

ACTTAB LIMITED

Objectives

ACTTAB Limited aims to maintain and grow its share of the national gaming and wagering market through the responsible provision of a competitive suite of products, delivered to customers utilising contemporary technology and communication media.

2010-11 Priorities

Strategic and operational issues to be pursued in 2010-11 include:

- implementing a new integrated betting system and sales terminals;
- securing pari-mutuel pooling capacity beyond the 2012 expiration of the current wagering agreement;
- providing innovative technology to facilitate access to ACTTAB's broader product range and services;
- building on synergies with potential partners to expand ACTTAB's product range and market share;
- strengthening alliances to enhance the efficiency and cost effectiveness of the Corporation's retail network;
- continuing to ensure that the harmful effects of gambling are minimised through the provision of appropriate staff training and customer education, and by maintaining the availability of appropriate counselling services and information; and
- enhancing ACTTAB's position as a responsible corporate citizen and contributor to community activities through sponsorship and partnership arrangements.

Estimated Employment Level

2008-09 Actual Outcome	2009-10 Budget	2009-10 Est. Outcome	2010-11 Budget
68 Staffing (FTE)	69	72	72

ACTTAB
Operating Statement

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
Income							
Revenue							
33,544	User Charges - Non ACT Government	31,178	32,644	5	33,460	34,297	35,154
563	Interest	292	229	-22	235	241	247
123	Other Revenue	247	209	-15	214	220	225
34,230	Total Revenue	31,717	33,082	4	33,909	34,758	35,626
Gains							
0	Total Gains	0	0	-	0	0	0
34,230	Total Income	31,717	33,082	4	33,909	34,758	35,626
Expenses							
6,842	Employee Expenses	6,586	7,028	7	7,204	7,386	7,569
627	Superannuation Expenses	330	353	7	362	371	380
10,497	Supplies and Services	10,482	10,973	5	11,244	11,526	11,815
1,415	Depreciation and Amortisation	1,373	1,600	17	1,845	1,903	1,963
0	Borrowing Costs	5	5	-	5	5	5
14,651	Other Expenses	14,110	6,764	-52	6,934	7,108	7,285
34,032	Total Ordinary Expenses	32,886	26,723	-19	27,594	28,299	29,017
198	Operating Result From Ordinary Activities	-1,169	6,359	644	6,315	6,459	6,609
59	Income Tax Equivalent	0	1,908	#	1,894	1,938	1,983
139	Operating Result	-1,169	4,451	481	4,421	4,521	4,626
0	Increase/(Decrease) in Asset Revaluation Reserve Surpluses	1	-1	-200	0	0	0
0	Total Other Comprehensive Income	1	-1	-200	0	0	0
139	Total Comprehensive Income	-1,168	4,450	481	4,421	4,521	4,626

**ACTTAB
Balance Sheet**

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
Current Assets							
6,204	Cash and Cash Equivalents	6,452	8,163	27	10,241	12,697	15,240
854	Receivables	515	528	3	528	541	541
107	Inventories	123	126	2	126	129	129
87	Other	142	146	3	146	149	149
7,252	Total Current Assets	7,232	8,963	24	11,041	13,516	16,059
Non Current Assets							
13,854	Property, Plant and Equipment	12,892	14,216	10	13,767	13,215	12,626
2,323	Intangibles	745	2,289	207	1,613	916	196
623	Tax Assets	1,294	1,294	-	1,294	1,294	1,294
16,800	Total Non Current Assets	14,931	17,799	19	16,674	15,425	14,116
24,052	TOTAL ASSETS	22,163	26,762	21	27,715	28,941	30,175
Current Liabilities							
3,336	Payables	2,799	2,921	4	2,792	2,785	2,784
440	Employee Benefits	864	886	3	886	907	907
69	Other Provisions	0	3,339	#	3,315	3,391	3,470
3,845	Total Current Liabilities	3,663	7,146	95	6,993	7,083	7,161
Non Current Liabilities							
450	Employee Benefits	210	215	2	215	221	221
450	Total Non Current Liabilities	210	215	2	215	221	221
4,295	TOTAL LIABILITIES	3,873	7,361	90	7,208	7,304	7,382
19,757	NET ASSETS	18,290	19,401	6	20,507	21,637	22,793
REPRESENTED BY FUNDS EMPLOYED							
18,236	Accumulated Funds	16,769	17,881	7	18,987	20,117	21,273
1,521	Reserves	1,521	1,520	..	1,520	1,520	1,520
19,757	TOTAL FUNDS EMPLOYED	18,290	19,401	6	20,507	21,637	22,793

ACTTAB
Cash Flow Statement

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
33,544	User Charges	31,178	32,644	5	33,460	34,297	35,154
563	Interest Received	292	229	-22	235	241	247
123	Other Revenue	247	209	-15	214	220	225
34,230	Operating Receipts	31,717	33,082	4	33,909	34,758	35,626
	Payments						
6,480	Related to Employees	6,585	7,029	7	7,205	7,385	7,569
627	Related to Superannuation	330	353	7	362	371	380
10,859	Related to Supplies and Services	10,490	10,850	3	11,377	11,531	11,821
14,710	Other	14,111	8,672	-39	8,828	9,046	9,268
32,676	Operating Payments	31,516	26,904	-15	27,772	28,333	29,038
1,554	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	201	6,178	#	6,137	6,425	6,588
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
2,997	Purchase of Property, Plant and Equipment and Capital Works	1,602	2,247	40	720	654	654
2,220	Purchase of Land and Intangibles	0	2,220	#	0	0	0
5,217	Investing Payments	1,602	4,467	179	720	654	654
-5,217	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-1,602	-4,467	-179	-720	-654	-654
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Payments						
69	Dividends to Government	128	0	-100	3,339	3,315	3,391
69	Financing Payments	128	0	-100	3,339	3,315	3,391
-69	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	-128	0	100	-3,339	-3,315	-3,391
-3,732	NET INCREASE/ (DECREASE) IN CASH HELD	-1,529	1,711	212	2,078	2,456	2,543
9,936	CASH AT BEGINNING OF REPORTING PERIOD	7,981	6,452	-19	8,163	10,241	12,697
6,204	CASH AT THE END OF THE REPORTING PERIOD	6,452	8,163	27	10,241	12,697	15,240

ACTTAB
Statement of Changes in Equity

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
Opening Equity							
18,166	Opening Accumulated Funds	17,938	16,769	-7	17,881	18,987	20,117
1,521	Opening Asset Revaluation Reserve	1,520	1,521	..	1,520	1,520	1,520
19,687	Balance at the Start of the Reporting Period	19,458	18,290	-6	19,401	20,507	21,637
Comprehensive Income							
139	Operating Result for the Period	-1,169	4,451	481	4,421	4,521	4,626
0	Increase/(Decrease) in Asset Revaluation Reserve Surpluses	1	-1	-200	0	0	0
139	Total Comprehensive Income	-1,168	4,450	481	4,421	4,521	4,626
0	Total Movement in Reserves	0	0	-	0	0	0
Transactions Involving Owners Affecting Accumulated Funds							
-69	Dividend Approved	0	-3,339	#	-3,315	-3,391	-3,470
-69	Total Transactions Involving Owners Affecting Accumulated Funds	0	-3,339	#	-3,315	-3,391	-3,470
Closing Equity							
18,236	Closing Accumulated Funds	16,769	17,881	7	18,987	20,117	21,273
1,521	Closing Asset Revaluation Reserve	1,521	1,520	..	1,520	1,520	1,520
19,757	Balance at the End of the Reporting Period	18,290	19,401	6	20,507	21,637	22,793

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- user charges — non ACT Government:
 - the decrease of \$2.366 million in the 2009-10 estimated outcome from the original budget is mainly due to the loss of one of ACTTAB's major customers; and
 - the increase of \$1.466 million in 2010-11 Budget from the 2009-10 estimated outcome is due to forecast increases in activity across all products.

- interest:
 - the decrease of \$0.271 million in the 2009-10 estimated outcome from the original budget was due to an overestimate of interest in the 2009-10 Budget; and
 - the decrease of \$0.063 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to lower average levels of funds on deposit as these are drawn down for capital works.
- other revenue: the increase of \$0.124 million in the 2009-10 estimated outcome from the original budget is due to additional receipts from changes to the agency/branch mix within the retail network.
- employee expenses:
 - the decrease of \$0.256 million in the 2009-10 estimated outcome from the original budget is mainly due to changes in staffing arrangements as a result of operational efficiencies being achieved; and
 - the increase of \$0.442 million in 2010-11 Budget from the 2009-10 estimated outcome is mainly due to Enterprise Bargaining Agreement increases.
- superannuation expenses: the decrease of \$0.297 million in the 2009-10 estimated outcome from the original budget is due to an overstatement of the original budget.
- supplies and services: the increase of \$0.491 million in the 2010-11 Budget from the 2009-10 estimated outcome is largely due to additional licensing and maintenance agreements as part of the new betting system.
- depreciation and amortisation: the increase of \$0.227 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the purchase and implementation of the new betting system.
- other expenses:
 - the decrease of \$0.541 million in the 2009-10 estimated outcome from the original budget reflects a decreased payment to the Racing Development Fund flowing from reduced race betting turnover; and
 - the decrease of \$7.346 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the implementation of revised funding arrangements for the racing industry from 1 July 2010 and the cessation of ACTTAB's payments to the Racing Development Fund.
- income tax equivalent: the increase of \$1.908 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to increased profitability.

Balance Sheet

- cash and cash equivalents:
 - the increase of \$0.248 million in the 2009-10 estimated outcome from the original budget is due to delays in implementing the new betting system originally planned for 2009-10; and
 - the increase of \$1.711 million in 2010-11 Budget from the 2009-10 estimated outcome is largely due to increased profits available for investment.

- property, plant and equipment:
 - the decrease of \$0.962 million in the 2009-10 estimated outcome from the original budget is due to delays in implementing the new betting system; and
 - the increase of \$1.324 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the completion of the project.
- intangibles:
 - the decrease of \$1.578 million in the 2009-10 estimated outcome from the original budget is due to delays in purchasing software for the new betting system originally planned for 2009-10; and
 - the increase of \$1.544 million in the 2010-11 Budget from the 2009-10 estimated outcome reflects the completed purchase of the software.
- tax assets: the increase of \$0.671 million in the 2009-10 estimated outcome from the original budget is due to deferred tax assets arising from the capital refurbishment program.
- other provisions: the increase of \$3.339 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to a dividend which will be payable to the ACT Government. No dividend was payable in 2009-10.

Cash Flow Statement

Variances in the statement are explained in the notes above.

