	-5	255	305	357
REPRESENTED BY FUNDS EMPLOYED							
-192	Accumulated Funds	282	269	-5	255	305	357
-192	TOTAL FUNDS EMPLOYED	282	269	-5	255	305	357

Gambling and Racing Commission Cashflow Statement

1999-00 Budget \$'000		1999-00 Est.Outcome \$'000	2000-01 Budget \$'000	Var %	2001-02 Estimate \$'000	2002-03 Estimate \$'000	2003-04 Estimate \$'000
0	CASH AT BEGINNING OF REPORTING PERIOD	0	840	..	851	858	941
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
2 664	Taxes, Fees and Fines	34 171	39 935	17	40 746	41 577	42 436
1 300	User Charges	20	980	#	0	0	0
13	Interest Received	5	13	160	13	13	13
0	Other Revenue	0	149	..	149	149	149
3 977	Operating Receipts	34 196	41 077	20	40 908	41 739	42 598
	Payments						
1 692	Related to Employees	928	1 635	76	1 647	1 660	1 673
2 247	Related to Administration	758	1 957	158	977	977	977
11	Finance Costs	11	7	-36	2	0	0
0	Other	0	149	..	149	149	149
0	Territory Receipts to Government	32 595	37 233	14	38 037	38 860	39 704
3 950	Operating Payments	34 292	40 981	20	40 812	41 646	42 503
27	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-96	96	-200	96	93	95
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
210	Purchase of Property, Plant and Equipment	208	10	-95	10	10	10
210	Investing Payments	208	10	-95	10	10	10
-210	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-208	-10	-95	-10	-10	-10
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
200	Capital Injection from Government	200	0	-100	0	0	0
422	Receipt of Transferred Cash Balances	1 015	0	-100	0	0	0
622	Financing Receipts	1 215	0	-100	0	0	0
	Payments						
71	Repayment of Advance	71	75	6	79	0	0
71	Financing Payments	71	75	6	79	0	0

Gambling and Racing Commission Cashflow Statement

1999-00 Budget \$'000		1999-00 Est. Outcome \$'000	2000-01 Budget \$'000	Var %	2001-02 Estimate \$'000	2002-03 Estimate \$'000	2003-04 Estimate \$'000
551	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	1 144	-75	-107	-79	0	0
368	NET INCREASE/(DECREASE) IN CASH HELD	840	11	-99	7	83	85
368	CASH AT THE END OF THE REPORTING PERIOD	840	851	1	858	941	1 026

Notes to the Budget Statements

Operating Statement

The proposed establishment of the Gambling and Racing Commission was budgeted to occur on 1 July 1999 but did not occur until 1 December 1999. Those areas of the Department of Treasury and Infrastructure that were to be combined with the Casino Surveillance Authority to form the Gambling and Racing Commission continued to operate under previous arrangements until close of business on 30 November 1999.

The 1999-2000 estimated outcome reflects the Gambling and Racing Commission's operations for the seven months from 1 December 1999. The original 1999-2000 budget, however, reflects a full year of operation. The variation between the two is due to the delay in commencement of the Authority.

- Taxes, fees and fines: comprise gaming machine tax (\$21.137m), lotteries (\$12.310m), ACTTAB licence fee (\$1.939m), casino taxes and fees (\$2.368m), fees for regulatory services (\$2.100m) and other fees and charges (\$0.081m). The increase in 2000-01 compared to the estimated outcome for 1999-2000 is due to the recognition of the full year of revenues previously collected by the Department of Treasury and Infrastructure. The 2000-01 revenue estimates have also been adjusted as a result of revised activity forecasts for some gaming sectors and the inclusion of an adjustment for GST payable on gross gaming profit;
- interest from banks: increase in 2000-01 reflects the full year interest receipts;
- employee expenses: for 2000-01 include a full year of expenditure;
- administrative expenses: include a full year's operation in 2000-01 and have been revised to reflect anticipated savings in Commission operations following its restructure;
- depreciation and amortisation: increases in 2000-01 are estimated due to the expected purchase of computer system to monitor interactive gaming activity;
- interest on advances: the decrease in interest payments reflects the reduced balance of the Commission's outstanding loan; and

- transfer expenses: reflects taxes collected by the Commission on behalf of the ACT Government and have been revised in line with the change in revenue estimates.

Statement of Financial Position

- borrowings (non-current liability): reduction in borrowings in 2000-01 reflects the final pay out of the Commission establishment loan.

Cash Flow

- other receipts and payments: reflects the estimated GST inflows and outflows to ATO
- property, plant and equipment: estimated expenditure in 1999-2000 reflects the one-off purchase of a computer monitoring system for the regulation of interactive gambling.