

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 also monitors and researches the social effects of gambling and of 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 of problem gambling.

2005-06 Highlights

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

- implementing agreed recommendations of the reviews of the *Casino Control Act 1988*, *Lotteries Act 1964*, *Pool Betting Act 1964*, and *Racing Act 1999*;
- enhancing the effectiveness of the Commission's compliance program through an increased number of financial audits;
- enhancing the Commission's community engagement strategy by building on strategic links with its stakeholders;
- liaising with ACT racing industry participants to facilitate and enhance levels of cooperation between the controlling bodies responsible for the conduct of racing in the ACT and the off-course wagering activities of other industry based enterprises; and
- assessing the findings and recommendations of a number of gambling research projects.

ACT Gambling and Racing Commission 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							
54 470	Taxes Fees and Fines	51 759	53 261	3	53 787	59 282	61 697
3 792	User Charges - ACT Government	3 846	3 899	1	4 001	4 069	4 137
47	Interest	47	62	32	62	62	62
366	Other Revenue	366	375	2	384	394	404
25	Resources Received free of charge	25	25	-	25	25	25
58 700	Total Revenue	56 043	57 622	3	58 259	63 832	66 325
Gains							
0	Total Gains	0	0	-	0	0	0
58 700	Total Income	56 043	57 622	3	58 259	63 832	66 325
Expenses							
2 231	Employee Expenses	2 275	2 312	2	2 355	2 388	2 422
380	Superannuation Expenses	386	392	2	404	410	415
1 008	Supplies and Services	1 008	1 029	2	1 056	1 086	1 115
37	Depreciation and Amortisation	37	20	-46	5	5	5
54 836	Transfer Expenses	52 125	53 634	3	54 169	59 673	62 098
58 492	Total Ordinary Expenses	55 831	57 387	3	57 989	63 562	66 055
208	Operating Result	212	235	11	270	270	270

ACT Gambling and Racing Commission Balance Sheet

Budget as at 30/6/05 S'000		Est.Outcome as at 30/6/05 S'000	Planned as at 30/6/06 S'000	Var %	Planned as at 30/6/07 S'000	Planned as at 30/6/08 S'000	Planned as at 30/6/09 S'000
	Current Assets						
1 421	Cash	1 435	1 749	22	2 063	2 377	2 691
3 750	Receivables	4 228	4 233	..	4 238	4 243	4 248
16	Other	19	19	-	19	19	19
5 187	Total Current Assets	5 682	6 001	6	6 320	6 639	6 958
	Non Current Assets						
34	Property, Plant and Equipment	26	16	-38	21	26	31
34	Total Non Current Assets	26	16	-38	21	26	31
5 221	TOTAL ASSETS	5 708	6 017	5	6 341	6 665	6 989
	Current Liabilities						
45	Payables	4 160	4 160	-	4 160	4 160	4 160
433	Employee Benefits	351	370	5	381	392	403
3 631	Income Tax Payable	0	0	-	0	0	0
112	Other	104	104	-	104	104	104
4 221	Total Current Liabilities	4 615	4 634	..	4 645	4 656	4 667
	Non Current Liabilities						
396	Employee Benefits	392	447	14	490	533	576
396	Total Non Current Liabilities	392	447	14	490	533	576
4 617	TOTAL LIABILITIES	5 007	5 081	1	5 135	5 189	5 243
604	NET ASSETS	701	936	34	1 206	1 476	1 746
	REPRESENTED BY FUNDS EMPLOYED						
604	Accumulated Funds	701	936	34	1 206	1 476	1 746
604	TOTAL FUNDS EMPLOYED	701	936	34	1 206	1 476	1 746

**ACT Gambling and Racing Commission
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						
54 836	52 125	53 636	3	54 171	59 676	62 101
3 792	3 846	3 899	1	4 001	4 069	4 137
47	47	62	32	62	62	62
109	109	114	5	117	120	123
58 784	56 127	57 711	3	58 351	63 927	66 423
Payments						
2 543	2 597	2 630	1	2 705	2 743	2 782
987	987	1 009	2	1 036	1 064	1 093
109	109	114	5	117	120	123
54 836	52 125	53 634	3	54 169	59 676	62 101
58 475	55 818	57 387	3	58 027	63 603	66 099
309	309	324	5	324	324	324
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES						
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
10	10	10	-	10	10	10
10	10	10	-	10	10	10
-10	-10	-10	-	-10	-10	-10
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES						
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
2 200	2 200	0	-100	0	0	0
2 200	2 200	0	-100	0	0	0
-2 200	-2 200	0	100	0	0	0
NET INCREASE/(DECREASE) IN CASH HELD						
-1 901	-1 901	314	117	314	314	314
3 322	3 336	1 435	-57	1 749	2 063	2 377
1 421	1 435	1 749	22	2 063	2 377	2 691

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- taxes, fees and fines: the decrease of \$2.711m in the 2004-05 estimated outcome from the original budget is due to a decrease in gambling activity of \$1.887m in the areas of electronic gaming machines and Victorian lotteries and a general reduction in anticipated growth of \$0.824m; and
- transfer expenses: the decrease of \$2.711m in the 2004-05 estimated outcome from the original budget is for the reasons noted above.

Balance Sheet

- cash: the increase of \$0.314m in the 2005-06 Budget from the 2004-05 estimated outcome reflects the positive cash flow from the Commission's operating activities;
- receivables: the increase of \$0.478m in the 2004-05 estimated outcome from the original budget is largely related to an increase in gambling taxation payable to the Commission;
- payables: the increase of \$4.115m in the 2004-05 estimated outcome from the original budget is mainly due to the reclassification of liabilities previously categorised in income tax payable to payables to more accurately recognise the nature of the liability and an increase in transfer payments to the Central Financing Unit relating to the increase in gambling taxation receivable (\$0.495m);
- employee benefits (current): the decrease of \$0.082m in the 2004-05 estimated outcome from the original budget is mainly due to a lower than anticipated annual leave liability associated with changing staff profiles;
- employee benefits (non current): the increase of \$0.055m in employee benefits in the 2005-06 Budget from the 2004-05 estimated outcome is due to an increase in long service leave entitlements associated with the EBA wage increase; and
- income tax payable: the decrease of \$3.631m in the 2004-05 estimated outcome from the original budget is mainly due to the reclassification of income tax payable to payables to more accurately recognise the nature of the liability.

Cash Flow Statement

- distributions to Government: the decrease of \$2.2m in the 2005-06 Budget from the 2004-05 estimated outcome reflects the \$2.2m distribution of surplus funds to Government that occurred in 2004-05.

