

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 responsibilities of the Commission incorporate the on-going development and implementation of an integrated regulatory framework for all gambling activity in the ACT, including the Casino, machine gaming, lotteries, racing (as provided in the *Racing Act 1999*), race and sports bookmaking and interactive gambling. The Commission is also responsible for the regulatory oversight of ACTTAB Limited.

The Commission also monitors and researches the social effects of gambling along with problem gambling in the ACT.

In discharging its responsibilities, the Commission undertakes broad community consultation and performs its functions in a way that best promotes the public interest. It must, as far as practicable, promote consumer protection, minimise the possibility of criminal or unethical activity, and reduce the risks and costs to the community and individuals concerned, with problem gambling.

2002-03 Highlights

Strategic and operational issues to be pursued in 2002-03 are:

- reviewing a number of ACT gaming laws covering the regulation of gaming machines, the casino, interactive gambling and lotteries;
- reviewing the rules for sports bookmaking with particular reference to the appropriateness of gambling providers providing credit to their clients;
- examining the nature and scope of race and sports bookmakers' security guarantees with a view to establishing new industry benchmarks consistent with the provisions of the *Race and Sports Bookmaking Act 2001*;
- continuing strategic research to monitor and assess the effects of policy decisions implemented as a result of information gained from initial projects within its overall research program; and
- continuing a comprehensive inspection and compliance program in all areas of racing, wagering and gaming.

ACT Gambling and Racing Commission
Statement of Financial Performance

2001-02 Budget \$'000		2001-02 Est.Outcome \$'000	2002-03 Budget \$'000	Var %	2003-04 Estimate \$'000	2004-05 Estimate \$'000	2005-06 Estimate \$'000
Revenue							
50 382	Taxes Fees and Fines	45 679	46 691	2	47 817	50 972	52 218
3 733	User Charges - ACT Government	3 733	3 398	-9	3 519	3 626	3 696
109	Interest	109	119	9	132	147	162
170	Other Revenue	340	349	3	357	366	375
25	Resources Received free of charge	25	25	-	25	25	25
54 419	Total Ordinary Revenue	49 886	50 582	1	51 850	55 136	56 476
Expenses							
1 836	Employee Expenses	1 911	1 916	..	1 957	1 982	2 008
321	Superannuation Expenses	327	332	2	335	340	345
1 509	Administrative Expenses	2 133	1 041	-51	1 079	1 117	1 158
5	Depreciation and Amortisation	5	5	-	5	5	5
50 552	Transfer Expenses	46 019	47 039	2	48 174	51 338	52 591
54 223	Total Ordinary Expenses	50 395	50 333	..	51 550	54 782	56 107
196	Operating Result	-509	249	149	300	354	369
1 349	Total Equity From Start of Period	1 825	1 316	-28	1 565	1 865	2 219
1 545	Total Equity At The End of Period	1 316	1 565	19	1 865	2 219	2 588

ACT Gambling and Racing Commission

Statement of Financial Position

Budget as at 30/6/02 \$'000		Est.Outcome as at 30/6/02 \$'000	Planned as at 30/6/03 \$'000	Var %	Planned as at 30/6/04 \$'000	Planned as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000
Current Assets							
2 351	Cash	2 038	2 331	14	2 675	3 074	3 488
3 706	Receivables	3 668	3 668	-	3 668	3 668	3 668
6	Other	24	24	-	24	24	24
6 063	Total Current Assets	5 730	6 023	5	6 367	6 766	7 180
Non Current Assets							
20	Property, Plant and Equipment	38	43	13	48	53	58
20	Total Non Current Assets	38	43	13	48	53	58
6 083	TOTAL ASSETS	5 768	6 066	5	6 415	6 819	7 238
Current Liabilities							
186	Payables	3 677	3 677	-	3 677	3 677	3 677
274	Employee Entitlements	270	280	4	290	300	310
1	Other Provisions	0	0	-	0	0	0
3 730	Other	165	165	-	165	165	165
4 191	Total Current Liabilities	4 112	4 122	..	4 132	4 142	4 152
Non Current Liabilities							
347	Employee Entitlements	340	379	11	418	458	498
347	Total Non Current Liabilities	340	379	11	418	458	498
4 538	TOTAL LIABILITIES	4 452	4 501	1	4 550	4 600	4 650
1 545	NET ASSETS	1 316	1 565	19	1 865	2 219	2 588
REPRESENTED BY FUNDS EMPLOYED							
1 545	Accumulated Funds	1 316	1 565	19	1 865	2 219	2 588
1 545	TOTAL FUNDS EMPLOYED	1 316	1 565	19	1 865	2 219	2 588

ACT Gambling and Racing Commission

Cashflow Statement

2001-02 Budget \$'000		2001-02 Est.Outcome \$'000	2002-03 Budget \$'000	Var %	2003-04 Estimate \$'000	2004-05 Estimate \$'000	2005-06 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
50 552	Taxes, Fees and Fines	46 019	47 039	2	48 174	51 337	52 591
3 733	User Charges	3 733	3 398	-9	3 519	3 626	3 696
109	Interest Received	109	119	9	132	147	162
134	Other Revenue	244	149	-39	149	149	149
54 528	Operating Receipts	50 105	50 705	1	51 974	55 259	56 598
Payments							
2 101	Related to Employees	2 182	2 195	1	2 239	2 268	2 298
1 484	Related to Administration	2 090	1 020	-51	1 058	1 096	1 138
134	Other	244	149	-39	149	149	149
50 552	Territory Receipts to Government	46 019	47 038	2	48 174	51 337	52 589
54 271	Operating Payments	50 535	50 402	..	51 620	54 850	56 174
257	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-430	303	170	354	409	424
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
10	Purchase of Property, Plant and Equipment	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
247	NET INCREASE/(DECREASE) IN CASH HELD	-440	293	167	344	399	414
2 104	CASH AT BEGINNING OF REPORTING PERIOD	2 478	2 038	-18	2 331	2 675	3 074
2 351	CASH AT THE END OF THE REPORTING PERIOD	2 038	2 331	14	2 675	3 074	3 488

Notes to the Budget Statements

Significant variations are as follows:

Statement of Financial Performance

- taxes, fees and fines: the decrease of \$4.703m in 2001-02 from the original budget is due to actual gambling activity being lower than estimated and the payment of some gaming machine tax to the Australian Taxation Office as GST rather than directly to the Commission. This decrease is likely to be an ongoing trend and the forward estimates have been adjusted accordingly to provide a more modest rate of growth;
- user charges-ACT Government: the decrease of \$0.335m in the 2002-03 Budget from the 2001-02 estimated outcome relates to the reduction in Government payments for gambling research;
- other revenue: the increase of \$0.170m in 2001-02 from the original budget is due to increased 'Unclaimed Prize Money' returned from Victoria Lotteries;
- administrative expenses: the increase of \$0.624m in 2001-02 from the original budget and the decrease of \$1.092m in the 2002-03 Budget from the 2001-02 estimated outcome are due to:
 - a one-off payment to the Australian National University of \$1.1m to jointly establish the Australian National University Centre for Gambling Research in the Research School of Social Sciences. This amount was fully expensed in the 2001-02 financial year, and
 - a decrease in payments for research expenses of \$0.335m, as per 'user charges'; and
- transfer expenses: the decrease of \$4.533m in 2001-02 from the original budget is associated with the reduction in taxes, fees and fines.

Statement of Financial Position

- cash: the decrease of \$0.313m in 2001-02 from the original budget is due to the one-off payment to the Australian National University of \$1.1m to jointly establish the Australian National University Centre for Gambling Research in the Research School of Social Sciences. The increase of \$0.293m in the 2002-03 Budget from the 2001-02 estimated outcome is due to the Commission's forecasted operating cash surplus;
- current payables: the increase of \$3.491m in 2001-02 from the original budget mainly reflects account re-classification from other current liabilities and vice versa; and
- other current liabilities: the decrease of \$3.565m in 2001-02 from the original budget mainly reflects re-classification to current payables.

