

ACTTAB LIMITED

Objectives

ACTTAB Limited's objective is to provide a comprehensive range of entertaining (traditional and new) gambling products and services targeting the needs of the broadest possible customer base.

ACTTAB will continue to convey the need for responsible gambling to its existing and potential customers, develop and market the entertainment and value of ACTTAB products, investigate mutually beneficial business relationships and utilise the latest technology to deliver fast, reliable, secure and user friendly services.

2005-06 Highlights

Strategic and operational issues to be pursued in 2005-06 include:

- expanding the product range for broader market appeal and enhanced 'entertainment' experience;
- revitalising and rationalising the agency network incorporating traditional suburban agencies, ACTTAB managed branches and 'super-shops' in targeted locations;
- renewing major technology incorporating the roll-out of next generation selling terminals throughout the network;
- maintaining excellence in customer services including expanding 'value-added' information services;
- expanding 'home' access to products and services with a full entertainment package provided via the internet;
- increasing the use of self-serve bet placement options; and
- maintaining high standards of people, information and resource management.

**ACTTAB
Operating Statement**

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
25 353	User Charges - Non ACT Government	25 852	25 520	-1	26 292	27 090	27 823
396	Interest	515	365	-29	311	285	149
507	Other Revenue	530	549	4	565	582	600
26 256	Total Revenue	26 897	26 434	-2	27 168	27 957	28 572
Gains							
0	Total Gains	0	0	-	0	0	0
26 256	Total Income	26 897	26 434	-2	27 168	27 957	28 572
Expenses							
4 274	Employee Expenses	3 959	4 118	4	4 283	4 453	4 632
338	Superannuation Expenses	392	407	4	424	441	458
7 924	Supplies and Services	8 013	8 457	6	8 625	8 923	9 237
958	Depreciation and Amortisation	933	772	-17	1 988	1 800	2 321
8	Borrowing Costs	8	7	-13	7	6	6
10 247	Other Expenses	10 337	10 205	-1	10 395	10 594	10 777
23 749	Total Ordinary Expenses	23 642	23 966	1	25 722	26 217	27 431
2 507	Operating Result From Ordinary Activities	3 255	2 468	-24	1 446	1 740	1 141
752	Income Tax Equivalent	976	740	-24	434	522	342
1 755	Operating Result	2 279	1 728	-24	1 012	1 218	799

**ACTTAB
Balance Sheet**

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets							
6 915	Cash	9 946	4 829	-51	5 978	5 023	7 235
585	Receivables	528	544	3	560	577	594
95	Inventories	113	116	3	119	122	125
205	Other	513	508	-1	508	503	500
7 800	Total Current Assets	11 100	5 997	-46	7 165	6 225	8 454
Non Current Assets							
10 751	Property, Plant and Equipment	10 719	15 243	42	14 449	16 116	14 094
709	Intangibles	600	206	-66	0	0	0
11 460	Total Non Current Assets	11 319	15 449	36	14 449	16 116	14 094
19 260	TOTAL ASSETS	22 419	21 446	-4	21 614	22 341	22 548
Current Liabilities							
873	Payables	6 639	6 943	5	7 240	7 140	7 309
514	Employee Benefits	558	578	4	601	622	644
1 133	Other Provisions	0	0	-	0	0	0
752	Income Tax Payable	977	740	-24	434	522	342
3 272	Total Current Liabilities	8 174	8 261	1	8 275	8 284	8 295
Non Current Liabilities							
150	Employee Benefits	121	127	5	133	139	145
150	Total Non Current Liabilities	121	127	5	133	139	145
3 422	TOTAL LIABILITIES	8 295	8 388	1	8 408	8 423	8 440
15 838	NET ASSETS	14 124	13 058	-8	13 206	13 918	14 108
REPRESENTED BY FUNDS EMPLOYED							
15 738	Accumulated Funds	14 024	12 958	-8	13 106	13 818	14 008
100	Reserves	100	100	0	100	100	100
15 838	TOTAL FUNDS EMPLOYED	14 124	13 058	-8	13 206	13 918	14 108

ACTTAB
Cash Flow Statement

2004-05 Budget \$'000	2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts						
25 353	25 852	25 520	-1	26 292	27 090	27 823
396	515	365	-29	311	285	149
507	530	546	3	566	582	600
26 256	26 897	26 431	-2	27 169	27 957	28 572
Payments						
4 612	4 351	4 525	4	4 707	4 894	5 090
7 924	8 014	8 457	6	8 625	8 923	9 237
8	8	7	-13	7	5	6
10 999	11 312	10 945	-3	10 829	11 116	11 119
23 543	23 685	23 934	1	24 168	24 938	25 452
2 713	3 212	2 497	-22	3 001	3 019	3 120
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
0	0	3 315	#	0	0	0
0	0	3 315	#	0	0	0
Payments						
4 879	400	8 136	#	988	3 467	299
4 879	400	8 136	#	988	3 467	299
-4 879	-400	-4 821	#	-988	-3 467	-299
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
1 132	3 563	2 793	-22	864	507	609
1 132	3 563	2 793	-22	864	507	609
-1 132	-3 563	-2 793	22	-864	-507	-609
-3 298	-751	-5 117	-581	1 149	-955	2 212
10 213	10 697	9 946	-7	4 829	5 978	5 023
6 915	9 946	4 829	-51	5 978	5 023	7 235

ACTTAB
Statement of Changes in Equity

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
15 215	Opening Balance	15 408	14 124	-8	13 058	13 206	13 918
	Accumulated Funds						
1 755	Operating Result for the Period	2 279	1 728	-24	1 012	1 218	799
	Reserves						
1 755	Total Income And Expense For The Period	2 279	1 728	-24	1 012	1 218	799
	Transactions Involving Equity Holders Affecting Accumulated Funds						
-1 132	Dividend Approved	-3 563	-2 794	-22	-864	-506	-609
15 838	Closing Balance	14 124	13 058	-8	13 206	13 918	14 108

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- interest revenue:
 - the increase of \$0.119m in the 2004-05 estimated outcome from the original budget is due to the delays in the progress of the head office project and the consequent delay in using cash reserves has led to higher interest earnings; and
 - the decrease of \$0.150m in 2005-06 Budget from the 2004-05 estimated outcome is due to the decrease in funds available for investment as a result of the commencement of the head office move to Gungahlin.
- supplies and services: the increase of \$0.444m in the 2005-06 Budget from the 2004-05 estimated outcome is largely a result of the leasing costs incurred at the new head office in Gungahlin; and
- depreciation expenses: the decrease of \$0.161m in the 2005-06 Budget from the 2004-05 estimated outcome is due to capital items becoming fully depreciated and the majority of ACTTAB's 2005-06 capital expenditure occurring in the second half of 2005-06.

Balance Sheet

- cash:
 - the increase of \$3.031m in the 2004-05 estimated outcome from the original budget is due to expenditure on the new head office being delayed and the improved financial

performance of the business which is partially offset by the payment of a special dividend to the Government of \$2.345m; and

- the decrease of \$5.117m in the 2005-06 Budget from the 2004-05 estimated outcome is due to capital expenditure associated with the new head office, information technology improvements and the payment of an additional \$1.655m special dividend to the Government.
- property plant and equipment: the increase of \$4.524m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the purchase of assets for the new head office and the purchase of information technology assets.

Statement of Changes in Equity

- dividend approved: the increase of \$2.431m in the 2004-05 estimated outcome from the original budget is largely due to the payment of a special dividend to the Government. The decrease of \$0.770m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the payment of a smaller special dividend in 2005-06.