

**ACT GAMBLING AND RACING
COMMISSION**

ANNUAL REPORT 2013-2014

The ACT Gambling and Racing Commission's Annual Report 2013–14 has been prepared in accordance with the ACT Chief Minister's Annual Reports (Government Agencies) Notice 2014 issued on 3 July 2014.

Enquiries about this publication should be directed to:

Manager, Coordination and Revenue ACT Gambling and Racing Commission

Level 2 Canberra Nara Centre, 1 Constitution Avenue CANBERRA CITY ACT 2601

Phone: (02) 6207 0359

Postal address: ACT Gambling and Racing Commission PO Box 214, CIVIC SQUARE ACT 2608

Website: <http://www.gamblingandracing.act.gov.au>

Accessibility Statement

The ACT Government is committed to making its information, services, events and venues accessible to as many people as possible. If you have difficulty reading a standard printed document and would like to receive this publication in an alternative format, such as large print, braille or audio/ CD, please phone the Canberra Blind Society on (02) 6247 4580.

If English is not your first language and you require the Translating and Interpreting Service, please phone 13 14 50.

If you are deaf or hearing impaired and require the National Relay Service, please phone 13 36 77.

ISBN 978 0 642 60619 8

Publication No 14/0886

© Australian Capital Territory, Canberra 2014

This work is copyright. Apart from any use as permitted under the Copyright Act 1968, no part may be reproduced by any process without written permission from the Territory Records Office, Commerce and Works Directorate, ACT Government.

Produced by Publishing Services for the ACT Gambling and Racing Commission.

Printed on recycled paper

CONTENTS

SECTION A: Transmittal Certificate	5
SECTION B: PERFORMANCE REPORTING	7
B.1 Organisational Overview	8
B.2 Performance Analysis	13
B.3 COMMUNITY ENGAGEMENT AND SUPPORT	30
B.4 Ecologically Sustainable Development	34
SECTION C: Governance and Accountability Reporting	35
C.1 Internal Accountability	36
C.2 Risk Management and Internal Audit	38
C.3 Fraud Prevention	40
C.4 Legislative Assembly Inquiries and Reports	40
C.5 Auditor-General and Ombudsman Reports	40
SECTION D: Legislation Based Reporting	42
D.1 Public Interest Disclosure	43
D.2 Freedom of Information	43
Section 7 Statement	44
Section 8 Statement	46
D.3 Human Rights Act	46
D.4 Territory Records Act	46
Section 28 Declarations	47
D.5 LEGAL SERVICES DIRECTIONS	47
D.6 Notices of Non Compliance	48
D.7 Bushfire Risk Management	48
D.8 Commissioner for the Environment	48
SECTION E: Human Resources Management Reporting	49
E.1 Human Resources Management	50
E.2 Learning and Development	51
E.3 Work Health And Safety	52
E.4 Workplace Relations	53
E.5 Staffing Profile	54
SECTION F: Financial Management Reporting	56
F.1 Financial Management Analysis	57
Management Discussion and Analysis	57
Financial Performance	57
Total Expenditure	58
Total Income	59
Commission's Financial Position	60
Total Assets	60
Total Liabilities	61
F.2 Financial Statements	

TABLES

Summary of Operational Performance Against Targets	15
Summary of Licensing Activities	18
Summary of Licensed Venues and Number of Gaming Machines Allocated	21
Summary of Attendant/Technician Certificates Processed	22
Summary of Gaming Machine and Peripheral Equipment Variation Activity	22
Summary of Disciplinary Matters	26
Summary of Race Bookmaking Activities	28
Summary of Sports Bookmaking Activities	28
Summary of Lotteries Permits Issued	29
Summary of Complaints Received	30
Problem Gambling Assistance Fund – Receipts	36
Problem Gambling Assistance Fund - Projects and Funding	37
Act Gambling and Racing Commission Community Consultation	46
Sustainable Development Performance	49
Commission Members’ Attendance At Meetings	53
Name and Role of Management Committees	55
Summary of Meetings Attended by Members and Observers	56
Summary of Inquiry into Appropriation Bill 2013-2014	57
Summary of Report 4: Annual and Financial Reports 2012-2013	57
Gambling and Racing Regulation Records Disposal Schedule	64
Summary of Training Courses Attended by Commission Staff	70
Number of Sea’s and Awa’s	72
Number of Awa’s by Remuneration and Classification Range	73
Fte and Headcount by Gender	73
Headcount by Classification and Gender	73
Headcount by Employment Category and Gender	73
Fte and Headcount	73
Headcount by Employment Type	73
Headcount by Age Group and Gender	74
Headcount by Length of Service, Generation and Gender	74
Average Length of Service by Gender (Headcount)	74
Headcount by Diversity Group	74
2013-14 Contractual Payments That Exceed \$25,000	127

SECTION A:

Transmittal Certificate

Transmittal Certificate

Minister for Racing and Gaming

ACT Legislative Assembly London Circuit CANBERRA ACT 2601

Dear Minister

We have pleasure in submitting to you the ACT Gambling and Racing Commission's Annual Report for the financial year ended 30 June 2014.

This report has been prepared under section 6(1) of the Annual Reports (Government Agencies) Act 2004 and in accordance with the requirements referred to in the Chief Minister's Annual Report Directions. It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Commission.

We hereby certify that the attached Annual Report is an honest and accurate account and that all material information on the operations of the Commission during the period 1 July 2013 to 30 June 2014 has been included and that it complies with the Chief Minister's Annual Report Directions.

We further certify that fraud prevention has been managed in accordance with Public Sector Management Standard, Part 2.

Section 13 of the Annual Reports (Government Agencies) Act 2004 requires that you cause a copy of the report to be laid before the Legislative Assembly within 3 months of the end of the financial year.

Yours sincerely,

Signed by John Haskins AM, Chairperson, on the 29 August 2014 and
signed by Greg Jones, Chief Executive Officer, on the 29 August 2014.

SECTION B:

PERFORMANCE REPORTING

SECTION B: PERFORMANCE REPORTING

B.1 Organisational Overview

The ACT Gambling and Racing Commission (the Commission) is an independent body established under section 5 of the Gambling and Racing Control Act 1999. The Act provides for the continued administration of certain Acts relating to gambling and racing and establishes the powers, functions and activities of the Commission.

Functions and Powers of the Commission

The Commission's functions and powers are specified in sections 6 through 8 of the Gambling and Racing Control Act 1999, as follows:

Section 6(1) states that the functions of the Commission are:

- a) to administer the gaming laws;
- b) to control, supervise and regulate gaming in the ACT; and
- c) to exercise any other function given to the Commission under this Act or any other Territory law.

Section 6(2) provides that the functions of the Commission include:

- a) regulating: the activities of casinos; machine gaming; lotteries; racing, as provided in the Racing Act 1999; betting; and interactive gambling;
- b) approving gaming and racing activities;
- c) monitoring and researching the social effects of gambling and of problem gambling;
- d) providing education and counselling services;
- e) engaging in community consultation, as appropriate, on matters related to its functions;
- f) reviewing legislation and policies related to gaming and racing and making recommendations to the Minister on those matters;
- g) monitoring, researching and funding activities related to gaming and racing;
- h) investigating and conducting inquiries into: issues relating to gaming and racing; activities of people in relation to gaming and racing, for the purpose of exercising functions under a gaming law; and collecting taxes, fees and charges imposed or authorised by or under gaming laws.

Section 6(3) allows the Minister to direct the Commission to perform its functions in a particular way.

Sections 6(4) and (5) provide that any directions or guidelines given by the Minister are disallowable instruments and are to be published in the Commission's annual report. There were no Ministerial Directions issued to the Commission during 2013-2014.

Section 7 states that the Commission must perform its functions in a way that best promotes the public interest, and in particular, as far as practicable:

- a) promotes consumer protection;
- b) minimises the possibility of the criminal or unethical activity; and
- c) reduces the risks and costs, to the community and individuals concerned, of problem gambling.

Section 8 requires the Commission to engage in community consultation when reviewing legislation and policies in providing recommendations to the Minister. The Commission's annual report must describe the processes of community consultation used by the Commission (see section B.3 Community Engagement and Support of this report).

Vision and Values of the Commission

The vision of the Commission is to create an environment in which key stakeholders have the highest degree of confidence in the integrity of the Territory's approved gaming and wagering industries, and to minimise the harm caused by problem gambling.

The Commission's values are:

- fairness and integrity;
- achievement and excellence;
- innovation and development; and
- teamwork.

Objectives of the Commission

The Commission's Strategic Plan 2014-2018 outlines the objectives to achieve its vision:

- to minimise the possibility of criminal or unethical activity in order to satisfy
- stakeholders' expectations in relation to the regulation and oversight of gaming and wagering operations in the Territory;
- to minimise the negative impact caused by problem gambling;
- to keep informed about developments in gambling harm minimisation strategies and research conducted into problem gambling;
- to provide the community with factual information about gambling products so that people can make informed choices about their gambling;
- to provide the community with information about problem gambling, including how and where to obtain assistance;
- to achieve timely and effective consultation with stakeholders to enable informed decisions when reviewing gambling legislation and policies;
- to keep informed about developments in gaming and wagering activities and regulatory practices, including emerging technologies; and
- to ensure that resources are efficiently and effectively allocated to achieve its objectives including the development of staff.

Key Stakeholders of the Commission

The Commission's Strategic Plan identifies the key stakeholders and clients of the Commission as the:

- ACT community;
- ACT Government;
- ACT Legislative Assembly; and
- Territory's licensed gaming and wagering providers and their customers; and
- Commission staff.

Organisation Structure, Environment and Planning Framework

The Commission's operational structure as at 30 June 2014 is identified in the following Organisation Chart.

1. Minister for Racing and Gaming;
2. Director-General Economic Development;
3. Commission Board and Chief Executive;
4. Racing Appeals Tribunal;
5. Manager Coordination & Revenue, Manager Gaming Regulation, Manager Policy & Research and Manager Compliance & Investigations.

The Commission's Strategic Plan 2014-18 guides planning and decision making. Additionally, the Commission produces an annual Statement of Intent which includes business and corporate strategies together with targets and performance measures. These targets/measures are incorporated into the Commission's Statement of Performance at Section F.6 of this report.

The Commission has also produced detailed section procedure manuals to document its internal procedures and process controls. These documents ensure consistency of operational activity and assist with the training of new staff members. The Commission's planning processes, including strategic and business planning, incorporate risk management.

The Commission's Strategic Plan 2014-18 outlines the strategy that the Commission adopts to achieve an efficient and effective business framework:

- improve our operations through the regular review and necessary adjustments of our procedures and practices;
- regularly review our risk based approach to the implementation of our regulatory scheme so that available resources are effectively allocated;
- regularly review our compliance audit plan on a risk basis to update existing matters and capture emerging issues;
- periodically assess the Commission's structure and capabilities to ensure that they best achieve the Commission's objectives;
- regularly undertake internal audit activities to validate or enhance operational systems;
- strengthen our management information and communication systems to support timely decision making and the dissemination of such information to all staff; and
- ensure that the Commission efficiently and effectively utilises the available information technology resources to support the delivery of its products and services.

The Commission also has in place a Risk Management Plan and Fraud and Corruption Prevention Plan which are actively monitored with regular reports to the Internal Audit and Risk Committee and the governing board.

The Commission has developed a Business Continuity Plan which describes arrangements that the Commission will use to provide continuity of its key services in the event of a major disruptive incident. It is a role based approach that documents the management structure, staffing, team roles and responsibilities and actions for implementation after a major incident.

Overview

The Commission has achieved all of its strategic objectives for 2013-14 as outlined in its Statement of Performance (see section F.6 of this report). It also achieved its financial targets for 2013-14 and has received an unqualified audit opinion from the ACT Auditor-General.

Comprehensive information regarding the Commission's financial results is provided in its Financial Report at section F.1 of this report. In summary, the Commission achieved a comprehensive income surplus of \$820,232 which was \$719,232 better than budget.

In undertaking its functions and providing advice to the Minister and Government, the Commission liaises with a wide range of other ACT Government agencies as well as Commonwealth and interstate regulatory organisations. This consultation ensures that the Commission remains fully informed in order to undertake its statutory functions as well as provide the Minister and Government with comprehensive advice and briefings as required.

Audit activity continues to be a strong focus of Commission staff as they strive to enhance the compliance culture within the Territory's gambling industry. This is achieved by applying and maintaining an educational approach through a transparent and constructive application of the Commission's compliance audit program. Where necessary, stronger action through formal disciplinary processes are used to ensure compliance by all licensees. The Commission maintains its active role in educating gambling licensees and the community about problem gambling issues and responsibilities. The Problem Gambling Assistance Fund has continued to greatly assist the Commission with its endeavours in this area.

Highlights

The Commission's regulatory role in overseeing gaming and wagering activity continued during the reporting period with emphasis on an educational approach where appropriate consistent with its risk-based audit program. Assistance was provided to Economic Development and other Directorates with identifying red tape reduction measures to assist licensees and the Commission increase efficiencies.

The Commission's role in assisting to alleviate problem gambling issues was focused through the Problem Gambling Assistance Fund which is administered by the Commission. Gaming machine licensees are required to pay 0.6 per cent of gross gaming revenue to the Fund and ACTTAB and Casino Canberra have each agreed to contribute \$50,000 per annum for their inclusion in the outcomes of the Fund.

Allocations from the Fund were used to finalise the development of the on-line exclusion database which was being progressively rolled out to industry at the end of the reporting period. This electronic database will simplify the system for people wanting to exclude themselves from gambling and will significantly improve the operation of the system from the licensees' perspective.

Preliminary design work and methodology testing was undertaken by the ANU to inform the Commission about a proposed longitudinal research project to investigate clients' utilisation of gambling counselling services and the success of the intervention. It is anticipated that if the five year study does proceed then NSW will partner the Commission in the undertaking of this important research project.

The Gambling Counselling and Support Service, contracted to Mission Australia until 30 June 2014, is also financed from the Fund. As this contract expired at the end of the reporting period, the Commission undertook an open tender process to select an operator from 1 July 2014. Relationships Australia Canberra and Region was selected and will partner Care Inc in delivering this valuable support service for the next three years.

The Commission concluded a comprehensive review of the mandatory *Gambling and Racing Control (Code of Practice) Regulation 2002* during the reporting period. Extensive community and industry consultation was undertaken as part of the review. A number of recommendations were made to the Minister to update and clarify provisions within the Code. The Minister agreed with all of the Commission's recommendations and amendments were drafted to the Regulation which were scheduled to commence early in the new financial year.

During the reporting period the ACT Government announced that it would sell ACTTAB Ltd. As required, the Commission assisted other Directorates with the development of relevant documentation associated with the sale process including the drafting of the new *Totalisator Act 2014* which commenced during the period. The Commission will be required to provide advice to the Minister on the suitability of any proposed new totalisator operator selected from the sale process.

Casinos Austria International Ltd, the parent company of the operator of Casino Canberra, announced early in 2014 that it had received and accepted an unsolicited bid from Aquis Casino Acquisitions Pty Ltd to purchase the Cairns Reef Casino and Casino Canberra. Subsequently the Minister received a notice from Casino Canberra Ltd seeking approval for a change of ownership of the casino to Aquis.

The Commission is currently undertaking due diligence on the sale proposal as a joint investigation with the Queensland Office of Liquor and Gaming Regulation. It is expected that this investigation will be completed towards the end of 2014 which will enable the Commission to provide recommendations to the Minister in relation to the proposed change of ownership.

Outlook

The Commission's regulatory role in enforcing statutory compliance will continue on a risk basis during 2014-15. Periodic review of the assessed risks will occur during the reporting period to ensure that the Commission's compliance audit program is up to date and meets the changing requirements of the gaming environment.

The Commission will finalise the roll out of the on-line exclusion database and ensure licensees are comfortable in operating the system. The amendments to the *Gambling and Racing Control (Code of Practice) Regulation 2002* are expected to commence early in 2014-15 and the Commission will ensure that all stakeholders are aware of the changes by conducting an information seminar and providing a summary fact sheet for distribution. The Commission will continue to operate its help line to assist licensees with any issues or questions on the database's operation.

The Commission will assist where required with any changes to the gaming laws and will implement any changes that may be made during 2014-15. Continuing assistance will also be provided with the identification and implementation of potential red tape reduction measures to assist licensees and the Commission in their regulatory tasks.

Following the successful review of the Code of Practice, an assessment of priorities will be made in relation to commencing a review of other gaming laws, subject to available resources. The purpose of these legislative reviews is to ensure that regulatory practices and procedures are up to date and clear for licensees and the Commission to interpret and apply.

The Commission will work closely with Relationships Australia Canberra and Region, as the new Gambling Counselling and Support Service provider, to assist them to deliver their services in accordance with their contractual requirements. Emphasis will be placed on education and communication particularly with industry stakeholders.

The development of projects under the Problem Gambling Assistance Fund will continue in consultation with the Fund Advisory Committee. The design and development of the longitudinal study to investigate clients' entry into, and use of, counselling services will be concluded in 2014-15 and a decision will be made whether to proceed to the full study based on the design outcomes and feedback from the pilot study that is underway. In addition, it is anticipated that the next study into the prevalence of gambling and problem gambling will be conducted in 2014-15.

The Commission will continue to ensure that allocations made from the Fund are made for a variety of projects, both short and longer term, and are in accordance with the requirements of the legislation. The Commission will carefully monitor project performance and Fund expenditure for efficiency and effectiveness.

Two research projects underway at the beginning of 2014-15 will be finalised and additional projects will be commenced within resource availability. The results of research projects undertaken are used to inform about minimising the harm caused by problem gambling and to assist with the development of suitable support mechanisms. Results are passed onto the provider of the Gambling Counselling and Support Service and are used to assist target educational programs.

The Commission recognises the value in engaging with stakeholders and will continue to actively seek community and industry input on relevant issues. To enhance this process, the Commission has established a Gambling Advisory Reference Group, the Problem Gambling

Assistance Fund Advisory Committee and the Gambling Industry Consultative Committee to provide input on a range of issues related to problem gambling and gaming regulation.

The Commission's knowledge and skills will continue to be fostered through participation in national forums examining issues associated with gaming regulation and responsible gambling. These forums include the Chief Executive Officers Australian Casino and Gaming Regulators' Working Group; Gaming Machine National Standards Working Party; National Assessment panel for the Accreditation of Testing Facilities; the Gambling Research Australia Working Party.

ACT Online Gambling Exclusion Scheme

The ACT's new exclusion scheme became available at the end of June 2014, after extensive design and implementation work during 2013-14.

The main feature of the scheme, an online exclusion database, is more efficient and streamlined than the previous paper-based scheme, and makes it easier for people to exclude themselves from gambling at one or many venues in the ACT.

Licensees are able to enter and access information about exclusions quickly and easily, and information is distributed rapidly across the system to those who need it. The database also securely stores information about gambling incidents, helping licensees to better support patrons who may be experiencing difficulties with their gambling.

Patrons do not have to go to a venue to exclude themselves, and are now offered contact with support services as part of the exclusion process, as well as the opportunity to participate in research into problem gambling.

Gambling venues in the ACT have engaged enthusiastically with the Commission during this project and they can say with confidence that they offer their patrons access to the best exclusion from gambling scheme operating in Australia.

B.2 Performance Analysis

Output Class 1: Gambling Regulation and Harm Minimisation

Our objectives, deliverables and accountability indicators are published in 2013-14 ACT Budget Statements. They are used to monitor and assess our performance.

Output Description

The key roles of the Commission are to:

- administer gaming laws;
- control, supervise and regulate gaming in the Territory; collect and verify gambling taxes, levies, fees and charges; and
- develop and implement projects through the Problem Gambling Assistance Fund.

Table 1: Summary of operational performance against targets

Accountability Indicators	Original target 2013-14	Actual Result 2013- 14	% Variance from Original Target
a. Conduct compliance audits of operator activity to detect compliance with legal framework. Effectively regulating gambling and racing activity for statutory compliance.			
- Casino	100	100	-
- Gaming Machines	250	257	2.8
- Bookmakers	50	52	4
- Minor Lotteries.	60	60	-
b. Conduct revenue audits to ensure correct payments of taxes, levies and fees. Ensure compliance with statutory payments of taxes, levies and fees.			
- Casino	12	12	-
- Gaming Machines	12	12	-
- Bookmakers	12	12	-
c. Initiate or complete research projects; analyse significant research projects conducted elsewhere. Keep informed about problem gambling issues and harm minimisation strategies	5	5	-
d. Initiate or complete projects through the Problem Gambling Assistance Fund. Undertake measures designed to reduce the negative impact of problem gambling.	3	3	-

Strategic Objectives and Indicators

Strategic Objective 1: Increase Gambling Operators' Compliance with Legislation

Description

The Commission conducts an audit program to ensure that operators comply with all relevant gaming and wagering legislation. Through this audit program and its education and liaison with operators, the Commission aims to increase compliance with the various Acts. The level of reduction in the number of breaches detected per audit would indicate the average improvement in licensees' compliance performance and the success, or otherwise, of the Commission's activities in increasing compliance with the legislation.

Graph titled Strategic Indicator 1: Average Number of Breaches Detected per Audit

Results shown

The number of breaches detected per audit decreased for the 2013-14 financial year with the average number detected decreasing from 0.59 in 2012-13 to 0.46 per audit. This reduction reflects the Commission's continued educative audit approach resulting in an increased focus on compliance particularly by gaming machine licensees. The use of this approach has seen the overall trend for the number of breaches detected continuing to decrease over time.

Strategic Objective 2: Increase the Accuracy of Returns by Operators for Gambling Related Taxes, Levies and Fees on behalf of the ACT Government

Description

The Commission receives returns from operators along with payments for gambling related taxes, levies and fees. The Commission reconciles the returns against operators' activities and issues variation advices if discrepancies are found. The Commission aims to reduce the number of variations that are required to be made through its education and liaison with operators. A reduction in the number of variations in returns would indicate improvements in the licensees' performance and the success, or otherwise, of the Commission's activities in this area.

Graph titled Strategic Indicator 2: Reconciled Gambling Taxation Returns - Variations

Results shown

The actual number of variations for 2013-14 increased to 70 (61 in 2012-13). Although there has been a slight increase during the reporting period this change is not considered material and does not depart from the overall trend for the number of variations steadily decreasing over time.

Strategic Objective 3: Undertake Measures Designed to Reduce the Negative Impact of Problem Gambling

Description

The Commission must perform its function in a way that reduces the risks and costs of problem gambling to individuals and the community. The Commission monitors the social effects of gambling and problem gambling in the ACT and is tasked with providing relevant education and counselling services. The Commission aims to reduce the negative impact of problem gambling by using targeted research to inform about the development and implementation of strategies based on those research outcomes.

Strategic Indicator 3: Develop and implement research based strategies to reduce the negative impacts of problem gambling

Result

During the reporting period, the Commission undertook a major review of the *Gambling and Racing Control (Code of Practice) Regulation 2002* (the Code). This review was informed by considering the outcomes of available research relating to problem gambling and following extensive consultation with the ACT community and gaming

industry. This review resulted in a number of changes to the Code to enhance the current approach that seeks to address the negative effects of problem gambling in the community.

Operational Performance Achievements

Conduct Compliance Audits of Operator Activity to Detect Compliance with Legal Framework

Casino

The Commission's primary objectives in respect of casino regulation are to ensure that all casino operations are conducted in accordance with the provisions of the *Casino Control Act 2006*, the *Casino Control Regulation 2006* and the *Gambling and Racing Control (Code of Practice) Regulation 2002*, as well as providing the community with confidence that the Territory's casino is a legitimate and safe place to visit. Casino regulation ensures that:

- the casino is free from criminal influence;
- appropriate harm minimisation strategies in relation to problem gambling have been provided;
- gaming activity is conducted fairly and in accordance with approved rules and operating procedures;
- casino administration, finance and security operations are conducted in accordance with the approved control procedures; and
- casino equipment, cards and chips are of a high standard and are only purchased from approved suppliers.

A key means of ensuring the integrity of the operations at the casino is through the closed-circuit television (CCTV) surveillance system which provides the casino licensee and the Commission with high quality coverage of gaming operations and sensitive back-of-house locations.

In addition to the general monitoring of casino operations, the following specific regulatory activities are undertaken by the Commission.

Employee licensing

The licensing of persons employed in relation to gaming, security, finance and other key areas of the casino ensures that these people are eligible in accordance with the provisions of the *Casino Control Act 2006*. Employees in low risk areas of the casino (e.g. food and beverage and cleaning) are not required to be licensed.

Table 2: Summary of licensing activities 2013-2014

Licences Processed	Numbers
New Employees	20
Renewals	51
Variations	23
Cessations	36

Current Casino Employees	Numbers
Licensed	159
Unlicensed	55

Casino layout

Upon application from the casino the Commission may only approve changes to the current layout of the casino provided that the proposed new layout ensures that:

- there is adequate camera and lighting coverage for the monitoring of table games; and
- it adequately takes into account the safety and comfort of, and harm minimisation strategies for, patrons.

A number of minor changes to the casino layout were approved in 2013-14.

Approval of gaming equipment and chips

The approval of gaming equipment and chips from stated suppliers ensures that:

- the gaming equipment is of a high standard and does not contain any bias; and
- the chips are not counterfeit and are not easily able to be counterfeited.

Approval for a new playing card design, new Pai Gow tiles and a new gaming table layout was given by the Commission in 2013-14. One new supplier was approved during the period.

Approval of rules of games

The approval of the rules of the games by the Commission ensures that the casino games are fair and that the rate of return to players is reasonable.

There were no requests for the introduction of new games or changes to the rules of games during 2013-14.

Operating times

The casino is required to operate, at minimum, prescribed core hours, providing some certainty to patrons and tourists of the availability of this facility. As a cost cutting measure the casino licensee provided advice that they would reduce the trading hours by 3.5 hours per gaming day with revised opening hours from 4.30pm to 4.00am each day. This did not require Commission approval as the nominated hours covered the (minimum) core trading hours. The only exemption given to the casino to not operate during the core trading hours in 2013-14 related to part of Christmas Day.

Approval of control procedures

The control procedures cover the detailed operations of the casino and are an essential part of the regulatory scheme that requires the casino licensee, agents and casino employees to undertake their activities in a best practice and predictable way. The Commission must approve changes to the casino's control procedures.

Control procedures are an important method of ensuring that casino operations are conducted in an honest, accountable and transparent manner. They ensure consistency across table games and strict adherence to reporting requirements. During the reporting period the control procedures in relation to the Cash Desk were amended to cater for various changes that were made to their operations.

Due to a change in casino operating times the manning levels in the security control procedures were amended. A temporary amendment to the control procedures was also approved for the manning levels required for the reduced trading period on Christmas Day. These amendments were approved by the Commission after liaising with the casino licensee.

Review of Patron Exclusion Notice

A casino official may exclude a person from entering or remaining in the casino by giving the person an exclusion notice orally or in writing. A person may appeal in writing to the Commission against the casino licensee's decision to give the person an exclusion notice.

After considering submissions from the person and the casino licensee, the Commission must confirm, change or revoke the exclusion notice.

During the reporting period the Commission received one written appeal against an exclusion notice. After considering submissions from relevant parties, the Commission decided to revoke the exclusion notice.

Compliance Audits of Casino

The Commission uses a risk based audit methodology to ensure the casino's compliance with the relevant legislation. During the reporting period 100 audits of casino operations were undertaken as were investigations into alleged breaches of the rules and control procedures.

Breaches Detected

The Commission identified 360 minor breaches of the approved rules and procedures during the reporting period. This compares to 335 minor breaches detected in the previous financial year. The minor breaches for 2013-14 were as follows:

- 344 related to the failure to comply with the approved gaming procedures;
- six related to the failure to comply with the approved cash desk procedures; and
- ten related to the failure to comply with the approved security procedures (all of these related to exclusion breaches by patrons).

All minor breaches were resolved satisfactorily.

In addition, the Commission conducted investigations into eight more serious breaches of section 77 of the *Casino Control Act 2006* where the casino failed to comply with their control procedures, and one breach of section 80 of the *Casino Control Act 2006* where a casino official allowed a child to enter or remain in the casino.

These matters were resolved by the licensee to the satisfaction of the Commission.

Disciplinary Action

In the event of a breach of the legislation being identified by the Commission, subject to the seriousness of the breach an initial warning is issued to the casino licensee and/or relevant employee and advice provided that any further breaches may result in formal disciplinary action being commenced. However, in instances of repeated offences or more serious breaches the Commission will consider taking disciplinary action. There were no matters of disciplinary action with respect to the casino licensee or its employees during the reporting period.

Casino Related Complaints

The Commission received one casino related complaint during the reporting period. After investigation the Commission found the complaint to be unsubstantiated.

Further information may be obtained from:

Manager, Compliance and Investigations Telephone: (02) 6207 0359

Gaming Machines

The Commission's principal objectives with gaming machine regulation and control are to ensure that:

- gaming machine operations are conducted in accordance with the provisions of the
- *Gaming Machine Act 2004* and associated regulations;
- gaming machine operations in the ACT are of a high standard, are conducted fairly and without corruption and reflect the standards expected by the community and the ACT Government;
- gaming machines and all associated technical equipment approved for installation in the ACT are of a high standard;
- ACT Government imposed taxes and fees are collected in an effective, accurate and cost efficient way; and
- as far as possible, the compliance effort required by licensees is minimised without compromising the effectiveness of the regulatory controls.

Table 3: Summary of licensed venues and number of gaming machines allocated as at 30 June 2014

Type of Gaming Machine Licensee	Licensed Venues	Number of Machines
New Employees	49	4,906
Renewals	10	68
Total	59	4,974

Under the existing gaming machine cap of 5,024 there are 50 gaming machines remaining unallocated as at 30 June 2014.

Applications for Additional Gaming Machines

During the reporting period the Commission did not receive any applications for additional gaming machines.

Applications to Relocate Gaming Machines

The Commission received 18 small-scale machine relocation applications during the reporting period resulting in a total of 159 gaming machines being relocated between clubs who hold more than one licence. No large-scale machine relocation applications were received during the reporting period.

Licence Cancellations and Transfers

The Commission received one application to transfer a licence during the reporting period. Two club licences were surrendered after small-scale machine relocations were effected. No licences were cancelled.

Application for Initial Gaming Machine Licence

Late in the reporting period the Commission received an application for an initial gaming machine licence to operate 50 gaming machines. This application was under consideration at the end of the period with the outcome to be reported in the next reporting period.

Machine Access Control

As part of the control of gaming machine operations, only authorised personnel are permitted to access the internal controls of gaming machines. In this regard, the Commission issues Approved Attendant Certificates to suitable persons who are nominated by licensees and also issues Approved Technician Certificates to suitable persons who are employed by gaming machine suppliers or manufacturers.

Table 4: Summary of Attendant/Technician Certificates processed during 2013-2014

Type of Commission Activity	Number/Value
New and renewed Gaming Machine Attendant applications processed	428
New and renewed Gaming Machine Technician applications processed	28
Transfers and amendments to Gaming Machine Attendant Certificates	15
Transfers and amendments to Gaming Machine Technician Certificates	6
Cancellation of Attendant or Technician Certificates where the Certificate had expired or the Certificate holder was no longer employed by a licensee or supplier	296
Cancellation of Attendant or Technician Certificates as holder deemed unsuitable	0
Disciplinary Action - Approved Attendants/Technicians	1
Refusal to grant an Attendant or Technician Certificate	1
Refusal to renew an Attendant or Technician Certificate	1
Total current Approved Attendants	674
Total current Approved Technicians	45

During the reporting period the Commission refused one person's application for an Approved Attendant Certificate on the grounds that they were an ineligible person under the provisions of the *Gaming Machine Act 2004*.

The Commission initiated disciplinary action against an Approved Technician during the reporting period for breaching section 25 of the Act by installing a gaming machine where the percentage payout was not the percentage payout under the licence for the machine. This resulted in the Technician being issued with a reprimand.

Machine and Peripheral Equipment Variations - Technical

The Commission approves technical variations to gaming machines and associated peripheral equipment to ensure that the integrity of gaming in the Territory is maintained. Such variations may include changes to a machine's basic single line game, movement of a machine to/from a linked jackpot arrangement, an upgrade of game software, the trade-in of old games for more modern games or approving a new type of link controller (peripheral equipment).

The following table summarises gaming machine and peripheral equipment variation activity (including the disposal of machines) during the reporting period. Subdued economic conditions during the reporting period

appear to have impacted upon the number and value of applications for replacement machines. The total value of new machines approved during the 2013-14 reporting period was \$8,977,110, which represents a 31 per cent reduction compared to 2012-13.

Table 5: Summary of gaming machine and peripheral equipment variation activity 2013-2014

Type of Commission Activity	Number/Value
Applications for new types of gaming machines from suppliers	314
Applications for new types of peripheral equipment from suppliers	22
Number of gaming machines converted on application by licensees	1,528
Number of gaming machines replaced on application by licensees	432
Total value of new (replacement) machines approved	\$8,977,110
Applications to operate a linked-jackpot arrangement	29
Applications to operate a multi-user linked-jackpot arrangement	0
Applications to relocate gaming machines between venues	18
Number of gaming machines relocated between venues	159
Number of gaming machines disposed of on application by licensees	0

Community Contributions

The *Gaming Machine Act 2004* provides that the Commission may approve contributions made by a gaming machine licensee to a stated entity for a stated purpose as community contributions if satisfied the contributions will have the effect of contributing to or supporting the development of the community or raising the community's, or part of the community's, standard of living. Examples or categories of community contributions include charitable and social welfare, problem gambling, sport and recreation, women's sport, non-profit activities and community infrastructure.

All gaming machine licensees are required to:

- record each community contribution made by the licensee, stating the entity to which, and the purpose for which, each contribution was made and the amount or value of the contribution; and
- within one month after the end of a financial year, give the Commission a copy of those records together with a financial report for the financial year.

The Commission must, within four months of the end of the financial year, give the Minister a report summarising the extent of legislative compliance and analysing the level of community contributions by gaming machine licensees. The Commission's report for the 2012-13 financial year is available on the Commission's website.

Clubs

The *Gaming Machine Act 2004* requires clubs that are gaming machine licensees to make a minimum contribution of eight per cent of net gaming machine revenue in eligible community contributions.

The 2012-13 report records a total of \$13.0 million in club community contributions from \$99.5 million in net gaming machine revenue, the contributions being 13.10 per cent of the net gaming machine revenue. \$8.5 million or 64.89 per cent of contributions was provided to sport and recreation.

By comparison, in 2011-12 a total of \$12.7 million was contributed to the community from net gaming machine revenue of \$102.0 million, the contributions being 12.49 per cent of the net gaming machine revenue.

Hotels/Taverns

Hotels and Taverns that are gaming machine licensees must report their community contributions but there is no minimum requirement.

Contributions by these licensees in 2012-13 amounted to a total of \$8,741 of which \$4,505 was allocated to sport and recreation (51.54 per cent of total contributions). In 2011-12 total contributions from Hotels/Taverns was \$9,254.

Further information may be obtained from:

Manager, Gaming Regulation Telephone: (02) 6207 0359

Compliance Audits of Gaming Machine Licensees

During the reporting period a total of 257 audits were undertaken relating to gaming machine venues to identify a licensee's compliance with the *Gaming Machine Act 2004* and the *Gambling and Racing Control (Code of Practice) Regulation 2002* and where applicable the Lotteries Act 1964.

The Commission's audit program included licensee's compliance with Automatic Teller Machine (ATM) withdrawal limits that were introduced in April 2014. These limits set a maximum total of

\$250 from all ATMs at the licensed premises using a single card on a gaming day. The audits assessed whether the ATMs in each venue were compliant with the new legislation.

Breaches Detected

The Commission identified a total of 167 breaches of the legislation (compared to 218 last year) including 108 breaches of the *Gaming Machine Act 2004*:

- 31 related to the failure to comply with a condition of the licence as required by section 39;
- one related to the failure to comply with a requirement for the issue of the licence as required by section 39A;
- four related to the failure to display the gaming machine licence or a copy of the licence at the entrance to each gaming area of the licensed premises as required under section 41;
- three related to the failure to keep a copy of the schedule to the licence at the licensed premises as required under section 42;
- four related to the failure to operate a gaming machine in accordance with the licensee's rules and control procedures as required under section 43;
- eight related to the failure to operate a gaming machine subject to the correct percentage payout as required under section 47;
- ten related to the failure to display signage indicating the percentage payout as required under section 48;
- five related to the failure to comply with the Code of Practice as required by section 50;
- 18 related to the failure to ensure that guests must be signed in and accompanied by the member who signed them in as required under section 55(f);
- eight related to the failure to record accurate and correct details in the machine access register for the licensed gaming machines on the premises as required under section 71;
- three related to the failure to notify the Commission that an Approved Attendant was no longer employed by the licensee as required by section 94(2);
- two related to the failure of a licensee to seek approval to acquire a gaming machine as required by section 98;
- one related to a technician making an adjustment of a gaming machine and the percentage payout was not the percentage payout authorised by the licence as required by section 125;
- one related to the access of a gaming machine by a person who was not authorised as required by section 128;
- three related to the failure to display signage that indicates each gaming machine is part of a linked jackpot arrangement as required by section 134(4);
- one related to the failure to display an approved warning notice at each entrance to the gaming area as required by section 151(2)(b);
- three related to a licensee displaying an external sign advertising gambling activity as required by section 152(1); and
- two related to the failure to ensure that a maximum withdrawal total of \$250 from all ATMs at the licensed premises using a single card on a gaming day as required by section 153A.

There was one breach of the Gaming Machine Regulation 2004 (compared to eight last year) in relation to gaming machine licensees which related to the failure of a licensee to ensure that high denomination note acceptors were not operated as required by section 75.

There were 34 breaches of the *Gambling and Racing Control (Code of Practice) Regulation 2002* (compared to 49 last year) in relation to gaming machine licensees:

- five related to the failure to ensure that staff involved in the provision of gambling
- services to patrons had completed an approved training program as required by section 1.4(1)(a);
- three related to the failure to ensure that a gambling contact officer was appointed to the gambling facility as required by section 1.9(1);
- one related to the failure to properly execute a deed of exclusion as required by section 1.13;
- one related to the failure to ensure that an excluded person did not receive any information or promotional material about gambling as required by section 1.20;
- six related to the failure to make information available to patrons as required under section 1.25(3);
- two related to the failure to ensure that the correct time was displayed prominently within the facility as required by section 1.26;
- six related to the failure to publish the name and telephone number of an approved gambling counselling service in gambling advertising as required under section 1.29; and
- ten related to the failure to meet the requirements for promotions and inducements as required by section 1.30.

There were also 12 breaches of the Lotteries Act 1964 detected (compared to 10 last year) during audits of gaming machine venues:

- four related to the conduct of a lottery other than an approved or exempt lottery as required by section 8(1);
- five related to the failure to comply with the approved conditions of a lottery, pursuant
- to section 8(2); and
- three related to prohibited advertising pursuant to section 9.

Disciplinary Action Against Gaming Machine Licensees

In the event of a breach of the legislation being identified by the Commission, subject to the seriousness of the breach an initial warning is issued to the offending licensee and advice provided that any further breaches may result in formal disciplinary action being commenced. However, in instances of repeated offences or more serious breaches, the Commission will consider taking disciplinary action against the licensee.

In accordance with section 58 of the *Gaming Machine Act 2004* disciplinary action may take the form of a reprimand, a monetary penalty of up to \$100,000 or the suspension or cancellation of a gaming machine licence. Disciplinary action is only taken against a licensee after the licensee has been given the opportunity to show cause why the Commission should not take the disciplinary action it proposes.

Following detailed investigations, the Commission finalised disciplinary action against two licensees for 11 breaches of the legislation during the reporting period. This compares to action being taken against six licensees for 13 breaches last year. The following table summarises these disciplinary matters.

Table 6: Summary of disciplinary matters during 2013-2014

Licensee	Particulars of Breaches section number and description	Disciplinary Action Taken
Canberra Tradesmen's Union Club	Section 39 Failure to comply with a condition of a licence in respect of sections 43 and 47 of the Act. Section 43 Failure to operate gaming machines in accordance with the licensee's rules and control procedures (a condition of a licence) Section 47 Failure to operate a gaming machine at the percentage payout under the licence for the machine (a condition of a licence) Section 98 Failure to seek Commission approval for a gaming machine prior to acquiring a gaming machine	Reprimand with direction to remove relevant software and \$3,000 monetary penalty
Woden Tradesmen's	Section 39 Failure to comply with a condition of a licence in respect of sections 43 of the Act. Section 43 Failure to operate gaming machines in accordance with the licensee's rules and control procedures (a condition of a licence) Section 98 Failure to seek Commission approval for a gaming machine prior to acquiring a gaming machine	Reprimand with direction to remove relevant software and \$1,000 monetary penalty
Woden Tradesmen's Union Club	Section 39 Failure to comply with a condition of a licence in respect of sections 43 of the Act. Section 43 Failure to operate gaming machines in accordance with the licensee's rules and control procedures (a condition of a licence) Section 71 Unauthorised person making entries in machine access registers Section 128 Unauthorised person accessing gaming machines	\$500 monetary penalty

Appeals Against Disciplinary Penalties

There were no appeals against disciplinary penalties during the reporting period.

Gaming Machine Related Complaints

The Commission received five gaming machine related complaints during the reporting period. Four complaints were unsubstantiated and one was substantiated. The substantiated complaint was the result of an investigation that was conducted in relation to a patron receiving promotional material containing gambling advertising when they had excluded from the venue in breach of section 1.20 of the *Gambling and Racing Control (Code of Practice) Regulation 2002* (the Code). This investigation revealed that a licensee breached section 1.20 of the Code and sections 39 and 50 of the *Gaming Machine Act 2004*. Related to this incident, it was identified that a second licensee breached 1.13(7) of the Code and sections 39 and 50 of the Act. As a result both licensees were issued with a written warning.

Further information may be obtained from:

Manager, Compliance and Investigations Telephone: (02) 6207 0359

Racing and Wagering

The Commission's objectives with respect to racing and wagering are to:

- ensure the suitability of persons engaged in gambling operations associated with the race
- and sports bookmaking industries;
- ensure that totalisator and bookmaking operations are conducted at appropriate venues in accordance with legislative requirements;
- resolve betting disputes; and
- regulate racing as provided in the *Racing Act 1999*.

Totalisator Operations

The *Totalisator Act 2014* commenced in March 2014 in anticipation of the proposed sale of ACTTAB Ltd. Transitional arrangements provided for all of ACTTAB's operational approvals to continue under the new legislation.

Announcement of the new totalisator licensee by the Government is expected early in the new financial year. The Commission is tasked under the legislation to provide advice to the Minister on the suitability of any proposed new licensee.

Race Bookmaking Operations

During the reporting period the Commission conducted probity assessments in relation to the licensing of race bookmakers and race bookmakers' agents in accordance with the *Race and Sports Bookmaking Act 2001*.

Table 7: Summary of race bookmaking activities 2013-2014

Type of Commission Activity	Number
New Race Bookmaking Licence	0
Renewed Race Bookmaking Licence	6
New Race Bookmaker's Agents Licence	0
Renewed Race Bookmaker's Agents Licence	6
Total current Race Bookmaking Licences as at 30 June 2014	13
Total current Race Bookmaker's Agents Licences as at 30 June 2014	9

Sports Bookmaking Operations

During the reporting period the Commission received no formal applications. No probity investigations associated with the suitability requirements of the *Race and Sports Bookmaking Act 2001* were conducted in relation to applications for sports bookmaker's agent licences.

Table 8: Summary of sports bookmaking activities 2013-2014

Type of Commission Activity	Number
New Sports Bookmaking Licence	0
Renewed Sports Bookmaking Licence	2
New Sports Bookmaker's Agents Licence	0
Renewed Sports Bookmaker's Agents Licence	0
Total current Sports Bookmaking Licences as at 30 June 2014	2
Total current Sports Bookmaker's Agents Licences as at 30 June 2014	0

At the end of the reporting period, licensees ACTTAB Ltd and Betworks Pty Ltd were both actively engaged in sports bookmaking operations in the ACT.

Cross-border Betting Issues

The Commission continues to closely monitor national racing industry developments, including outcomes or changes based on interstate investigations and litigation with a view to determining whether there are any impacts on the Territory's racing industry.

Compliance Audits of Racing and Wagering Licensees

During the reporting period the Commission undertook 52 audits of racing and wagering providers in the Territory to identify compliance with the *Race and Sports Bookmaking Act 2001*, the *Racing Act 1999* and the *Gambling and Racing Control (Code of Practice) Regulation 2002*.

Breaches Detected

The Commission identified three breaches of the *Race and Sports Bookmaking Act 2001* (compared to one last year). These related to a failure to comply with the determination of a sports bookmaking event made under section 20. These breaches were rectified by the licensee at the time.

No breaches of the *Racing Act 1999* were detected during the reporting period.

Betting Disputes

Specific matters of dispute between sports bookmakers and their clients can be referred to the Commission as betting disputes pursuant to the *Race and Sports Bookmaking Act 2001*. This dispute process is separate to the general complaints provisions under section 31 of the Gambling and Racing Control Act 1999.

During the reporting period, the Commission did not receive any betting disputes.

Total current Race Bookmaker's Agents Licences as at 30 June 2014

Sports Bookmaker Complaints

The Commission received three complaints in relation to ACTTAB's sports bookmaking operations. Two of these complaints were unsubstantiated and one is ongoing at the end of the reporting period.

Race Bookmaker Complaints

The Commission did not receive any complaints in relation to race bookmakers.

Totalisator Complaints

The Commission did not receive any complaints in relation to totalisator activity.

Further information may be obtained from:

Manager, Compliance and Investigations Telephone: (02) 6207 0359

Lotteries Regulation

The Commission regulates lottery activity to ensure that it is properly conducted and that subscribers' interests are adequately protected.

Major Interstate Lotteries

The sale of interstate lottery products in the Territory is approved by the Commission under the *Lotteries Act 1964* and the *Pool Betting Act 1964*. Any variation in the way these products are operated also requires the approval of the Commission.

The ACT Government has revenue sharing arrangements with NSW Lotteries and the Victorian and Queensland Governments in relation to the value of interstate lottery sales in the Territory.

Trade Promotion Lotteries, Raffles and other Lotteries

The *Lotteries Act 1964* provides for a wide range of lottery activities including trade promotion lotteries, raffles and Housie. Persons wishing to conduct a lottery in the Territory must apply in writing for approval unless the lottery is an exempt lottery (further information is available from the Commission directly or via its website).

Application fees must be paid and are calculated on the total prize value of the lottery that Territory residents are eligible to win. 5,197 permits were issued in 2013-14 (compared to 5,415 last year).

Table 9: Summary of lotteries permits issued in 2013-2014

Type of Approval	Amount
Trade Promotion Lotteries	4,754
Raffles	424
Housie	8
Other	11
Total	5,197

A further 664 lottery amendment applications were approved in the reporting period.

Compliance Audits of Lottery Providers

The Commission undertakes an audit program that covers lotteries conducted in the Territory. The audit program includes investigations as to whether a lottery is conducted with the appropriate approval, whether the approved terms and conditions have been followed and whether approved prizes are forwarded to winners. Where breaches are detected the Commission initially issues a warning to the lottery organiser outlining their responsibilities under the legislation or approval conditions.

During the reporting period a total of 60 audits were conducted on lottery and pool betting providers inclusive of 9 targeted audits which were conducted for the purpose of educating the lottery operators about legislative requirements such as the necessity to obtain a permit and restrictions on the advertising of lottery products.

Breaches Detected

The Commission identified a total of 34 breaches (compared to 37 last year) of the Lotteries Act 1964:

- five related to the conduct of a lottery other than an approved or exempt lottery a required by section 8(1);
- 24 related to the failure to comply with the approved conditions of the lottery, pursuant to section 8(2); and
- five related to prohibited advertising pursuant to section 9.

The Commission's audit program also detected two breaches of the *Gambling and Racing Control (Code of Practice) Regulation 2002* (compared to three last year). These related to the failure to make information available to patrons as required under section 1.25(3). There were no breaches of the *Pool Betting Act 1964* detected during the reporting period.

Lotteries Related Complaints Received

The Commission received five lotteries related complaints during the reporting period. Three complaints were substantiated and two were unsubstantiated. Issues identified were resolved to the satisfaction of the Commission.

Complaints Summary

Section 31 of the *Gambling and Racing Control Act 1999* (the Control Act) provides that a person may lodge a complaint with the Commission about compliance with a gaming law. The Commission investigates each complaint received that relates to compliance with a gaming law including seeking information or comment from the relevant licensee or operator. The results of the Commission's investigations are provided to the complainant as well as the licensee or operator that was the subject of the complaint.

In accordance with section 31(3) of the Control Act the Commission must provide a summary of complaints received during the year. To this end complaints received by the Commission (as detailed in previous sections) can be summarised as follows for the reporting period.

Table 10: Summary of complaints received during 2013-2014

Gambling Provider	Received	Substantiated	Not Substantiated	Ongoing	Incapable of Determination	Withdrawn
Casino	1	0	1	0	0	0
Gaming Machines	5	1	4	0	0	0
Lotteries	5	3	2	0	0	0
Racing and Wagering	3	0	2	1	0	0
Unlawful Games	0	0	0	0	0	0
Total	14	4	9	1	0	0

There was one complaint under investigation at the end of the previous reporting period. The complaint has since been finalised and was found to be unsubstantiated.

Charitable Gaming

Part 3 of the *Unlawful Gambling Act 2009* provides for approved charitable fundraising through games under certain circumstances. Persons wishing to conduct a charitable game in the Territory must apply in writing for approval (further information is available from the Commission directly or via its website).

In 2013-14, the Commission received no *Applications for Approval to Conduct a Game*. Four applications were received in 2012-13.

No breaches of the *Unlawful Gambling Act 2009* were identified during the reporting period.

Interactive Gaming Regulation

In 2013-14 there were no interactive gaming service providers licensed in the Territory.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

Conduct Revenue Audits to Ensure Correct Payments of Taxes, Levies and Fees

Casino

During the reporting period the Commission met its target of conducting 12 revenue based audits (one each month) to ensure the correct payment of taxes within statutory timeframes. No breaches were identified during the reporting period.

The casino licensee continues to pay the yearly licence fee in quarterly instalments as previously approved.

Gaming Machines

During the reporting period the Commission met its target of conducting 12 consolidated revenue based audits (one each month) to ensure the correct payment of taxes within statutory timeframes.

Breaches Detected

The Commission identified a total of 12 breaches of the *Gaming Machine Act 2004*:

- five related to the failure to pay gaming machine tax by the seventh day after the end of the relevant month as required by section 161(3); and
- seven related to the failure to pay the problem gambling assistance fund levy on the seventh day of the month as required by section 163A (5).

Due to the circumstances surrounding the breaches and the fact that they were resolved to the satisfaction of the Commission, written warnings were issued to seven licensees.

Bookmakers

During the reporting period the Commission met its target of conducting 12 consolidated revenue based audits to ensure the correct payment of taxes within statutory timeframes. No breaches were identified during the reporting period.

Sports Bookmakers are required to pay an annual licence fee.

Race Bookmakers licences are issued for a period up to two years and must reapply at the completion of the licence period.

Further information may be obtained from:

Manager, Compliance and Investigations Telephone: (02) 6207 0359

Initiate or Complete Research Projects; Analyse Significant Research Projects Conducted Elsewhere

In accordance with subsection 6(2) of the *Gambling and Racing Control Act 1999* the Commission is required to monitor and research the social effects of gambling and problem gambling. The Commission's Statement of Intent also specifies that the Commission must initiate or complete five research projects during the reporting period.

The Commission meets its research obligations through a range of activities and strategies including the sponsoring and funding of research projects through the Australian National University (ANU) Centre for Gambling Research (the Centre) as well as contributing to national research projects through Gambling Research Australia.

In addition, the Commission monitors research projects published by other Australian jurisdictions as well as international publications particularly in Canada, America, Europe and the United Kingdom.

ANU Centre for Gambling Research

The Centre completed one research project in this period, titled *Stigma and Help Seeking for Gambling Problems*. The research found that people with gambling problems experience stigma and that feelings of shame were a common reason given for not seeking help for gambling problems. The outcomes of this project will assist to achieve the Commission's aim of encouraging early intervention in addressing problem gambling.

The Commission agreed to the conduct of three research projects including a study on understanding the self-exclusion process in the ACT. This research is exploring the experience of users of self-exclusion in the ACT and those who assist them, such as gambling providers and service agencies. The project is expected to be completed in 2014-2015 and will inform the Commission about the operation and use of the self-exclusion process.

The foundation work for two major future studies was commenced during the reporting period. The 2014 Prevalence Study and a pilot study for the Client Cohort Longitudinal Study are significant in size and importance for the Territory and careful planning and design is required to ensure that the research is appropriate, robust and technically sound before fully committing.

The foundation work for the 2014 Prevalence Survey will inform the major project to be undertaken in 2014-2015. The Prevalence Study seeks to understand the nature and extent of gambling and problem gambling among residents in the Territory and is conducted every five years.

The pilot study is part of the preparation for the proposed Client Cohort Longitudinal Study. This proposed study is expected to recruit and engage with clients of gambling services over a five year period and investigate pathways to gambling support services. The initial phase of this study is proposed to be provided exclusively through the Problem Gambling Assistance Fund.

Further funding for the project is expected to be provided by the Fund and through an agreement that is being finalised with the NSW Office of Liquor, Gaming and Racing.

Two other projects that commenced prior to the reporting period are anticipated to be completed during 2014-2015. These are *Expenditure on Gambling Activities* and *Preventive Interventions for Problem Gambling*.

Gambling Research Australia

A Memorandum of Understanding establishing a National Gambling Research Program titled 'Gambling Research Australia' was signed by all States and Territories and the Commonwealth on 27 October 2003 and has been ongoing since.

However, the current five year Memorandum of Understanding was due to expire at the end of the reporting period. The GRA Steering Committee has supported the continuation of the organisation for another 12 months from 1 July 2014 in order to finalise current research projects. Discussions will continue throughout 2014-15 regarding a potential future model for a collaborative research agreement between jurisdictions.

The Territory, through the Gambling and Racing Commission, along with each State and Territory, participates in Gambling Research Australia (GRA) in order to further gambling research of national interest on problem gambling related issues.

The projects finalised in 2013-14 were:

- *Impact of Electronic Gaming Machine Jackpots on Gambling Behaviour* (published 30 January 2014);
- *Interactive Gambling* (published 31 March 2014); and
- *Validation Study of In-Venue Problem Gambling Indicators* (published 31 March 2014).

A copy of the completed research reports can be found on the GRA website:

www.gamblingresearch.org.au/home/research/gra+research+reports/

In addition, GRA currently has national research commissioned in the following areas:

- efficacy of gambler self-help strategies;
- EGM Structural Characteristics; the use of social media in gambling;
- marketing of sports betting and racing;
- loyalty programs;
- casinos and responsible gambling; and
- innovations in traditional gambling products.

These research projects are scheduled to be finalised in the next 12 – 24 months.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

Initiate or Complete Projects Through the Problem Gambling Assistance Fund

The Commission provides education, prevention and support services, mainly through projects delivered through the Problem Gambling Assistance Fund. This section meets the requirements of section 163C of the *Gaming Machine Act 2004* in reporting the outcomes of the operations of the Problem Gambling Assistance Fund.

The Problem Gambling Assistance Fund was established on 1 July 2011 under the *Gaming Machine Act 2004*. Revenue for the Fund is sourced from a 0.6 per cent levy on gaming machine licensees' Gross Gaming Revenue and contributions on a voluntary basis from ACTTAB and Casino Canberra Limited.

Expenditure from the Fund is for the purpose of alleviating problem gambling or the disadvantages that arise from problem gambling and for providing or ascertaining information about problem gambling.

The ACT Gambling and Racing Commission administers the Fund, including providing for the ACT Gambling Counselling and Support Service which was operated during the period by Mission Australia under a three year contract. The delivery of the service by Mission Australia commenced on 1 July 2011 and ceased at the end of the reporting period.

The ACT Gambling Counselling and Support Service is an ongoing initiative. A new provider, Relationships Australia Canberra and Region, was selected through a public tender process and will commence delivery of the Service from 1 July 2014 in collaboration with Care Inc.

The Service seeks to assist people presenting with gambling problems, including their family or friends, through counselling. One-on-one counselling and group sessions are available.

Financial counselling and referrals to other support services in the ACT are also provided which aims to assist clients who may be experiencing difficulties in other aspects of their life. The service seeks proactive involvement with stakeholders in an attempt to prevent or curb problem gambling before it causes harm.

Access to a counsellor is available via the National Gambling Helpline on 1800 858 858.

In the third year of service, Mission Australia conducted 576 counselling sessions for people with gambling related issues, 27 counselling sessions for the family or friends of gamblers and 86 financial counselling sessions. Mission Australia also provided a group therapy option which recorded 45 attendances for the period.

Mission Australia engaged with stakeholders to provide information on the service they offered, develop networks and encourage referrals to the service. This included networking and professional training opportunities for Gambling Contact Officers, engaging students of tertiary institutions during 'O Week', establishing a north side outreach program in Belconnen, networking with referral agencies and other stakeholders including developing a Memorandum of Understanding with OzHelp Foundation.

The Commission has convened the Problem Gambling Assistance Fund Advisory Committee to provide advice on other projects that fall within the scope of the Fund for consideration and decision by the Commission.

In making decisions on projects under the Fund, the Commission's Board, having considered the recommendations of the Advisory Committee, ensure that approved expenditure meets a range of short-term and long-term goals as well as representing a cross-section of applied and academic projects. This ensures that some immediate benefits are achieved, some concrete outcomes are obtained and the ground work is undertaken to inform or improve knowledge about problem gambling issues.

Table 11: Problem Gambling Assistance Fund Receipts 2013-2014

For a full summary of Table 11 contact:

Manager, Coordination and Revenue ACT Gambling and Racing Commission Level 2 Canberra Nara Centre,
1 Constitution Avenue CANBERRA CITY ACT 2601 Phone: (02) 6207 0359

Table 11: Problem Gambling Assistance Fund Receipts 2013-2014

Licensee	Amount \$	Licensee	Amount \$
ACT Rugby Union Club	586	Hellenic Club Group	
Ainslie Group		– Hellenic Club in the City	7,100
– Ainslie Football and Social Club	41,029	– Hellenic Club of Canberra	68,124
– Canberra City Bowling Club	1,114	Italo Australian Club	3,601
– Gungahlin Lakes Golf & Community Club	52,993	Magpies Group	
Australian Croatian Club	106	– Magpies Belconnen Golf Club	1,547
Austrian Australian Club	719	– Magpies City Club	2,711
Belconnen Bowling Club	573	– Magpies Sports Club	15,993
Belconnen Soccer Group		Mawson Club	32,728
– Belconnen Soccer Club - Hawker	10,544	Murrumbidgee Country Club	961
– Belconnen Soccer Club - McKellar	13,043	National Press Club	400
Canberra Bowling Club	388	Spanish Australian Club Incorporated	95
Canberra Club (The)	959	Tennis ACT ^{①②}	-
Canberra Deakin Football Club	4,044	Tuggeranong Rugby Union Group	
Canberra Highland Society & Burns Club	13,906	– Chisholm Sports Club	31,478
Canberra Irish Club Limited	3,360	– Lanyon Valley Rugby Union & Amateur Sports Club	29,552
Canberra Labor Group		– Town Centre Sports Club	43,045
– Canberra Labor Club	96,183	– Tuggeranong Valley Rugby Union & Amateur Sports Club	48,331
– City Labor Club	19,493	Woden Tradesmens Union Club	22,620
– Ginninderra Labor Club	25,509	Yowani Country Club	1,932
– Weston Creek Labor Club	8,843	Sub Total - Clubs	1,021,712
Canberra Racing Club	2		
Canberra Raiders Group		Civic Pub	324
– Raiders Gungahlin	50,860	Fyshwick Tavern	772
– Raiders Belconnen	33,101	Kambah Inn	433
– Raiders Weston	26,342	Kingston Hotel	367
Canberra Southern Cross Group		Moby Dick's Tavern	105
– Southern Cross Club	76,460	Mercure Canberra	236
– Southern Cross Club - Jamison	23,584	O'Neills of Dickson	315
– Southern Cross Club – Tuggeranong	52,361	PJ O'Reilly's Tuggeranong Irish Pub	239
– Southern Cross Club - Turner ^①	960	Statesman Hotel Motel	190
– Southern Cross Club - Yacht Club	996	Wood Duck Inn	43
Canberra Tradesmens Union Club	92,371	Sub Total – Hotels/Taverns	3,024
Eastlake Group			
– Calwell Club	23,667	Casino Canberra	45,455
– Eastlake Football Club	23,375	ACTTAB	45,455
– Sports Club Kaleen	12,148	Sub Total - Others	90,910
Federal Golf Club	133		
Harmonie German Club	1,742	TOTAL ^③	1,115,646

① No longer a licensee at 30 June 2014.

② Licensee did not operate during the reporting period.

③ Total income to the Problem Gambling Assistance Fund does not include \$30,162 in bank interest.

Table 12: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2014

For a full summary of Table 12 contact:

Manager, Coordination and Revenue ACT Gambling and Racing Commission Level 2 Canberra Nara Centre,
1 Constitution Avenue CANBERRA CITY ACT 2601 Phone: (02) 6207 03599

Table 12: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2014

Project Name	Outcomes	Status	Funds Committed (excluding GST)	Funds Spent in 2013-14 (excluding GST)	Recipient of funds
ACT Gambling Counselling and Support Service	<ul style="list-style-type: none"> People experiencing problems with gambling, including families and friends, have free access to professional gambling counselling and support. The Service also provides professional financial counselling. Gambling providers and other help services in the ACT have access to support in assisting gamblers believed to have problems with their gambling. Harm from problem gambling is reduced as a result of a pro-active approach to community education and early intervention. 	Ongoing - Mission Australia was contracted to deliver the Service on 1 July 2011, for a three year period. Their contract expired 30 June 2014. Following the conduct of a public tender process, Relationships Australia Canberra and Region was selected to deliver the Service from 1 July 2014, for a three year period with an optional extension. Care Inc will be subcontracted to provide financial counselling.	\$1,952,190	\$650,730	Mission Australia for the provision of gambling counselling and support services.
Training for Non-Gambling Specific Community Sector Workers	Community Sector Workers in the ACT have increased skills to assist their clients who have problems with gambling.	Ongoing - Approximately 100 people have completed this training during 2013-14. Dates have so far been secured for two additional training sessions in 2014.	\$70,000	\$15,790	The Association of Children's Welfare Agencies Inc. for the provision of training.
Introductory Level Course: 'Engaging People to Talk About Problem Gambling Issues'				\$1,186	ACT Gambling and Racing Commission for reimbursement of refreshments and lunch.
				\$1,824	Venue Hire

Table 12: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2014 continued

Project Name	Outcomes	Status	Funds Committed (excluding GST)	Funds Spent in 2013-14 (excluding GST)	Recipient of funds
Training for Non-Gambling Specific Community Sector Workers Intermediate Level Course: 'Beyond Smoke and Mirrors'	Community Sector Workers in the ACT have increased skills to assist their clients who have problems with gambling. This course aims to build on the skills developed in 'Engaging People to Talk About Problem Gambling Issues' and provides more detail on discussing the issue and identifying solutions for clients.	Ongoing - Approximately 56 people have completed this training during 2013-14. Dates have so far been secured for two additional training sessions in 2014.	\$15,000	\$7,671	The Association of Children's Welfare Agencies Inc. for the provision of training. Gambling and Racing Commission for reimbursement of refreshments and lunch. Venue Hire
Gambling Help Online	Residents of the ACT have 24/7 access to online problem gambling counselling and support.	Ongoing - The Commission continues to administer the MOU until its expiration in 2015.	\$28,418 (revised to \$24,038 under amended MOU)	\$8,601	Australian Online Gambling Victoria as the service provider.
Acquisition and Introduction of Exclusion Capability in the ACT	This project seeks to deliver a more effective venue exclusion scheme in the ACT by: <ul style="list-style-type: none"> improving access to exclusion information by gambling venues; streamlining the exclusion process; and providing immediate access to statistical data about the uptake and use of this important harm minimisation measure. 	Completed - Phase 1 - October 2012. Ongoing - Phase 2 involved the development and user testing of the database during the reporting period. Roll out of the database and user training commenced at the end of the reporting period.	\$90,000 \$300,000	\$57,037 \$58,300 \$568	SS-ICT for project support phase 2. Hammond Street Development for development of database. Venue Hire for Industry Training Courses.

Table 12: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2014 continued

Project Name	Outcomes	Status	Funds Committed (excluding GST)	Funds Spent in 2013-14 (excluding GST)	Recipient of funds
Upgrade of ACT's Problem Gambling website	ACT residents will have access to problem gambling support information that is dynamic in presentation and encourages use by key at-risk populations.	Ongoing - This project will develop an appropriate communication strategy which will be applied to an updated website. The scope of works will be informed by the outcomes of the Prevention Interventions for Problem Gambling research paper by the ANU, due early in the 2014-15 period.	\$40,000	Nil	N/A
Research Project: <i>'Prevention Interventions for Problem Gambling'</i>	To identify prevention approaches used in other health and wellbeing problems that may potentially be effective in the problem gambling context.	Ongoing - This project was approved by the Commission on 19 June 2012. The ANU Centre for Gambling Research has commenced this research project. Draft final report received 2 June 2014. The final report is anticipated early in the 2014-15 reporting period.	\$95,000	Nil	Australian National University Centre for Gambling Research for the conduct of identified research project.
In venue signage	Mounted sign for display in gambling venues identifying the telephone number for the ACT Gambling Counselling and Support Service.	Completed - The project was approved by the Commission on 14 December 2012. Signs were provided to all gambling venues for display during 2013. An additional 4 signs were produced for use by non-gambling specific community organisations.	\$12,000	\$400	Integrity Signs for the production of in-venue signage.

Table 12: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2014 continued

Project Name	Outcomes	Progress	Funds Committed (excluding GST)	Funds Spent in 2013-14 (excluding GST)	Recipient of funds
OzHelp Gambling Education Tools	A responsible gambling topic is introduced into the Hard Hat Chat health series presented at ACT worksites and the development of an online application or 'app' to further promote gambling education.	Completed - The design, development and printing of 5,000 copies of the 'Safer Gambling' brochure have been completed and incorporated into the Hard Hat Chat short health promotion sessions. The online app was utilised by 44 users in its first five months of operation.	\$15,000	\$11,092	OzHelp Foundation for the design, development and printing of 5,000 copies of the 'Safer Gambling' brochure.
Multicultural Information for culturally and linguistically diverse (CALD) Groups in the ACT	Multicultural information addressing problem gambling and identifying the telephone number for the ACT Gambling Counselling and Support Service is distributed across the ACT multicultural community.	Completed - Material was produced in the main 10 languages other than English spoken in the ACT and was available for distribution to the wider Canberra community during the ACT Multicultural Festival. The material is currently being utilised by a number of clubs, ACTTAB and Casino Canberra.	\$16,000	\$2,615	ACT Publishing Services for the design, translation and printing of multicultural posters, business cards and ACTTAB Keno terminal displays.

Table 12: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2014 continued

Project Name	Outcomes	Status	Funds Committed (excluding GST)	Funds Spent in 2013-14 (excluding GST)	Recipient of funds
<i>Client Cohort Longitudinal Research Study</i>	<p>This research project conducted by the ANU CGR will document histories of how individuals reached problem gambling treatment services and will then follow clients through the period of receiving help and for a minimum of two years after their treatment has ended. The project is designed to address a number of gaps in the existing knowledge base related to the:</p> <ul style="list-style-type: none"> • pathways by which people with gambling problems reach treatment services; • factors associated with and the perceived reasons for leaving treatment early rather than completing treatment; • extent to which gambling-related problems recur in those who have had treatment; and • level of future service contact among those who have previously had treatment. <p>The project is jointly funded by the ACT/NSW governments.</p>	<p>Preliminary design and development work on the project including drafting of an agreement between the ANU and the ACT and a Deed of Collaboration between the ACT and NSW Governments.</p> <p>An ACT/NSW steering committee to oversee the preparation of the research has been established.</p>	\$786,109	<p>\$91,235</p> <p>\$959</p>	<p>Australian National University Centre for Gambling Research for the conduct of identified research project.</p> <p>Reimbursement to Commission for travel to Sydney by CEO and Board member to meet NSW OLGR.</p>
TOTAL			\$3,419,717	\$909,735^①	

^① Total expenditure from PGAF does not include bank fees of \$108, payments of \$2,058 for a scribe, and \$96 for meeting expenses for the ACTGCSS tender assessment panel.

Statement of Intent

There are three additional performance measures contained in the Commission's 2013-14 Statement of Intent.

Review Gaming Legislation and Policies and Implement Changes –

2013-14 Performance Indicator – Completion of 1 report, brief or review

Gambling and Racing Control (Code of Practice) Regulation 2002

The Commission finalised its review of the *Gambling and Racing Control (Code of Practice) Regulation 2002* which commenced in the 2012-13 reporting period. The review sought to enhance or clarify the harm minimisation measures in the Code of Practice. The conduct of the review was supported by the recommendations contained in the April 2012 Auditor-General's report on *Monitoring and Minimising Harm Caused by Problem Gambling in the ACT*.

As part of the review process, the Commission developed a final Policy Paper and recommendations, based on stakeholder feedback and comments made by Economic Development. The Minister for Racing and Gaming endorsed the recommendations which were used to instruct the Parliamentary Counsel's Office in drafting amendments to the Code. These amendments are made by the *Gambling and Racing Control (Code of Practice) Amendment Regulation 2014* which will take effect on 1 August 2014.

Other Legislative Policy Advice

The Commission provided assistance to Economic Development in the preparation of legislative amendments to the *Gaming Machine Act 2004*, *Casino Control Act 2006* and *Sports Bookmaking Act 2001* during the reporting period. It also assisted in the preparation of the Totalisator

Act 2014 in anticipation of the sale of ACTTAB. The Commission assisted with the development of the *Gaming Machine (Red Tape Reduction) Amendment Act 2014* which commenced in March 2014. This Act reduces red tape relating to the approval of financial arrangements for the acquisition of gaming machines or the encumbrance of existing gaming machines and to the approval of arrangements for undisbursed jackpot amounts. The *Red Tape Reduction Legislation Amendment Bill 2014* tabled during the reporting period, proposes to extend the licence period for casino and racing industry licences from two to three years and to reduce the regulatory framework for gaming machine licensees in relation to signage.

Keep Informed About Developments in Gaming and Regulatory Practices –

Attend at least two meetings or conferences

The Commission has continued to participate in the Australasian Casino and Gaming Regulators' Chief Executive Officers' Forum as the key mechanism for participating in the development of gaming and regulatory practices in Australia. The Forum is informed by various working parties including the Gaming Machine National Standards Working Party and the Jurisdictional Regulators' Better Practice Compliance Working Group. The latter working group provides the opportunity for regulatory officials to share information about the conduct of investigations and inspections and enables comparisons of operating methods with a view of sharing better practice approaches to compliance.

The Chief Executive Officers (CEOs) of the gambling regulatory agencies in Australia and New Zealand meet twice annually to discuss issues of mutual interest. One meeting is generally held in conjunction with the Australasian Casino and Gaming Regulators' Conference which brings together Commissioners and senior executives from regulatory agencies and their governing boards. During the reporting period CEOs met in Hobart in November 2013 and again in Melbourne in June 2014. The Commission's Chief Executive Officer attended both of these meetings.

Effectively Manage Commission Resources –

Achieve or improve the 2013-14 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus

The Management Discussion and Analysis and Financial Statements (refer to section F.1 and F.2) Financial Management Reporting details that Commission's performance in achieving this objective.

Stigma And Seeking Help For Gambling Issues

A study by the ANU Centre for Gambling Research has found that people with gambling problems do experience stigma, and that feelings of shame, embarrassment and guilt can stop them seeking help.

The Stigma and Help-seeking for Gambling Problems Report, funded by the Commission, was based on over 100 in-depth interviews with health and welfare professionals from the ACT, people who played 'poker machines' at least once a week, people who self-identified as having a gambling problem, and gambling or financial counsellors around Australia.

People experiencing gambling problems should be encouraged to view seeking help as a wise and mature action, as they would view seeking advice or help for any other health problem, the report found. The Commission has engaged Relationships Australia and Care Financial Services to provide free and confidential advice to anyone who may need it, including family and friends who are worried about someone they know gambling. Phone contact is through 1800 858 858 or Online services are also available at gamblinghelponline.org.au.

B.3 COMMUNITY ENGAGEMENT AND SUPPORT

Community Engagement

Gambling Advisory Reference Group

The Gambling Advisory Reference Group (GARG) was established in 2001. It is an advisory body from which the Commission draws views and opinions across a broad section of organisations in the ACT with respect to assisting the Commission in addressing and minimising the harmful aspects of gambling and problem gambling in the ACT.

During the reporting period the Group met on two occasions and comprised the following representatives:

- Dr Mark Doverty - ACT Gambling and Racing Commission (Chair);
- Mr Greg Jones - ACT Gambling and Racing Commission;
- Dr Roger Mauldon - ACT Churches Council;
- Ms Susan Helyar - ACT Council of Social Services;
- Mr Victor Marillanca - Canberra Multicultural Community Forum Incorporated;
- Mr Paul Flint - Council on the Ageing;
- Ms Jasmine McDougall - Mission Australia;
- Ms Liisa Wallace – Care Inc; and
- Ms Jancye Winter - Office of Multicultural, Aboriginal & Torres Strait Islander Affairs.

Due to the change in service provider for the ACT Gambling Counselling and Support Services, Ms McDougall will be replaced by a representative from Relationship Australia Canberra and Region.

Problem Gambling Assistance Fund Advisory Committee

The Problem Gambling Assistance Fund Advisory Committee first met in February 2012 following the commencement of the Problem Gambling Assistance Fund in July 2011 (see section B.2).

The Advisory Committee includes representatives from ACT gambling providers, the community sector and ACT Government. The Committee provides advice to the Commission on projects that fall within the scope of the Fund that the Commission may consider approving and funding.

During the reporting period the Advisory Committee met on four occasions and comprised of the following representatives:

- Mr Greg Jones - ACT Gambling and Racing Commission (Chair);
- Ms Susan Helyar - ACT Council of Social Services; Ms Louise Glenn – ClubsACT;
- Ms Bernie Morris – Casino Canberra;
- Ms Riansa van der Westhuizen – ACTTAB; and
- Ms Janelle Wheatley – Community Development Services Directorate.

Gambling Industry Consultative Committee

The Gambling Industry Consultative Committee first met in May 2013.

The Consultative Committee includes representatives from ACT gambling facilities, industry advocates and Government. The forum provides an opportunity for the Commission to communicate directly with the gaming and wagering industries to facilitate the flow of information amongst members to ultimately assist Commission members in their deliberations.

During the reporting period the Consultative Committee met on four occasions and comprised of the following representatives:

- Mr John Haskins – ACT Gambling and Racing Commission (Chair)
- Dr Mark Doverty – ACT Gambling and Racing Commission (Deputy Chair);
- Mr Mark Rolfe – ACT Gambling and Racing Commission;
- Mr Greg Jones – ACT Gambling and Racing Commission;
- Ms Luceille Yeomans – ACT Gambling and Racing Commission;
- Mr Alex Ingham – ACT Gambling and Racing Commission;
- Mr Mark Kalleske – Economic Development;
- Ms Natalie MacLean – Economic Development; Mr Jeff House – ClubsACT;
- Ms Bernie Morris – Casino Canberra; Mr Tony Curtis – ACTTAB;
- Mr Brad Watts – Australian Hotels Association;
- Mr Michael Capezio – Australian Hotels Association;
- Mr Arthur Roufogalis – Canberra Labor Club Group;
- Mr Simon Hawkins – Raiders Group;
- Mr Patrick Keogh – Vikings Group;
- Mr Jeremy Wilcox – ACT Rugby Union Club and Vice President ClubsACT;
- Mr Rob Docker – Canberra Tradesmen’s Union Club; and
- Mr Nelson Blencowe – Networks.

Table 13: ACT Gambling and Racing Commission Community Consultation

Consultative Group	Purpose	Consultation Process	Group/Individuals Consulted	No. of Submissions or Participants	Outcome
Gambling Advisory Reference Group	As recommended by the Needs Analysis Survey Report, the Advisory Reference Group was formed to assist the Commission in developing and implementing targeted strategies to address problem gambling in the ACT.	Meetings.	Key stakeholders from a broad cross section of organisations in the ACT are represented on the reference group.	9 participants.	To provide objective outcomes and advice to the Commission on behalf of peak ACT community services organisations on issues related to problem gambling.

Consultative Group	Purpose	Consultation Process	Group/Individuals Consulted	No. of Submissions or Participants	Outcome
Problem Gambling Assistance Fund Advisory Committee	The Problem Gambling Assistance Fund receives monies from gaming machine licensees, Casino Canberra and ACTTAB. The monies must be spent on projects that will assist with alleviating or informing about problem gambling such as counselling, research, advertising and self help programs.	Meetings.	Key stakeholders include representatives of the contributors to the Fund, the community sector and the ACT Government.	6 participants.	To provide advice to the Commission on possible projects that fall within the scope of the Fund that the Commission may consider approving and funding.
Gambling Industry Consultative Committee	The Gambling Industry Consultative Committee was established in May 2013 to facilitate consultation with the gaming and wagering industries.	Meetings.	Key stakeholders include representatives of club industry, hotels association, ClubsACT, ACTTAB, Casino Canberra and Networks.	20 participants.	To enhance the exchange of information between the Commission and gambling industries.

Education and Public Awareness Initiatives

The Commission provides information to licensees through periodic circulars and compliance bulletins that cover regulatory issues, changes in administration and general matters of significance that should be undertaken or noted as part of their gambling operations.

The Commission also continues to distribute the following information and education brochures to gaming venues and service providers free of charge:

- ACT Gambling Code of Practice – Information for patrons;
- Gambling – Is it affecting your life;
- Betting on Casino Table games – Know the deal on playing the game;
- Betting on Lotto, Lotteries or Keno – Know the odds of your numbers coming up;
- Betting on Gaming Machines – Know your chances on the pokies;
- Gambling More enjoying it less – You can choose a better deal;
- Gambling Problems in your family? – Everyone can lend a hand for a better deal;
- Responsible Gambling – Take Control;
- Responsible Gambling – Family and Friends Can Help; and
- Responsible Gambling – How to Set Your Own Limits.

Responsible Gambling Awareness Week

Responsible Gambling Awareness Week (RGAW) is a national campaign conducted at a state level that is a partnership between government, industry and community groups for the promotion of responsible gambling. The key objective of the week, held 26-31 May 2014, was to raise community awareness of the importance of responsible gambling at a personal, venue and community level. The Commission supported a number of initiatives by Mission Australia to deliver this message over the week including through an editorial in *The Canberra Times*. The campaign was also promoted through advertisements in that paper during that week.

Australian Online Gambling Counselling and Support Program

The Australian Online Gambling Counselling and Support Program was formally launched on 8 October 2009. The service – gamblinghelponline.org.au – operates 24 hours a day, seven days a week without charge to customers. All Australians now have online access to qualified gambling counsellors who can provide assistance through either live online counselling or by email. Users also have the option to seek assistance anonymously or to register so they can keep a record of their discussions. During the reporting period the website nationally received 103,042 unique visitors and delivered 3,597 counselling sessions. There were 1,636 visitors from the ACT during the reporting period, representing 1.3 per cent of visitors to the site.

This service is funded by all jurisdictions under a Memorandum of Understanding which was renewed in June 2012 for another three years. The Commission has been actively involved in the working group for this program and has participated in one teleconference held by the working group during the reporting period.

National Gambling Helpline 1800 Number

In 2008 the Ministerial Council on Gambling agreed to a single national 1800 gambling helpline to allow people to seek immediate help through a counsellor in their State or Territory by ringing one number throughout Australia. The number is 1800 858 858 and there were 298 calls received from the ACT over the period 1 July 2013 – 30 June 2014. The Commission has incorporated the 1800 number into its published material and continues to work with the industry to ensure that the number is promoted and used consistently throughout the ACT.

Calls made by ACT residents to the National Gambling Helpline were taken by the ACT's Gambling Counselling and Support Service (operated by Mission Australia) during business hours. Calls made by ACT residents after hours are diverted to counsellors at the NSW Government funded telephone crisis centre, Gambling Help.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

ACT Gambling Counselling and Support Service

Following a rigorous tender process in 2013-14, Relationships Australia will provide the ACT Gambling Counselling and Support Services for the next three years.

The Service provides specialised professional counselling to members of the local community to support people and their families who may be experiencing problems with gambling. Relationships Australia has partnered with Care Financial Counselling Service to offer confidential 24 hour telephone advice and counselling, as well as face-to-face and online counselling services.

The Service is funded through the Problem Gambling Assistance Fund.

ACT Gambling Counselling and Support Service: 1800 858 858 (24 hours a day)

B.4 Ecologically Sustainable Development

Section 158A of the Environment Protection Act 1997 requires agencies to report on actions and initiatives taken during the reporting period to support an ecologically sustainable development.

Table 14: Sustainable development performance 2012-2013 and 2013-2014

For a full summary of Table 14 contact:

Manager, Coordination and Revenue ACT Gambling and Racing Commission Level 2 Canberra Nara Centre,
1 Constitution Avenue CANBERRA CITY ACT 2601 Phone: (02) 6207 0359

Table 14: Sustainable development performance 2012-2013 and 2013-2014

Indicator as at 30 June	Unit	2012-13	2013-14	Percentage change
Agency staff and area				
Agency staff	FTE	27.6	30.6	10.9
Workplace floor area	Area (m ²)	531	531	0
Stationary energy usage^{1, 2}				
Electricity use	Kilowatt hours	66,533	64,236	(3.5)
Renewable electricity use ⁴	Kilowatt hours	8,522	0	(100)
Natural gas use	Megajoules	113,957	130,573	14.6
Transport fuel usage				
Total number of vehicles	Number	2	2	0
Total kilometres travelled	Kilometres	11,016	9,956	(9.6)
Fuel use – Petrol	Kilolitres	0.940	0.795	(15.4)
Fuel use – Diesel	Kilolitres	0	0	0
Fuel use – Liquid Petroleum Gas (LPG)	Kilolitres	0	0	0
Fuel use – Compressed Natural Gas (CNG)	Kilolitres	0	0	00
Water usage^{1,3}				
Water use	Kilolitres	275	290	5.5
Resource efficiency and waste¹				
Reams of paper purchased	Reams	556	482	(13.3)
Recycled content of paper purchased	Percentage	50	50	0
Waste to landfill	Litres	27,196	27,943	2.7
Co-mingled material recycled	Litres	5,641	6,457	14.5
Paper & Cardboard recycled (incl. secure paper)	Litres	12,398	11,841	(4.5)
Organic material recycled ⁵	Litres	3,717	743	(80.0)
Greenhouse gas emission's²				
Emissions from stationary energy use	Tonnes CO ₂ -e	68.80	76.46	11.1
Emissions from transport	Tonnes CO ₂ -e	2.41	2.04	(15.4)
Total emissions	Tonnes CO ₂ -e	71.21	78.5	10.2

Notes to table 14:

1. Figures have been provided by the Chief Minister, Treasury and Economic Development Directorate, Corporate Management Section, and are calculated on whole of building consumption apportioned to the Commission based on net lettable office area.

2. In June 2014, the Government established an Enterprise Sustainability Platform (ESP), to provide a consistent approach to reporting sustainability data in future years. The ESP provides continuously updated, accurate and auditable water, energy (electricity and gas), and greenhouse gas (GHG) emissions data and utility billing cost information for its assets and agencies, a function which has not previously been available. The ESP was used to provide data for 2013-14 and update data for 2012-13 in this Annual Report.

3. As water billing is provided quarterly, the water data reported in this table is taken from the 12 months from 1 May 2013 to 30 May 2014, as the best available data at the time of publishing.

4. ACT Property Group purchased 7,530 MWh (Mega Watt hours) of GreenPower on behalf of the ACT Government, representing 5% of the ACT Government's energy consumption for 2013-14.

5. Reduced figures are due to the contracted service provider ceasing trade during the year along with delays experienced by the Directorate in engaging a new service provider.

The Commission is incorporated in Economic Development's Resource Management Plan which provides guidance on sustainability issues and includes an annual plan of activities to address management of water, electricity and gas consumption, waste production and recycling initiatives.

Whilst the Commission has limited opportunity for significant contributions in this regard, it remains committed to supporting sustainable measures that contribute to its reduction in energy usage and impact on the environment.

The following initiatives have been implemented:

- lights out after office hours;
- purchasing of recycled stationery items where possible;
- reducing paper consumption via double sided printing/photocopying;
- use of the photocopier's scanning and email facility where appropriate; and
- provision of recycling services for paper, cardboard, organic material, comingled waste, toner cartridges, batteries, mobile phones and cameras.

During the reporting period the Commission maintained accreditation in the Office Smart sustainability program coordinated by the Environment and Sustainable Development Directorate.

Additionally, the Commission has been advised that major capital works to improve the energy efficiency of the building occupied by the Commission were completed by the property owners during the reporting period. These works related to an overhaul, upgrade and replacement to the heating, ventilation and cooling system.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

SECTION C:

Governance and
Accountability
Reporting

SECTION C: Governance and Accountability Reporting

C.1 Internal Accountability

Membership of the Commission

Section 12 of the *Gambling and Racing Control Act 1999* provides that the Commission shall consist of five members. Section 79 of the *Financial Management Act 1996* (FMA) provides for the appointment of a chairperson, deputy chairperson and section 80(4) of the FMA states that the Chief Executive Officer of an authority is a member of the governing board.

Under section 56 of the FMA the Board is responsible, under the Minister, for the efficient and effective financial management of the authority. Section 77 of the FMA provides that a governing board has the following functions:

- setting the authority's policies and strategies;
- governing the authority consistently with the authority's establishing Act and other relevant legislation;
- ensuring, as far as practicable, that the authority operates in a proper, effective and efficient way; and
- ensuring, as far as practicable, that the authority complies with applicable governmental policies.

The Commission's governing board consists of four non-executive members made up of the Chairperson, Deputy Chairperson and two ordinary members. The Commission's Chief Executive Officer is also a member of the governing board. Non-executive Board members' appointments are approved by the Minister for Racing and Gaming. The Standing Committee on Public Accounts is consulted on all non-executive member appointments in accordance with section 228 (Consultation with appropriate Assembly Committee) of the *Legislation Act 2001*.

From July 2013 to June 2014 the Commission's Board consisted of five members:

- Chairperson: Mr John Haskins, AM
- Deputy Chairperson: Mr Mark Rolfe
- Members: Dr Mark Doverty, Ms Alice Tay
- Chief Executive: Mr Greg Jones

During the reporting period Mr Mark Rolfe (Deputy Chairperson) resigned as a Board member effective 13 June 2014. A new Board member will be appointed by the Minister for Racing and Gaming as soon as practical.

The *Gambling and Racing Control Act 1999* prescribes that of the four non-executive members of the Commission "one must have knowledge, experience or qualifications related to providing counselling services to problem gamblers". The appointment of Dr Mark Doverty has ensured compliance with this criterion.

The Commission conducts formal meetings on a monthly basis where comprehensive briefing papers and recommendations regarding significant issues are prepared and presented to the Board by Commission staff. In addition to making decisions on the major regulatory issues faced by the Commission, during the reporting period the Board decided on the recommendations to the Minister on amendments to the *Gambling and Racing Control (Code of Practice) Regulation 2002* and selected the preferred tenderer for the Problem Gambling Support Service.

Table 15: Commission Members' Attendance at Meetings - July 2013 to June 2014

Member	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
John Haskins	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Mark Rolfe	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Mark Doverty	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Alice Tay	No	Yes	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Greg Jones	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes

Detailed minutes of these meetings are kept and decisions of the Commission are communicated in writing to relevant parties. These minutes are examined by ACT Auditor- General staff during their annual financial and

performance audit of the Commission. The Commission members receive a monthly financial report at each meeting which incorporates monthly and year-to-date financial information and explanations of variances between budget and actual.

Commission resources are made available to Board members to assist them to carry out their duties. Access to independent professional or legal advice is available as required. Legal advice in relation to Commission decisions is obtained from the ACT Government Solicitor.

The Commission has adopted the ACT Public Service Code of Ethics.

John Haskins

Mr John Haskins AM retired from full-time work in 1998. For over 20 years prior to his retirement, Mr Haskins was Executive Chairman of a medium-sized construction and development company with offices on the Gold Coast, Sydney and Canberra. He is a past vice-president of the world-wide construction industry association known as CICA and past president of IFAWPCA (International Federation of Asian and Western Pacific Contractors' Association) of which 15 countries are members.

Mr Haskins is a Life Member and past president of the Master Builders' Association of Australia and of the Master Builders' Association of the ACT. He was a director of ACTTAB for 9 years, the last two years of his term as deputy chairman. Up until recently Mr Haskins sat on several other Boards including Exhibition Park in Canberra (EPIC), Construction and Building Industry Super (CBUS) and UTA.

Mark Rolfe

Mr Rolfe is the Managing Director of Rolfe Property Services, a company specialising in cleaning and associated services in the ACT. He is the President of the Building Service Contractors Association of Australia (ACT Division) and a member of the Canberra Business Council's Small Business Taskforce. Over the past decade, Mr Rolfe has also involved himself in the fostering of the local Small Business industry, serving on the Committee of the Micro and Home Business Association and lecturing in Small Business practice at the Canberra Institute of Technology and CIT Solutions. Mr Rolfe is a qualified workplace assessor and holds a Certificate IV in Assessment and Workplace Training.

Mark Doverly

Dr Doverly has a clinical background with specialist qualifications in the field of addictive behaviours. Dr Doverly has considerable experience in the treatment of people with alcohol, drug and gambling problems. Dr Doverly has previously been employed at clinician, manager and director levels in health services in Australia and overseas.

Alice Tay

Ms Tay is a partner with the legal firm Meyer Vandenberg and leads their Corporate Advisory and Commercial Division. Ms Tay specialises in Commercial Law & Contracting; Corporations Law & Corporate Governance; Information & Communications Technology & Intellectual Property. Ms Tay has a Bachelor of Law degree from the University of Sydney.

Greg Jones

Mr Jones was initially appointed as the Commission's Chief Executive Officer (CEO) on 1 November 2005. He brings to the role extensive public sector experience including

involvement with gaming regulation since 1993 incorporating 6 years as CEO and Chief Casino Inspector of the former ACT Casino Surveillance Authority. Mr Jones has an Honours degree from ANU specialising in Economics and Psychology.

Mr Jones previous achievements include the conduct of the Commission's legislative review program which has seen comprehensive reviews conducted on the Gaming Machine Act, and the Casino Control Act. Mr Jones was instrumental in the development of the ACT's Gambling Code of Practice which was the first mandatory Code of Practice covering all gambling licensees in any Australian jurisdiction.

Commission Responsibilities

The Commission established its Internal Audit and Risk Committee in March 2013, which oversees, on behalf of the Board, the Commission's governance, risk, compliance and internal control environments and provides assurances as to their effectiveness. Prior to March 2013, this function was undertaken by the Board.

The Board is responsible for the oversight of the preparation of the Commission's financial statements. At its monthly meeting, the Board reviews the Commission's monthly financial reports. The Internal Audit and Risk Committee are tasked to review and satisfy itself that the Commission's financial statements are supported by appropriate management signoff including the adequacy of the systems internal controls. Once satisfied, the Internal Audit and Risk Committee make a recommendation to the Board to sign the Statement of Responsibility that forms part of the financial statements.

The Commission is a major collector of revenues in the Territory. To manage the risk associated with revenue collection, verification and compliance, the Commission has developed a comprehensive Risk Management Plan and an internal audit program to review revenue collection systems, processes and procedures.

The overarching approach to managing risk at strategic and operational levels includes incorporating appropriate fraud prevention and control processes and practices to ensure the early identification and treatment of emerging risks. The Commission monitors this Risk Management Plan and Risk Register on a regular basis to ensure its currency and also to identify emerging risks as they occur.

Remuneration for Board Members and the Chief Executive Officer

The ACT Remuneration Tribunal, in accordance with the *Remuneration Tribunal Act 1995*, determines the remuneration of the executive and non-executive Commission members.

Management Committees

Table 16: Name and role of management committees

Name of Committee	Role of Committee	Membership
Internal Audit and Risk Committee (Further details are available in C.2 Risk Management and Internal Audit)	Oversees, on behalf of the Board, the Commission's governance, risk, compliance and internal control environments and provides assurance as to their effectiveness.	Sub-Committee of the Commission's Board made up of members of the Commission.
Health and Safety Committee (Further details are available in E.3 Workplace Health and Safety)	The Commission's Workplace Health and Safety Committee (WHSC) is part of the Economic Development Policy and Governance WHSC. This Committee facilitates consultation and communication between employees, represented unions and management. It also monitors the effectiveness of the safety management system and develops initiatives and programs to achieve improved outcomes in health and safety.	The Committee consists of employee and management representatives.

Further information may be obtained from:

Manager, Coordination and Revenue Telephone: (02) 6207 0359

C.2 Risk Management and Internal Audit

The Commission's Risk Management Plan was developed in accordance with the relevant Standard (*AS/NZS ISO 31000:2009 – Risk Management – Principles and Guidelines*).

The Risk Management Plan addresses all Commission financially related risks together with the risks associated with the approval and issue of licences for gambling providers and venue employees. The Commission's Risk Register was developed in accordance with the Standard to include organisational risks, sources, impacts, responsibilities, treatments and monitoring/review processes.

The Commission has an Internal Audit Program which has been developed after identifying areas of potential operational and financial risk. At its May 2014 meeting, the Commission's Board approved the Internal Audit and Risk Committee Program of Works for 2014-15.

The Commission can utilise the ACT Government's Whole-of-Government Internal Audit Services Panel to select contractors to conduct in-depth internal audits in areas that includes performance, compliance and information technology. High level desktop reviews are conducted by the Internal Audit and Risk Committee. During the reporting period, the Committee conducted reviews on the following items with no adverse findings identified:

- Travel Policy and Procedures;
- Property, Plant and Equipment; Occupational Health and Safety; Chief Executive Financial Instructions;
- Sports Bookmaking financial information requirements;
- Monthly Financial Management Reporting, Risk Management and Fraud Control Plan; and
- Monthly Financial Management Reporting.

In addition, the Commission reviews all ACT Auditor-General's reports for relevance and to ensure that the Commission's policies and procedures are consistent with best practice standards as identified by the ACT Auditor-General's Office.

The Commission's Internal Audit and Risk Committee provide independent assurance and assistance to the Board on risk management, financial controls and legal compliance as well as external accountability responsibilities.

The Internal Audit and Risk Committee met on four occasions during the reporting period.

Table 17: Summary of meetings attended by members and observers

The information from table 17 is:

- Mark Rolfe as Chair attended 4 meetings.
- Alice Tay as a Member attended 4 meetings.
- Greg Jones as Observer attended 4 meetings.
- Ron Leonard as Secretariat/Observer attended 4 meetings.

The resignation of Mr Rolfe as a Board member resulted in a vacancy on the Commission's Internal Audit and Risk Committee. At the Commission's June Board meeting members resolved that Dr Doherty would be appointed as an interim member of the Internal Audit and Risk Committee until the end of the 2014 calendar year. A review of the Internal Audit and Risk Committee will be undertaken once a new Commission member has been appointed.

The Internal Audit and Risk Committee Charter provides the framework for the conduct of the internal audit function in the Commission. Annual and forward audit programs are guided by governance, risk and compliance programs and supported by an audit recommendations register. The Charter was reviewed and endorsed by the Board in May 2014 and will continue to be reviewed on an annual basis.

Senior Executive Responsible for Business Integrity Risk

The Manager, Coordination and Revenue, undertakes the role of the Commission's Senior Executive Responsible for Business Integrity Risk (SERBIR).

C.3 Fraud Prevention

The Commission is committed to minimising the incidence of fraud and corruption through the development, implementation and regular review of a range of fraud prevention and detection strategies. As required under the ACTPS Integrity Policy, the Commission has in place a Fraud and Corruption Prevention Plan and a Fraud Risk Register which is reviewed every two years.

The Commission reviewed and amended its Fraud and Corruption Prevention Plan in February 2014 to ensure that it remains current and relevant.

All staff have access to documents and other information concerning fraud awareness and prevention, together with details of the appropriate contact officers. These include the Risk and Fraud Plans, the Fraud Risk Register, the ACTPS Integrity Policy, information on the

Public Disclosure Act 1994 and procedures for actioning Public Interest Disclosures and the ACTPS Code of Ethics. Fraud awareness and ethics training is provided to all Commission employees on an annual basis and is part of the induction process for new employees. Fraud and integrity matters are also discussed at management and section meetings.

There were no incidents of fraud reported in the Commission during the reporting period.

C.4 Legislative Assembly Inquiries and Reports

During the reporting period the Commission participated in the following Legislative Assembly Committee inquiries and reports.

Table 18: Summary of Inquiry into Appropriation Bill 2013-2014

Committee	Report Title	Date Tabled
Standing Committee on Public Accounts	Report 4: Report on Annual and Financial Reports 2012-2013	20 March 2014

Table 19: Summary of Report 4 Annual and Financial Reports 2012-2013

Committee	Report Title	Date Tabled
Select Committee on Estimates 2013-2014	Appropriation Bill 2013-2014 and Appropriation (Office of the Legislative Assembly) Bill 2013-2014	6 August 2013

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

C.5 Auditor-General and Ombudsman Reports

External Scrutiny

Many of the Commission's decisions under the gaming laws, such as taking disciplinary action against a licensee or refusing to approve an application for a licence or equipment, are decisions reviewable by the ACT Civil and Administrative Tribunal (ACAT). Other decisions are open to scrutiny through judicial review, a Legislative Assembly Committee or the ACT Ombudsman.

No administrative decisions made by the Commission during the reporting period were referred to the ACAT for review.

Auditor - General

The Commission's Financial Report and Statement of Performance are independently audited by the ACT Auditor-General. The Auditor-General provided an unqualified audit opinion on the Commission's 2013-14 Financial Report and Statement of Performance with no significant matters identified during the process (see sections F.2 and F.6).

There were no audit reports initiated by the ACT Auditor-General's Office that directly related to the Commission during the reporting period.

ACT Ombudsman

There were no reviews initiated by the ACT Ombudsman relevant to the Commission during the reporting period.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

SECTION D:
Legislation Based Reporting

SECTION D: Legislation Based Reporting

D.1 Public Interest Disclosure

The *Public Interest Disclosure Act 2012* (the Act) was passed by the Legislative Assembly in August 2012 and replaces the *Public Interest Disclosure Act 1994*. The Act came into effect on 1 February 2013. It improves on the previous legislation by broadening and clarifying the types of wrongdoing that fall within the definition of disclosable conduct; establishes a clear reporting pathway for the receipt and handling of disclosures; and provides specific circumstances under which a disclosure can be made to a third party.

Disclosable conduct includes any activity by an individual or an ACT Public Sector entity that:

- is illegal;
- misuses or wastes public money or resources;
- is misconduct;
- is maladministration;
- presents a danger to the health or safety of the public; or
- presents a danger to the environment.

The Commissioner for Public Administration has made Guidelines about the way in which the ACT Public Service and other public entities covered by the Act should handle public interest disclosures (PIDs).

The Guidelines were notified on 6 June 2013 and are divided into two parts:

- Part One is relevant to all readers. It looks at who and what is covered and provide general information about making a disclosure and the PID framework established by the Act; and
- Part Two is about the coordination and handling of disclosures and PIDs. It has been written with an internal focus and aims to assist those with responsibility for managing disclosures and PIDs.

The Act also requires the Commission to publish specific procedures detailing how PIDs will be managed. The procedures must detail how the Commission will meet the obligations to protect disclosers and how the Commission will assess and manage the risk of reprisals against people who make a PID, or are involved or implicated in a PID.

The Commission has developed an information sheet which is available which provides information on making a public interest disclosure, including:

- who can make a disclosure;
- what you can disclose;
- how to make a disclosure;
- how you are protected if a disclosure is made; and
- what Agencies must do under the *Public Interest Disclosure Act 1994*.

The leaflet also includes contact details to obtain further information in making a disclosure.

The Commission received no public interest disclosures under the *Public Interest Disclosures Act 1994* during the reporting period.

D.2 Freedom of Information

The *Freedom of Information Act 1989* (FOI Act) provides a legally enforceable right of access by citizens to documents in the possession of the ACT Government by:

- making available to the public information about the operations of agencies and, in particular, ensuring that rules and practices affecting members of the public in their dealings with agencies are readily available to persons affected by those rules and practices; and
- creating a general right of access to information in documentary form in the possession of Ministers and agencies, limited only by exceptions and exemptions necessary for the protection of essential public

interests and the private and business affairs of persons in respect of whom information is collected and held by agencies.

The Commission is required to prepare statements under sections 7, 8 and 79 of the FOI Act.

The Section 7 Statement is about the publication of information concerning functions and documents of the Commission.

The Section 8 Statement refers to documents in the possession of the Commission that are available for inspection and are available on the Commission's website.

The Section 79(2) statement is about the number of applications (initial requests) to access documents handled during the reporting year.

Section 7 Statement

In accordance with the requirements of section 7 of the FOI Act, the following statement is relevant as at 30 June 2014.

Functions and Powers

The Commission's functions and powers are to:

- administer the gaming laws in the Territory; and
- control, supervise and regulate gaming in the Territory.

Included in these broad functions are the following:

- regulating, monitoring, researching and approving gaming activity;
- monitoring and researching the social effects of gambling and of problem gambling;
- providing education and counselling services;
- investigating and conducting enquiries into:
 - issues relating to gaming and racing; and
 - activities of people in relation to gaming and racing, for the purpose of exercising functions under a gaming law;
- engaging in community consultation as appropriate;
- reviewing legislation and policies relating to gaming and racing; and
- collecting taxes, fees and fines imposed under the gaming laws.

In undertaking its functions, the Commission must have regard to consumer protection, minimising criminal activity and reducing the risks and costs of problem gambling to individuals and the community. The Commission must consult with the community with any review of legislation or policies.

Public Participation in Decision-Making

Arrangements for public participation in decision-making include:

- public submissions to inquiries and reviews of legislation;
- stakeholder feedback on policies, procedures and legislation;
- interaction with industry, community and welfare organisations;
- consultative committees for specific purposes;
- access to records through FOI requests;
- comments on draft documents; and
- comments on Bills before the Assembly and contact with the relevant Minister.

Categories of Documents

The Commission holds the following basic categories of documents.

Documents available on request and without charge - documents within this category include publications produced by the Commission such as its Annual Report and Statement of Intent. These are available from public counters and libraries throughout the Territory and may be available on the ACT Government's Internet Home Page and the Commission's website.

Other kinds of documents that may be available under the FOI Act:

- general files including internal, interdepartmental and public documents, minutes of Commission meetings, policy statements, financial and staffing estimates;
- diaries, rosters, work sheets;
- program and policy files;
- records held on microfilm, computer or paper in connection with specialised divisional functions;
- photographs, videos and films;
- financial and accounting records;
- files on applicants and clients;
- records of government including the machinery of government;
- leases and deeds of agreement; and
- brochures.

Facilities for Access

Those seeking information are encouraged to seek access by contacting the Commission before resorting to the more formal FOI procedure. Physical access to the documents of the agency is available at the listed address. Often it may be possible to access information more quickly and efficiently through an informal approach.

The physical location of the ACT Gambling and Racing Commission is:

Level 2, Canberra Nara Centre, Cnr Constitution Avenue and London Circuit Canberra City ACT 2601.

Several bus stops are close to the Nara Centre on London Circuit. Advice on bus services and times is available from [http:// www.action.act.gov.au](http://www.action.act.gov.au) or by calling 13 17 10. Short-term car parking is located opposite the Centre and a disabled car park space is available in Nangari Street alongside the Centre.

All FOI enquiries for the Commission should be directed to:

The FOI Coordinator, ACT Gambling and Racing Commission PO Box 214, Civic Square ACT 2608
or via email at grc@act.gov.au or by telephoning the Commission directly on (02) 6207 0359.

Section 8 Statement

The Commission makes available a Section 8 Statement which is an index of documents provided by the Agency for the purpose of making a decision or recommendation under an enactment or scheme. This Statement is available through the Commission's FOI Coordinator.

Request for Information (Section 79 Statement)

Section 79 of the FOI Act requires the Commission to include in the Annual Report details of applications made to the Commission during the year. Access decisions in relation to FOI requests are categorised in terms of: full release, partial release, entirely exempt, technical refusal (no documents located), still being processed, transferred and withdrawn.

There were no requests received by the Commission under the FOI Act during the reporting period.

D.3 Human Rights Act

The *Human Rights Act 2004* (HRA) is part of the Government's commitment to build a human rights culture in the ACT and ensure that Territory Managers are working within a human rights framework. From the commencement of the HRA in July 2004 all public officials have a duty to interpret legislation under which they operate consistently with human rights unless the Territory law clearly authorises otherwise.

Amendments to the HRA came into force on 1 January 2009 and provided individuals with the right of action where human rights have been breached by a government agency. The *Human Rights Amendment Act 2012* introduced a right to education commencing on 1 January 2013.

In all its dealings with staff, members of the public and stakeholders, the Commission acts in a way that takes its responsibilities into account and is respectful of human rights. Commission staff are regularly briefed on the HRA and all staff, particularly those within the Compliance and Investigations section who have inspectorial roles, are aware of their responsibilities under that Act. In addition, a number of staff have attended seminars presented by the ACT Human Rights Commission to highlight awareness in this area.

The Commission continued to actively work towards creating a positive work culture with ongoing promotion of the Respect, Equity and Diversity (RED) initiative. Mandatory training for RED continues with all new staff participating in a variety of RED training courses. The ACTPS RED Framework is included in the Commission's new starters induction manual.

All new legislation and legislative amendments are checked for compatibility with the HRA and those compatibility checks continue with the Commission's ongoing review of its legislation.

The Human Rights Commission and other ACT Public Service brochures and publications outlining human rights are available to staff and are included the Commission's new starter Induction Manual.

D.4 Territory Records Act

The records of the ACT Government are an important resource for Canberra residents and government officials alike. Records may provide proof of a particular action and provide evidence, support and transparency of government decisions, which can be invaluable to the progress of Territory business. Records management emphasises the value of knowledge and information as a resource. A structured approach to record creation, retention and status yields faster retrieval of required information.

The *Territory Records Act 2002* requires the Commission to address all of the elements set out in section 16 of the Act, as well as those set out in standards released by the Director of Territory Records under the Act.

Economic Development (formerly known as the Economic Development Directorate) has developed a Records Management Program 2014 (RMP), which includes Records Management Policy and Procedures in addition to the agency Thesaurus and Records Disposal Schedules. The Commission has adopted the Economic Development RMP.

The Commission has engaged a temporary staff member specialising in Records Management to assist in recording, disposing and storing of records currently located at the Commission. The specialised staff member will also be conducting training sessions with permanent staff to enhance their understanding and application of

record keeping requirements for the ACT Public Service.

The Commission uses the Whole-of-Government Thesaurus and Records Disposal Schedules, which are used to manage retention length and disposal of administrative records, Commission- specific records are managed in accordance with the notifiable instrument contained in the table below and can be viewed on the ACT Government's legislation website www.legislation.act.gov.au.

Table 20: Gambling and Racing Regulation Records Disposal Schedule

Records Disposal Schedule Name	Effective	Year and No.
Territory Records (Records Disposal Schedule - Gambling and Racing Regulation Records)	15 December 2004	NI 2004-476

Preservation of Aboriginal and Torres Strait Islander Information

In accordance with the *Territory Records Act 2002*, the Commission has an arrangement in place to preserve records containing information that allows people to establish links with their Aboriginal or Torres Strait Islander heritage. Whenever such a record is created, received or identified, the Commission will endorse the record with the notation '*File contains records with Aboriginal or Torres Strait Islander heritage information – Do Not Destroy*'.

Records Disposal Freeze

The aim of a disposal freeze on records is to minimise the risk of losing crucial evidence at, or around the time when an issue has been identified.

At present there are two Whole-of- Government disposal freezes that potentially could be relevant to the Commission. They are:

- TRO Records Advice No. 59 Superannuation Records 2010-2015. Post Cornwell Superannuation Case Litigation — Processing of Additional Claims; and
- Royal Commission into Institutional Responses to Child Sexual Abuse — Territory Records (Records Disposal Schedule — Protection of records relevant to the Royal Commission into Institutional Responses to Child Sexual Abuse) Approval 2013 (No 1).

The Commission will continue to retain any records identified under the disposal freezes until the litigation and Royal Commission come to an end and the disposal freezes are lifted.

Section 28 Declarations

The process of identifying records older than 20 years in order to determine whether access should continue to be restricted through a section 28 declaration by the Director of Territory Records is ongoing. A number of Commission records have been declared exempt from public access utilising a section 28 declaration.

By maintaining an approved register of section 28 declarations, the Commission complies with the *Territory Records Act 2002*, which allows a declaration to be made in relation to a document classed as an exempt document under prescribed provisions of the *Freedom of Information Act 1989*. Access to a record to which a declaration applies is prohibited under the *Territory Records Act 2002*.

Public Access to Territory Records

Members of the public can seek access to the Commission's records by contacting the Commission's FOI Coordinator.

D.5 LEGAL SERVICES DIRECTIONS

The *Law Officer Act 2011* requires all agencies to comply with *Law Officer (Model Litigant) Guidelines 2010* (No.1).

The Commission's Chief Executive has the following procedures in place to ensure Commission staff are aware of, and comply with, the Model Litigant Guidelines:

- the Chief Executive is advised of all legal disputes and is provided with regular updates as necessary;
- the Commission's legal services are provided by the ACT Government Solicitor's Office (ACTGSO) which reviews instructions to ensure compliance with the guidelines. The Commission is able to rely upon the ACTGSO to identify those matters where a question arises as to compliance with the Model Litigant Guidelines and to address it or elevate it as appropriate; and
- all staff involved in claims procedures or other decisions which may at some point become the subject of litigation are informed of the guidelines and instructed to comply with them, referring any queries to the ACTGSO through the Chief Executive.

No breaches of the Model Litigant Guidelines occurred during the reporting period.

The *Law Officer Act 2011* also requires agencies to disclose any breaches of the *Law Officers (General) Legal Directions 2012*. In 2013-14, the Commission sought all of its legal advice from the ACTGSO. As a result no breaches of the Legal Services Directions occurred during the reporting period.

D.6 Notices of Non Compliance

Section 200 of the *Dangerous Substance Act 2004* requires agencies to provide a statement on the number of notices of non-compliance served and the matter to which each notice related.

The Commission did not receive any notices during the reporting period.

D.7 Bushfire Risk Management

As the Commission's offices are located within leased premises in the heart of Canberra City, not within an environment at risk of bushfire, this item is not applicable.

D.8 Commissioner for the Environment

- Section 23 of the *Commissioner for Environment ACT 1993* requires the disclosure of:
- requests for staff to assist in the preparation of the State of the Environment Report;
- assistance provided in the response to such a request;
- investigations carried out by the Commissioner of any activities performed by the Commission; and
- recommendations made by the Commissioner following an investigation of the Commission's activities and any actions taken in response to those recommendations.

No reporting requirements under this section were applicable to the Commission during the reporting period.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

SECTION E:

Human Resources
Management Reporting

SECTION E: Human Resources Management Reporting

E.1 Human Resources Management

The Commission workforce is structured and managed to achieve the objectives as described in its Statement of Performance as mentioned at section F.6 of this report. In effectively fulfilling its objectives the Commission supports staff development through identifying core training needs and encouraging skill and knowledge enhancement.

The Commission has in place a Memorandum of Understanding with the Economic Development Human Resource (HR) Unit to provide strategic and technical HR support and advice to managers and staff of the Commission. The HR unit performs a range of HR functions for the Commission whilst facilitating the provision of support services provided by Shared Services.

Delivering for the Future

The Commission is committed to the development and retention of competent and skilled employees.

The Commission's strategy for employing effective people is outlined in its Strategic Plan 2014-2018:

- recognise the valuable contribution made by staff to achieving the Commission's vision;
- continually develop the knowledge and technical expertise of our staff;
- promote the ACT Government's and the Commission's values in our dealings with each other, the gambling industry and the community;
- enhance the management of diversity to ensure that the workplace is free of discrimination and harassment;
- assist our staff to reach their full potential by actively engaging in the implementation of the ACT Government's Performance and Development framework; and
- continue to be an employer of choice.

Recruitment practices carefully identify skill needs and specifically target prospective applicants that are assessed to meet the Commission's requirements. Planning ahead for known vacancies and other contingencies is undertaken to ensure that the Commission has adequate and appropriate resources to undertake its functions. As necessary, short-term or contract staff are used to meet immediate or specialised skill needs.

New employees are supported through an induction program and are encouraged to attend professional development activities either in-house or external to the Commission.

Strengthening Organisational Resilience

The Commission continues to promote workplace health and safety to ensure that the workplace culture provides a safe working environment. A key focus has been to improve staff awareness and understanding of health and safety roles and responsibilities and to engage with managers to establish and maintain an effective health and safety culture. The Commission also continues to make available a number of health and wellbeing initiatives to staff.

The Commission continues to actively promote a positive workplace culture through the provision of Respect, Equity and Diversity (RED) training to all managers and staff. This training together with providing a safe working environment, increases awareness and encourages a committed, motivated and productive workforce.

An Employee Assistance Program is in place to provide counselling service and support to all employees and immediate family members.

Sustaining Community Confidence

The Commission acknowledges the importance of the community and stakeholders having confidence in its actions. To achieve this, the Commission continues to promote and utilise training opportunities for staff in governance and risk management practices as well as continuing to promote awareness of the RED framework in order to embed an ethical and integrity based culture. The Commission participates in the Economic Development RED Contact Officer's Network Group.

Working Collaboratively

During the reporting period, the Commission continued to work collaboratively with Economic Development and with the wider public service as well as with the community.

The Commission has participated in the Economic Development Consultative Committee and Workplace Consultative Committees, which continued to meet to consolidate consultation and communication between managers, staff and unions. Work Health and Safety Committees have also continued to operate collaboratively, while the Health and Safety Representative Network and RED Contact Officer Network continued during the period.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

E.2 Learning and Development

The Commission has continued to make learning and development a key priority during 2013-14. The induction program is coordinated by the Economic Development Human Resources (HR) unit and introduces new staff to important policies and practices. It also helps clarify the responsibilities of new employees as public servants and explains the Economic Development role within the broader ACT Public Service.

The Commission also provides new staff members with an induction manual which is a reference point for essential information. The aim of the induction manual is to ensure new starters are aware of and understand key principles and practices within the Commission and more broadly with the ACT Government along with their responsibilities as an employee.

The Commission continues to provide support and study assistance for staff who are interested in furthering their qualifications. During the reporting period one staff member received study assistance in relation to a Certificate IV in Business.

Two staff members have completed and one staff member is currently in the process of completing a Certificate IV in Government (Investigations).

The 2013-14 ACTPS Training Calendar was also utilised as part of the Commission's training and development scheme with ten staff members attending ACTPS courses at a cost of \$2,410.

Table 21: Summary of training courses attended by Commission staff

Learning & Development Initiative	Number of participants
ABS Table Builder Workshop	1
Communicating with Influence	2
Executive WHS refresher training	1
HR Masterclass Series	2
Information & Records Management Training	2
Managing Psychological Illness in the workplace	5
Managing Risk	1
Program and Policy Evaluation Workshop	1
RED Contact officer	1
Respect, Equity and Diversity - staff	6

Learning & Development Initiative	Number of participants
Staff Induction	7
Writing Skills	1
ACT Government Tax Training	1
Leading and Managing Teams	1
Effective Minute Taking Skills	1
Job Application Skills	1
Job Interview Skills	1
Health and Safety Representative Training	1
Project Management	1

Staff have also engaged in non-formal activities such as:

- participation and presentation at national regulatory and industry conferences and forums relevant to their workplace;
- small group learning based around specific gambling-related compliance activities; and
- responsible gambling and problem gambling awareness training.

Learning and development will remain a key focus for the Commission to assist staff members in growing their knowledge and skills. This will ensure that the Commission maintains an appropriately skilled workforce to assist in achieving its objectives as outlined in section B.1.

E.3 Work Health And Safety

The Commission is conscious of the requirements of work safety legislation and implements appropriate work practices particularly in relation to staff workloads, provision of furniture and other office environmental matters. The Commission's Work Safety Policy has been documented and disseminated to all staff.

The Commission remains committed to maintaining the health and safety of its employees and has two trained health and safety representatives. Workplace Health and Safety is managed in accordance with the provisions of the *Work Safety Act 2011* (WHS Act). The Commission also has two qualified first aid officers and fire wardens who are provided with ongoing training throughout the year. Staff information sessions promoting emergency evacuation procedures were held for all Commission staff along with regular emergency evacuation drills. The Commission also participates on the Economic Development Policy and Governance Workplace Health and Safety Committee. The Commission's health and safety representatives attended three Economic Development Policy and Governance Workplace Health and Safety Committee meetings and two internal meetings during the reporting period.

During the reporting period, a network meeting for health and safety representatives was established across the Economic Development Portfolio (including the Commission). The aim of the network is to share information amongst health and safety representatives, assist in determining and implementing health and safety initiatives and providing health safety representatives with advice on relevant matters that may affect the Commission. The former Chief Minister and Treasury Directorate Safety Support Team attended and presented at the network meetings.

During the reporting period the Commission did not receive any notices of improvement, prohibition or non-disturbance or failure to comply notice under part 10; enforceable undertakings or failure to comply under part 11; or findings of a failure to comply with a safety duty under part 2 division 2.2, 2.3 or 2.4 of the WHS Act. There were no serious injuries, illness or dangerous incidents that required notification in accordance with part 3 section 38 of the WHS Act.

Commission staff are consulted on a regular basis by the health and safety representatives and given opportunities at staff meetings to raise issues associated with workplace health and safety.

A Rehabilitation Case Manager monitors all reported injuries and long-term absences to ensure the earliest

practical return to work of the injured or ill staff member. This relates to both compensable and non-compensable injuries and illness. The Rehabilitation Case Manager and the relevant staff manager coordinate rehabilitation plans and return to work programs. This ensures that a high level of communication, awareness and commitment to the rehabilitation process is maintained.

The Commission arranges workstation assessments for all new employees and for internal staff movements in order to minimise the potential risk of repetitive strain injuries.

The Commission's workplace is regularly checked by its trained health and safety representatives to ensure that it remains safe and hazard free.

The Commission is an approved workplace as part of the Asthma Friendly Workplace program with Asthma First Aid Awareness sessions run and kits provided to First Aid officers.

During the reporting period Commission employees had access to the following health and wellbeing initiatives:

- monthly HR newsletter that includes health and wellbeing information;
- 'Health and Wellbeing' reimbursement initiative (not exceeding \$100 per annum) to financially support employees to participate in health and wellbeing activities;
- induction sessions that include work health and safety information;
- continued provision of a carer/nursing mothers room and staff room;
- provision and promotion of professional and confidential counseling services available to staff and their families through the Employee Assistance Program (EAP) provided by OPTUM;
- provision and promotion of the EAP Manager Assist Program;
- influenza vaccinations offered onsite to staff;
- exercise classes, yoga and pilates;
- mental health awareness promotion activities;
- quit smoking program offered to staff;
- walking groups;
- weight loss program available for staff;
- eyesight testing;
- flexible working arrangements;
- flu vaccination program;
- seated massages;
- management of workplace psychological illness in the workplace program for supervisors;
- mandatory respect, equity and diversity training;
- support for staff volunteering as blood donors where the absence from the workplace is without loss of pay;
- First Aid Officer training; and
- HR Masterclass for experienced managers.

E.4 Workplace Relations

Commission staff are employed under the Public Sector Management Act 1994. For the majority of the reporting period, staff were covered by the *ACT Public Service Economic Development Portfolio Enterprise Agreement 2011–13* which provides conditions of service, including salary, allowances, and leave for all non-executive employees. The *ACT Public Service Administrative and Related Classification Enterprise Agreement 2013 – 2017* came into operation on 30 May 2014 and has a nominal expiry date of 30 June 2017.

Both Enterprise Agreements provided scope for individual Special Employment Arrangements (SEAs) to be agreed with staff in exceptional circumstances and where specific criteria are satisfied. SEAs allow for high levels of remuneration to be paid as part of an attraction and retention strategy, and where market rates exceed those otherwise payable by the Commission under the terms of the Agreement.

Table 22: Number of SEAs and AWAs entered into or terminated during the reporting period

Description SEAs	No. of Individual SEAs A	No. of Group SEAs B	Total employees covered by Group SEAs C	TOTAL (A+C)
Number of SEAs at 30 June 2014	0	0	0	0
Number of SEAs entered into during period	1	0	0	1
Number of SEAs terminated during period	3	0	0	3
The number of SEAs providing for privately plated vehicles as at 30 June 2014	0	0	0	0
Number of SEAs for employees who have transferred from AWAs during period	0	0	0	0

Description AWAs	No. of Individual SEAs A	No. of Group SEAs B	Total employees covered by Group SEAs C	TOTAL (A+C)
Number of AWAs as at 30 June 2014	0	0	0	0
Number of AWAs terminated/lapsed (including formal termination and those that have lapsed due to staff departures)	0	0	0	0

Table 23: Number of AWAs by remuneration and classification range

Description	Classification Range	Remuneration as at 30 June 2014
Individual and Group SEAs	SOB-SOA	\$128,397-\$132,409
AWAs (includes AWAs ceased during period)	N/A	N/A

No Commission staff were covered by a SEA or Australian Workplace Agreement (AWA) at the end of the reporting period.

Further information may be obtained from: Manager, Coordination and Revenue Telephone: (02) 6207 0359

E.5 Staffing Profile

The Commission comprises a workforce of 34 people with the majority (70.58 per cent) employed on a permanent basis. Permanent part-time employees make up 11.76 per cent of the workforce, with the majority being female. The Commission had the following staff profile at June 2014.

Table 24: FTE and headcount by gender

Full Time Equivalent (FTE) and Headcount	Female	Male	Total
FTE by gender	17.0	13.6	30.6
Headcount	18	16	34
% of workforce (based on headcount)	52.9%	47.1%	100.0%

Table 25: Headcount by classification and gender

Classifications	Female	Male	Total
Executive Officers	0	1	1
Senior Officers	5	8	13
Administrative Officers	13	7	20
Total	18	16	34

Table 26: Headcount by employment category and gender

Employment category	Female	Male	Total
Casual	0	0	0
Permanent Full-time	12	12	24
Permanent Part-time	3	1	4
Temporary Full-time	3	2	5
Temporary Part-time	0	1	1
Total	18	16	34

Table 27: FTE and headcount

Agency Profile	FTE	Headcount
Total	30.6	34

Table 28: Headcount by employment type

Agency Profile	Permanent	Temporary	Casual
Total	28	6	0

Table 29: Headcount by age group and gender

Age Group	Female	Male	Total
Under 25	3	0	3
25-34	4	1	5
35-44	5	3	8
45-54	5	8	13
55 and over	1	4	5

Table 30: Headcount by length of service, generation and gender

Note: Employees gender is described as F for female and M for male in this table.

Years of service	Pre-Baby Boomers	Baby Boomers	Generation X	Generation Y	Total
0-2	F 0 /M 0	F1 /M1	F3 /M1	F1 /M0	F5 /M2
2-4	0 /M0	F0 /M1	F1 /M0	F4 /M0	F5 /M1
4-6	0 /M0	F0 /M2	F2 /M1	F0 /M1	F2 /M4
6-8	0 /M0	F0 /M0	F1 /M0	F1 /M0	F2 /M0
8-10	F0 /M0	F1 /M0	F0 /M1	F0 /M0	F1 /M1
10-12	F0 /M0	F1 /M1	F1 /M1	F0 /M0	F2 /M2
12-14	F0 /M0	F0 /M2	F1 /M1	F0 /M0	F1 /M3
14 plus	F0 /M0	F0 /M2	F0 /M1	F0 /M0	F0 /M3

Generation	Birth years covered	Generation	Birth years covered
Pre-Baby Boomers	prior to 1946	Generation X	1965 to 1979 inclusive
Baby Boomers	1946 to 1964 inclusive	Generation Y	from 1980 and onwards

Table 31: Average length of service by gender (Headcount)

The average years of service for Females is 4.8, for Males 11.1 with a Total of 7.7

Table 32: Headcount by diversity group

Description	Number	Percentage
Aboriginal and Torres Strait Islander	1	2.9%
Culturally & Linguistically Diverse	0	0.0%
People with disability	0	0.0%

Note: Employees may identify with more than one diversity group.

Further information may be obtained from: Manager, Coordination and Revenue. Telephone: (02) 6207 0359.

SECTION F:

Financial Management Reporting

SECTION F: Financial Management Reporting

F.1 Financial Management Analysis

Management Discussion and Analysis

General Overview

Objectives

The objectives of the ACT Gambling and Racing Commission are to:

- effectively regulate gambling and racing activity for statutory compliance;
- ensure compliance with statutory payments of taxes and fees;
- keep informed about problem gambling issues and harm minimisation strategies;
- undertake measures designed to reduce the negative impact of problem gambling;
- review gaming legislation and policies and implement changes;
- keep informed about developments in gaming and regulatory practices; and
- effectively manage its resources.

Gambling revenue incorporates the following categories:

- gaming machine taxes, levies and fees;
- interstate lotteries taxes (New South Wales and Victorian lotteries);
- minor lottery fees (promotions and raffles);
- casino tax and fees; ACTTAB licence fees;
- race bookmakers' licence fees; and
- sports bookmakers' turnover tax and licence fees.

The amount of gambling revenue received by the Commission depends directly on the level of gambling undertaken in the Territory. The Commission does not have the function of promoting or developing gambling activity in the ACT.

Risk Management

The Commission is a major collector of Government revenue in the Territory. To manage the risk associated with revenue collection, verification and compliance, the Commission has developed a comprehensive Risk Management Plan and an internal audit program to review revenue collection systems, processes and procedures. The Risk Management Plan addresses all of the Commission's financial risks together with the risks associated with the approval and issue of licences for gambling providers and venue employees.

The Commission has also produced detailed section work plans and procedure manuals to document its internal procedures and process controls. These documents ensure consistency of operational activity and assist with the training of new staff members.

Financial Performance

The following financial information is based on audited Financial Statements for 2012-13 and 2013-14 and the forward estimates contained in the 2013-14 Statement of Intent.

Total Expenditure

Components of Expenditure

Figure 1 Pie chart. Components of Expenditure in 2013-14 – showing results as follows:

- Borrowing Costs 0.03%
- Purchased Services 12.74%

- Supplies and Services 21.10%
- Depreciation and Amortisation 1.53%
- Employee 56.77%
- Superannuation 7.77%
- Other expenditure 0.05%

This figure indicates the components of the Commission's expenditure for 2013-14 not including taxation revenue transferred to Government. As the Commission's core business activities are gambling regulation and the collection of revenue from gambling providers, the main expenditure items during the year were employee and supplies and services expenses. Supplies and services expenses includes Problem Gambling Assistance Fund expenses which are used to undertake projects aimed to reduce the negative impact of problem gambling. The largest component of expenditure is employee expenses which represents 56.8 per cent of ordinary activities or \$2.899 million.

Comparison to Budget

Total expenditure, not including taxation revenue transferred to Government, of \$5.106 million was \$0.490 million, or 8.8 per cent, lower than the 2013-14 budget of \$5.596 million.

This was mainly due to:

- lower supplies and services (\$0.522 million) as a result of:
 - lower expenditure from the Problem Gambling Assistance Fund while extensive consultation was undertaken as part of the development of projects prior to formal approval;
 - delays in the completion of Commission funded research projects by external providers during the financial year;
 - lower than anticipated operating costs; and
- lower depreciation and amortisation (\$0.030 million) due to the later than anticipated completion of the ACT Gamblers' Exclusion Database.

This was partially off-set by higher employee expenses (\$0.049 million) mainly due to a staff member taking a voluntary redundancy following a minor restructure.

Comparison to 2012-13 Actual Expenditure

Total expenditure, not including taxation revenue transferred to Government, was \$0.270 million, or 5.6 per cent, higher than the 2012-13 actual result.

This increase is mainly due to:

- higher employee expenses (\$0.213 million) as a result of a staff member taking a voluntary redundancy following a minor restructure and the Commission maintaining higher employment numbers compared to 2012-13; and
- higher supplies and services (\$0.055 million) as a result of:
 - increased engagement of the ACT Government Solicitor's Office for legal services which included advice and contract preparation; and
 - increased expenditure from the Problem Gambling Assistance Fund due to a new research project 'Pathways into Problem Gambling Treatment and Journeys Beyond'.

Future Trends

Expenditure is budgeted to increase in 2014-15 by \$0.642 million mainly due to increased staff expenditure and expenditure from the Problem Gambling Assistance Fund.

Total Income

Components of Income

Although the Commission collects revenue from gambling taxes, fees and fines, all such revenue is immediately transferred to the Territory Banking Account through nightly sweeps of the Commission's Taxation Account. The revenue that the Commission uses to fund its operating activities is appropriated through Government payment for outputs and interest from its bank accounts.

In 2013-14, appropriation payments from Government totalled \$4.499 million. The Commission also receives a Problem Gambling Assistance Fund levy from gaming machine licensees as well as voluntary contributions from ACTTAB and Casino Canberra. These funds are used to provide problem gambling support services to the ACT community as well as other projects to reduce the negative impact of problem gambling. In 2013-14, the total amount received by the Commission for the Problem Gambling Assistance Fund was \$1.116 million.

Figure 2 Pie chart. Components of Gambling Income in 2013-14 showing results as follows:

- Interstate Lotteries 27.28%
- Sports Betting 0.02%
- Casino 3.41%
- Regulatory Fees 5.66%
- ACTTAB 3.05%
- Gaming Machines 60.59%

This Figure indicates that for the financial year ended 30 June 2014 the Commission received \$33.685 million or 60.6 per cent of its total gambling revenue from gaming machine taxation.

Comparison to Budget

Revenue

For the year ending 30 June 2014 gambling revenue was \$55.599 million which was \$0.956 million lower than the 2013-14 budget of \$56.555 million. This was mainly due to lower taxation receipts for gaming machines (\$2.026 million) and the casino (\$0.045 million) as a result of lower gambling activity along with a lower ACTTAB licence fee (\$0.165 million) and regulatory fees (\$0.072 million). This was partially off-set by higher interstate lotteries revenue (\$1.344 million) due to an increase in ticket sales.

Gains

Income from gains for the year ending 30 June 2014 was \$0.113 million or 364.5 per cent higher than the 2013-14 budget of \$0.031 million. This is mainly due to an increase in Restructure Fund Receipts as a result of a staff member taking a voluntary redundancy following a minor restructure.

Comparison to 2012-13 Actual Income

Revenue

Gambling revenue in 2013-14 was \$1.953 million, or 3.4 per cent, lower than the 2012-13 actual result. This was mainly due to decreases in revenue from gaming machine taxation (\$1.221 million) and interstate lotteries (\$0.885 million) as a result of reduced gambling activity. This was partially offset by increases in the ACTTAB licence fee (\$0.112 million) and casino taxation (\$0.036 million).

Gains

Income from gains was \$0.119 million or 476 per cent higher than the 2012-13 actual result of \$0.025 million. This is mainly due to an increase in Restructure Fund Receipts as a result of a staff member taking a voluntary redundancy following a minor restructure.

Future Trends

Total gambling revenue for 2014-15 is budgeted to increase by \$1.044 million compared to the 2013-14 actual result due to expected increases in gaming machine revenue, ACTTAB licence fee, casino revenue and regulatory

fees while being partially offset by decreases in Interstate Lotteries based on current revenue projections.

Commission's Financial Position

Total Assets

Components of Total Assets

Figure 3 Pie chart Total Assets as at 30 June 2014 showing results as follows:

- Prepayments 0.01%
- Intangible Assets 3.30%
- Cash and Cash Equivalents 44.61%
- Accrued Gambling Taxes 49.17%
- Property, Plant and Equipment 0.24%
- Receivables 2.67%

This Figure indicates that for the financial year ended 30 June 2014, 49.2 per cent of the Commission's assets were accrued gambling taxes and 44.6 per cent was cash and cash equivalents.

Comparison to Budget

The total asset position as at 30 June 2014 is \$8.739 million, \$1.0 million higher than the 2013-14 budget of \$7.739 million. The increase is mainly due to higher cash and cash equivalents (\$1.123 million) due to positive cash flows generated from operating activities and intangible assets (\$0.037 million) due to the completion of the ACT Gamblers' Exclusion Database. This was offset by lower receivables (\$0.137 million) mainly due to lower accrued gambling taxes as a result of reduced gambling activity in June 2014.

Comparison to 2012-13 Actuals

The Commission's total asset position is \$0.703 million higher than the 2012-13 actual result of \$8.036 million mainly due to an increase in:

- cash and cash equivalents (\$0.653 million) as a result of positive cash flows generated from operating activities;
- receivables (\$0.070 million) as a result of reimbursement from the Restructure Fund not received by 30 June 2014; and
- intangible assets (\$0.062 million) as a result of the ACT Gamblers' Exclusion Database being completed during the current reporting period.

These increases have been partially off-set by a reduction in capital works in progress (\$0.075 million) due to the ACT Gamblers' Exclusion Database becoming operational.

Total Liabilities

Components of Total Liabilities

Figure 4 Pie chart Total Liabilities as at 30 June 2014 showing results as follows:

Taxation Revenue Payable to Government 77.98%

Finance Leases 0.39%

Payables 0.91%

Employee Benefits 18.36%

Other 2.35%

This Figure indicates that the majority of the Commission's liabilities as at 30 June 2014 relate to taxation revenue payable to Government (78 per cent) and employee benefits (18.4 per cent).

Comparison to Budget

The Commission's liabilities for the year ended 30 June 2014 of \$5.392 million is \$0.548 million lower than the 2013-14 budget of \$5.940 million mainly due to:

- lower taxation revenue payable to Government (\$0.234 million) as a result of lower gambling taxes from reduced gambling activity in June 2014;
- lower payables (\$0.224 million) as a result of a large number of invoices being received and paid prior to the end of the reporting period; and
- lower employee benefits (\$0.081 million) as a result of the Commission's long service leave liability being less than anticipated.

Comparison to 2012-13 Actuals

Total liabilities are \$0.118 million lower than the 2012-13 actual results of \$5.510 million mainly due to:

- lower taxation revenue payable to Government (\$0.046 million) as a result of lower gambling taxes from reduced gambling activity in June 2014; and
- lower payables (\$0.117 million) as a result of a large number of invoices being received and paid prior to the end of the reporting period.

These decreases have been partially offset by an increase in employee benefits (\$0.050 million) mainly due to back pay from the 2013-17 Enterprise Agreement remaining unpaid at 30 June 2014.

Liquidity

'Liquidity' is the ability of the Commission to satisfy its short-term debts as they fall due. A common indicator for liquidity is the current ratio which compares the ability to fund short-term liabilities from short-term assets. A ratio of less than 1-to-1 may indicate a reliance on further funding from the ACT Government to meet short-term debts. Table 1 indicates the liquidity position of the Commission.

Table 1 – Current Ratio

Description	Prior Year Actual 2012-13 \$'000s	Current Year Budget 2013-14 \$'000s	Current Year Actual 2013-14 \$'000s	Forward Year Budget 2013-14 \$'000s	Forward Year Budget 2014-15 \$'000s	Forward Year Budget 2016-17 \$'000s
Current Assets	7,706	7,443	8,429	8,308	8,453	8,733
Current Liabilities	5,402	5,749	5,264	5,463	5,352	5,383
Current Ratio	1.43:1	1.29:1	1.60:1	1.52:1	1.58:1	1.62:1

The Commission's current ratio for the financial year ended 30 June 2014 is 1.60 to 1 which is higher than the budgeted current ratio of 1.29:1. The higher ratio reflects increased cash and cash equivalents (\$1.123 million) from the positive cash flows generated from operating activities, offset by lower receivables (\$0.255 million) due to a decrease in accrued gambling taxes as a result of lower gambling activity in June 2014.

The Commission expects a strong level of liquidity to be maintained in the forward years.

F.2 Financial Statements



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

A14/24

Mr John Haskins
Chair
ACT Gambling and Racing Commission
Level 2, Canberra Nara Centre
1 Constitution Avenue
CANBERRA ACT 2601

Dear Mr Haskins *John*

**AUDIT REPORT – ACT GAMBLING AND RACING COMMISSION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

The Audit Office has completed the audit of the financial statements of the ACT Gambling and Racing Commission for the year ended 30 June 2014.

I have attached the audited financial statements and unqualified audit report.

I have provided a copy of the audited financial statements and audit report to the Minister for Racing and Gaming, Ms Joy Burch MLA.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Bernie Sheville'.

Bernie Sheville
Director, Financial Audits
8 August 2014

c.c. Mr Greg Jones, Chief Executive Officer
Mr Ron Leonard, Manager, Coordination and Revenue

INDEPENDENT AUDIT REPORT

ACT GAMBLING AND RACING COMMISSION

To the Members of the ACT Legislative Assembly

Report on the financial statements

The financial statements of the ACT Gambling and Racing Commission (the Commission) for the year ended 30 June 2014 have been audited. These comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation and accompanying notes.

Responsibility for the financial statements

The Governing Board of the Commission is responsible for the preparation and fair presentation of the financial statements in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and the accounting policies and estimates used in the preparation of the financial statements.

The auditor's responsibility

Under the *Financial Management Act 1996*, I am responsible for expressing an independent audit opinion on the financial statements of the Commission.

The audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance that the financial statements are free of material misstatement.

I formed the audit opinion following the use of audit procedures to obtain evidence about the amounts and disclosures in the financial statements. As these procedures are influenced by the use of professional judgement, selective testing of evidence supporting the amounts and other disclosures in the financial statements, inherent limitations of internal control and the availability of persuasive rather than conclusive evidence, an audit cannot guarantee that all material misstatements have been detected.

Although the effectiveness of internal controls is considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

The audit is not designed to provide assurance on the appropriateness of budget information included in the financial statements or to evaluate the prudence of decisions made by the Commission.

Electronic presentation of the audited financial statements

Those viewing an electronic presentation of the financial statements should note that the audit does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from this report. If users of the report are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the audit.

Audit opinion

In my opinion, the financial statements of the Commission for the year ended 30 June 2014:

- (i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Commission as at 30 June 2014 and the results of its operations and cash flows for the year then ended.

This audit opinion should be read in conjunction with other information disclosed in this report.



Bernie Sheville
Director, Financial Audits
8 August 2014



ACT
Government



ACT Gambling and Racing Commission
Statement of Performance
For the Year Ended 30 June 2014

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the ACT Gambling and Racing Commission's records and fairly reflects the service performance of the ACT Gambling and Racing Commission for the year ended 30 June 2014 and also fairly reflects the judgments exercised in preparing it.

John Haskins, AM
Chairperson
ACT Gambling and Racing Commission

13 August 2014



ACT
Government



**ACT Gambling and Racing Commission
Financial Statements
For the Year Ended 30 June 2014**

Statement by the Chief Finance Officer

In my opinion, the financial statements have been prepared in accordance with generally accepted accounting principles, and are in agreement with the ACT Gambling and Racing Commission's accounts and records and fairly reflect the financial operations of the ACT Gambling and Racing Commission for the year ended 30 June 2014 and the financial position of the ACT Gambling and Racing Commission on that date.

Ron Leonard
Chief Finance Officer
ACT Gambling and Racing Commission

6 August 2014

FINANCIAL STATEMENTS

For the year ended 30 June 2014

ACT Gambling and Racing Commission Operating Statement For the Year Ended 30 June 2014

	Note No.	Actual 2014 \$	Original Budget 2014 \$	Actual 2013 \$
Income				
<i>Revenue</i>				
Government Payment for Outputs	4	4,499,000	4,451,000	4,408,000
Taxation Collected on Behalf of the Territory	5	52,453,889	53,338,000	54,407,042
Regulatory Fees	6	3,144,854	3,217,000	3,145,073
Interest	7	124,864	79,000	137,209
Resources Received Free of Charge	8	31,209	25,000	426
Other Revenue	9	1,125,732	1,111,000	1,253,758
Total Revenue		61,379,548	62,221,000	63,351,508
<i>Gains</i>				
Other Gains	10	144,322	31,000	24,978
Total Gains		144,322	31,000	24,978
Total Income		61,523,870	62,252,000	63,376,486
Expenses				
Employee Expenses	11	2,898,845	2,850,000	2,686,110
Superannuation Expenses	12	396,613	385,000	392,971
Supplies and Services	13	1,077,610	1,600,000	1,022,688
Purchased Services	14	650,730	651,000	650,730
Depreciation and Amortisation	15	78,169	108,000	80,213
Borrowing Costs	16	1,709	2,000	2,097
Other Expenses	17	2,563	0	995
Taxation Revenue Transferred to Government		55,598,743	56,555,000	57,552,115
Total Expenses		60,704,982	62,151,000	62,387,919
Operating Surplus		818,888	101,000	988,567
Other Comprehensive Income				
<i>Items that will not be reclassified to profit or loss</i>				
Increase in the Asset Revaluation Surplus	29	1,344	0	0
Total Other Comprehensive Income		1,344	0	0
Total Comprehensive Income		820,232	101,000	988,567

The above Operating Statement should be read in conjunction with the accompanying notes.

The ACT Gambling and Racing Commission has only one output class and as such the above Operating Statement is also the Commission's Operating Statement for the Gambling Regulation and Compliance Output Class. The Gambling Regulation and Compliance Output Class covers the regulation of gambling and racing activities in accordance with the ACT gaming laws including the correct payment of gambling taxes and fees.

Balance Sheet As at 30 June 2014

	Note No.	Actual 2014 \$	Original Budget 2014 \$	Actual 2013 \$
Current Assets				
Cash and Cash Equivalents	20	3,897,962	2,775,000	3,245,016
Receivables	21	4,530,056	4,667,000	4,460,074
Prepayments		1,146	1,000	1,086
Total Current Assets		8,429,164	7,443,000	7,706,176
Non-Current Assets				
Plant and Equipment	22	20,883	44,000	27,825
Intangible Assets	23	288,681	252,000	227,085
Capital Works in Progress	24	0	0	75,381
Total Non-Current Assets		309,564	296,000	330,291
Total Assets		8,738,728	7,739,000	8,036,467
Current Liabilities				
Payables	25	49,262	273,000	165,871
Finance Leases	26	6,120	5,000	5,704
Employee Benefits	27	876,801	907,000	852,674
Taxation Revenue Payable to Government		4,204,714	4,439,000	4,251,051
Other Liabilities	28	126,975	125,000	126,726
Total Current Liabilities		5,263,872	5,749,000	5,402,026
Non-Current Liabilities				
Finance Leases	26	15,056	27,000	21,176
Employee Benefits	27	113,185	164,000	86,882
Total Non-Current Liabilities		128,241	191,000	108,058
Total Liabilities		5,392,113	5,940,000	5,510,084
Net Assets		3,346,615	1,799,000	2,526,383
Equity				
Accumulated Funds		3,343,163	1,797,000	2,524,275
Asset Revaluation Surplus	29	3,452	2,000	2,108
Total Equity		3,346,615	1,799,000	2,526,383

The above Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity For the Year Ended 30 June 2014

		Accumulated Funds Actual	Asset Revaluation Surplus Actual	Total Equity Actual	Original Budget
	Note No.	2014	2014	2014	2014
		\$	\$	\$	\$
Balance 1 July 2013		2,524,275	2,108	2,526,383	1,698,000
Comprehensive Income					
Operating Surplus		818,888	0	818,888	101,000
Increase/(Decrease) in the Asset Revaluation Surplus	29	0	1,344	1,344	0
Total Comprehensive Income		818,888	1,344	820,232	101,000
Transactions Involving Owners Affecting Accumulated Funds					
Capital (Distribution)		0	0	0	0
Total Transactions Involving Owners Affecting Accumulated Funds		0	0	0	0
Balance at 30 June 2014		3,343,163	3,452	3,346,615	1,799,000

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Changes in Equity - Continued For the Year Ended 30 June 2014

ACT Gambling and Racing Commission Statement of Changes in Equity - Continued For the Year Ended 30 June 2014

		Accumulated Funds Actual 2013 \$	Asset Revaluation Surplus Actual 2013 \$	Total Equity Actual 2013 \$
	Note No.			
Balance at 1 July 2012		3,535,708	2,108	3,537,816
Comprehensive Income				
Operating Surplus		988,567	0	988,567
Increase/(Decrease) in the Asset Revaluation Surplus	29	0	0	0
Total Comprehensive Income		988,567	0	988,567
Transactions Involving Owners Affecting Accumulated Funds				
Capital (Distribution)		(2,000,000)	0	(2,000,000)
Total Transactions Involving Owners Affecting Accumulated Funds		(2,000,000)	0	(2,000,000)
Balance at 30 June 2013		2,524,275	2,108	2,526,383

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

ACT Gambling and Racing Commission Cash Flow Statement For the Year Ended 30 June 2014

	Note No.	Actual 2014 \$	Original Budget 2014 \$	Actual 2013 \$
Cash Flows from Operating Activities				
Receipts				
Government Payment for Outputs		4,499,000	4,451,000	4,408,000
Taxation Collected on Behalf of the		52,499,977	53,339,000	54,587,420
Regulatory Fees		3,145,103	3,216,000	3,146,616
Interest Received		131,803	79,000	142,933
Goods and Services Tax Input Tax Credits from the Australian Taxation Office		170,475	119,000	188,455
Goods and Services Tax Collected from Customers		11,698	0	18,611
Other		1,155,925	1,142,000	1,283,389
Total Receipts from Operating Activities		61,613,981	62,346,000	63,775,424
Payments				
Employee		2,851,853	2,789,000	2,697,413
Superannuation		393,176	385,000	393,593
Supplies and Services		1,103,420	1,577,000	1,127,744
Purchased Services		710,380	651,000	650,730
Borrowing Costs		1,709	2,000	2,097
Other		360	0	995
Taxation Revenue Transferred to Government		55,645,080	56,555,000	57,734,036
Goods and Services Tax Remitted to the Australian Taxation Office		13,019	0	18,360
Goods and Services Tax Paid to Suppliers		178,034	119,000	187,762
Total Payments from Operating Activities		60,897,031	62,078,000	62,812,730
Net Cash Inflows from Operating Activities	34	716,950	268,000	962,694
Cash Flows from Investing Activities				
Payments				
Purchase of Plant and Equipment		0	10,000	0
Purchase of Intangibles		58,300	0	75,381
Total Payments from Investing Activities		58,300	10,000	75,381
Net Cash (Outflows) from Investing Activities		(58,300)	(10,000)	(75,381)

ACT Gambling and Racing Commission Cash Flow Statement - Continued For the Year Ended 30 June 2014

	Note No.	Actual 2014 \$	Original Budget 2014 \$	Actual 2013 \$
Cash Flows from Financing Activities				
Payments				
Repayment of Finance Lease Liabilities		5,704	7,000	5,316
Distributions to Government		0	0	2,000,000
Total Payments from Financing Activities		5,704	7,000	2,005,316
Net Cash (Outflows) from Financing Activities				
		(5,704)	(7,000)	(2,005,316)
Net Increase/(Decrease) in Cash and Cash Equivalents				
		652,946	251,000	(1,118,003)
Cash and Cash Equivalents at the Beginning of the Reporting Period		3,245,016	2,524,000	4,363,019
Cash and Cash Equivalents at the End of the Reporting Period	34	3,897,962	2,775,000	3,245,016

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

ACT Gambling and Racing Commission Statement of Appropriation For the Year Ended 30 June 2014

	Original Budget 2014 \$	Total Appropriated 2014 \$	Appropriation Drawn 2014 \$	Appropriation Drawn 2013 \$
Government Payment for Outputs	4,451,000	4,499,000	4,499,000	4,408,000
Total Appropriation	4,451,000	4,499,000	4,499,000	4,408,000

The above Statement of Appropriation should be read in conjunction with the accompanying notes.

Column Heading Explanations

The Original Budget column shows the amounts that appear in the Cash Flow Statement in the ACT Gambling and Racing Commission's Statement of Intent. This amount also appears in the Cash Flow Statement.

The Total Appropriated column is inclusive of all appropriation variations occurring after the Original Budget.

The Appropriation Drawn is the total amount of appropriation received by the ACT Gambling and Racing Commission during the year. This amount also appears in the Cash Flow Statement.

Variance between 'Original Budget' and 'Total Appropriated'

The difference between the Original Budget and Total Appropriated is due to an increase in employee expenses as a result of a new Enterprise Agreement.

Note Index of the Financial Statements For the Year Ended 30 June 2014

Note that the following page numbers used in this index do not refer to this version of the Annual Report, but refers to the printed publication only.

Note 1 Objectives of the ACT Gambling and Racing Commission, p.97

Note 2 Summary of Significant Accounting Policies, p. 97

Note 3 Change in Accounting Policy, p. 106

Income Notes

Note 4 Government Payment for Outputs, p.107

Note 5 Taxation Collected on Behalf of the Territory , p.107

Note 6 Regulatory Fees, p.107

Note 7 Interest, p.107

Note 8 Resources Received Free of Charge, p.107

Note 9 Other Revenue, p.108

Note 10 Other Gains, p.108

Expense Notes

Note 11 Employee Expenses, p.108

Note 12 Superannuation Expenses, p.109

Note 13 Supplies and Services, p.109

Note 14 Purchased Services, p.109

Note 15 Depreciation and Amortisation, p.109

Note 16 Borrowing Costs, p.110

Note 17 Other Expenses, p.110

Note 18 Waivers, Impairment Losses and Write-Offs, p.110

Note 19 Auditor's Remuneration, p.110

Asset Notes

Note 20 Cash and Cash Equivalents, p.110

Note 21 Receivables, p.111

Note 22 Plant and Equipment, p.112

Note 23 Intangible Assets, p.113

Note 24 Capital Works in Progress, p.114

Liabilities Notes

Note 25 Payables, p.115

Note 26 Finance Leases, p.116

Note 27 Employee Benefits, p.117

Note 28 Other Liabilities, p.117

Equity Note

Note 29 Equity, P.118

Other Notes

Note 30 Financial Instruments, p.118

Note 31 Remuneration of Commissioners, p.122

Note 32 Commitments, p.123

Note 33 Contingent Liabilities, p.123

Note 34 Cash Flow Reconciliation, p.124

Note 35 Events Occurring After Balance Date, p.125

Note 36 Third Party Monies, p.125

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 1. Objectives of the ACT Gambling and Racing Commission

The primary objectives of the ACT Gambling and Racing Commission (the Commission) are to:

- regulate gambling and racing activities in accordance with ACT gaming laws;
- review gaming laws to ensure their continued relevance and appropriateness;
- manage research and data collection in regard to the social and economic impacts of gambling in the ACT; and
- ensure compliance by gaming organisations and persons with the payment of fee and tax liabilities.

The Commission also collects a number of different gambling related taxes, fees and fines for the ACT Government.

Note 2. Summary of Significant Accounting Policies

a) Basis of Accounting

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Agencies.

The FMA and the *Financial Management Guidelines* issued under the Act requires that the Commission's financial statements include:

- i. an Operating Statement for the year;
- ii. a Balance Sheet at the end of the year;
- iii. a Statement of Changes in Equity for the year;
- iv. a Cash Flow Statement for the year;
- v. a Statement of Appropriation for the year;
- vi. an Operating Statement for each class of output for the year;
- vii. a summary of the significant accounting policies adopted for the year; and
- viii. such other statements as are necessary to fairly reflect the financial operations of the agency during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared to comply with 'Generally Accepted Accounting Principles' (GAAP) as required by the FMA. The financial statements have been prepared in accordance with:

- i. Australian Accounting Standards; and
- ii. ACT Accounting and Disclosure Policies.

The financial statements have been prepared using the accrual basis of accounting which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention except for assets such as those included in plant and equipment which were valued at fair value in accordance with the (re)valuation policies applicable to the Commission during the reporting period.

These financial statements are presented in Australian dollars which is the Commission's functional currency. The Commission is an individual reporting entity.

b) The Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Commission for the year ending 30 June 2014 together with the financial position of the Commission as at 30 June 2014.

Note 2. Summary of Significant Accounting Policies – Continued

c) Comparative Figures

Budget Figures

The *Financial Management Act 1996* requires the financial statements to facilitate a comparison with the Commission's Statement of Intent. The budgeted numbers in the financial statements are the original budget numbers that appear in the Statement of Intent.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for all amounts reported in the financial statements except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended the comparative amounts have been reclassified where practical. Where a reclassification has occurred the nature, amount and reason for the reclassification is provided.

d) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. All revenue is recognised to the extent that it is probable that the economic benefits will flow to the Commission and the revenue can be reliably measured. In addition, the following specific recognition criteria must also be met before revenue is recognised:

Government Payments for Outputs

Government Payment for Outputs are recognised as revenues when the Commission gains control over the funding. Control over appropriated funds is normally obtained upon the receipt of cash.

Taxes, Levies, Fees and Fines

Taxes and levies are recognised as revenue in the period in which the payment relates. Fees are recognised as revenue at the time of payment or when the fee is incurred. Fines are recognised as revenue on the issue of the relevant disciplinary notice.

Taxation and Regulatory Fee revenue are collected on behalf of the Territory.

Interest

Interest revenue is recognised using the effective interest method.

Revenue Received in Advance

Revenue received in advance is recognised as a liability if there is a present obligation to return the funds received, otherwise all are recorded as revenue.

e) Resources Received Free of Charge

Resources received free of charge are recorded as a revenue and expense in the Operating Statement at fair value. The revenue is separately disclosed under resources received free of charge with the expense being recorded in the line item to which it relates. Services that are received free of charge are only recorded in the Operating Statement if they can be reliably measured and would have been purchased if not provided to the Commission free of charge.

f) Repairs and Maintenance

The Commission undertakes cyclical maintenance on its plant and equipment. Where the maintenance leads to an upgrade of the asset and increases the service potential of existing plant and equipment the cost is capitalised. Maintenance expenses which do not increase the service potential of the asset are expensed.

g) Borrowing Costs

Borrowing that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost base of the asset. All other borrowing costs are expensed in the period in which they are incurred.

h) Current and Non-Current Items

Assets and liabilities are classified as current or non-current in the Balance Sheet and relevant notes.

Assets are classified as current where they are expected to be realised within 12 months after the reporting date.

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Assets or liabilities which do not fall within the current classification are classified as non-current.

i) Impairment of Assets

The Commission assesses, at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. However, intangible assets that are not yet available for use are tested annually for impairment regardless of whether there is an indication of impairment, or more frequently if events or circumstances indicate they might be impaired.

Any resulting impairment losses for plant and equipment are recognised as a decrease in the available Asset Revaluation Surplus. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus, for the relevant class of assets, the difference is expensed in the Operating Statement.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's 'fair value less costs of disposal' and its 'value in use'. An asset's 'value in use' is its depreciated replacement cost where the asset would be replaced if the Commission were deprived of it. Non-financial assets which have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

j) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement and Balance Sheet, cash includes cash at bank and cash on hand.

Cash equivalents are short-term highly liquid investments that are readily converted to known amounts of cash which are subject to an insignificant risk of changes in value. Bank overdrafts are included in cash and cash equivalents in the Cash Flow Statement but not in the cash and cash equivalents line on the Balance Sheet.

k) Receivables

Accounts receivable (including accrued gambling taxes and levies and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost with any adjustments to the carrying amount being recorded in the Operating Statement.

Accrued gambling taxes and levies arise in the normal course of gambling related activity. It is a statutory requirement that gambling taxes and levies for a particular month be paid in the following month.

Other trade receivables arise outside the normal course of providing services to other agencies and to the public. Other trade receivables are payable within 30 days after the issue of an invoice or the services have been provided under a contractual arrangement. The Commission may enter into contractual arrangements with some customers allowing it to charge interest at commercial rates where payments are not received within 60 days after the amount falls due until the whole debt is paid.

The allowance for impairment losses represents the amount of trade receivables, accrued gambling taxes and levies and other trade receivables the Commission estimates will not be paid. The allowance for impairment losses is based on objective evidence and a review of overdue balances. The Commission considers the following is objective evidence of impairment:

- becoming aware of financial difficulties of debtors;
- default payments; or
- debts more than 90 days overdue.

The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the allowance is recognised in the Operating Statement. The allowance for impairment losses is written off against the allowance account when the Commission ceases action to collect the debt as it considers that it will cost more to recover the debt than the debt is worth.

Receivables that have been renegotiated because they are past due or impaired are accounted for based on the renegotiated terms.

Note 2. Summary of Significant Accounting Policies – Continued

l) Acquisition and Recognition of Plant and Equipment

Plant and equipment is initially recorded at cost. Cost includes the purchase price, directly attributable costs and the estimated cost of dismantling and removing the item (where, upon acquisition, there is a present obligation to remove the item).

Where plant and equipment is acquired at no cost or minimal cost, cost is its fair value as at the date of the acquisition.

The Commission capitalises all plant and equipment with a minimum value of \$5,000.

m) Measurement of Plant and Equipment After Initial Recognition

Plant and equipment is measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the Commission's plant and equipment is measured using the market approach technique. This approach uses prices and other relevant information generated by market transactions involving identical or similar assets. The Commission's assets are re-valued in this way every three years.

n) Intangible Assets

The Commission's intangible assets are comprised of externally acquired software for internal use.

Externally acquired software is recognised and capitalised when:

(a) it is probable that the expected future economic benefits that are attributable to the software will flow to the Commission;

(b) the cost of the software can be measured reliably; and

(c) the acquisition cost is equal to or exceeds \$50,000.

Capitalised software has finite useful life. Software is amortised on a straight-line basis over its useful life, over a period not exceeding 5 years.

Intangible Assets are measured at cost.

o) Depreciation and Amortisation of Non-Current Assets

Non-current assets with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. The useful life commences when an asset is ready for use. When an asset is re-valued it is depreciated over its newly assessed remaining useful life. Amortisation is used in relation to intangible assets and depreciation is applied to physical assets such as plant and equipment.

Plant and equipment under a finance lease are depreciated over the estimated useful life of each asset, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values which remain for each asset.

Depreciation and Amortisation for non-current assets is determined as follows:

Class of Asset	Depreciation/Amortisation Method	Useful Life
Plant and Equipment	Straight Line	Five years
Plant and Equipment under a Finance Lease	Straight Line	Length of lease (Four years)
Externally Purchased Intangibles	Straight Line	Five years

The useful life of each major asset is reassessed on an annual basis.

p) Payables

Payables are a financial liability and are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after the invoice date.

Note 2. Summary of Significant Accounting Policies – Continued

Payables include Trade Payables and Accrued Expenses.

Trade Payables represent the amounts owing for goods and services received prior to the end of the reporting period and unpaid at the end of the reporting period and relating to the normal operations of the Commission.

Accrued Expenses represents goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received by the end of the reporting period.

q) Leases

The Commission has entered into finance leases for motor vehicles and operating leases for ICT equipment.

Finance Leases

Finance leases effectively transfer to the Commission substantially all the risk and rewards incidental to the ownership of the assets under a finance lease. The title may or may not eventually be transferred. Finance leases are initially recognised as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments each being determined at the inception of the lease. The discount rate used to calculate the present value of the minimum lease payments is the interest rate implicit in the lease. Assets under a finance lease are depreciated over the shorter of the asset's useful life and lease term. Assets under a finance lease are depreciated on a straight line basis. The depreciation is calculated after first deducting any residual values which remain for each leased asset. Each lease payment is allocated between interest expense and the reduction of the lease liability. Lease liabilities are classified as current and non-current.

Operating Leases

Operating leases do not effectively transfer to the Commission substantially all the risks and rewards incidental to ownership of the asset under an operating lease. Operating lease payments are recorded as an expense in the Operating Statement on a straight line basis over the term of lease.

r) Employee Benefits

Employee benefits include:

- short-term employee benefits, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services, such as wages and salaries, annual leave loading and applicable on-costs;
- other long-term benefits such as long service leave and annual leave; and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and long service leave, including applicable on-costs that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms of maturity to match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. In 2013-14, the rate used to estimate the present value of future payments is 100.9%.

In 2013-14, the rate used to estimate the present value of future payments for long service leave is 103.5% (101.3% in 2012-13).

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and the applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in-service, the probability that employees will take annual and long service leave while in-service has been taken into account in estimating the liability for on-costs.

The significant judgments and assumptions included in the estimation of annual and long service leave liabilities are determined by an actuary. The Australian Government Actuary performed this assessment in May 2014. The assessment by an actuary is performed every 5 years. However it may be performed more frequently if there is a significant contextual change in the parameters underlying the 2014 report. The next actuarial review is expected to be undertaken by May 2019. Further information about this estimate is provided in Note 2(v) *Significant Accounting Judgments and Estimates*.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Commission has unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

s) Superannuation

The Commission receives funding for superannuation payments as part of the Government Payment for Outputs. The Commission then makes payments on a fortnightly basis to the Territory Banking Account to cover the Commission's superannuation liability for the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS).

This payment covers the CSS/PSS employer contribution but does not include the productivity component. The productivity component is paid directly to Comsuper by the Commission. The CSS and PSS are defined benefit superannuation plans which mean that the defined benefits received by employees are based on the employee's years of service and average final salary.

Superannuation payments have also been made directly to superannuation funds for those members of the Public Sector who are part of superannuation accumulation schemes. This includes the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice.

Superannuation employer contribution payments for the CSS and PSS are calculated by taking the salary level at an employee's anniversary date and multiplying it by the actuarially assessed nominal CSS and PSS employer contribution rate for each employee. The productivity component payments are calculated by taking the salary level at an employee's anniversary date and multiplying it by the employer contribution rate (approximately 3%) for each employee. Superannuation payments for the PSSAP are calculated by taking the salary level at an employee's anniversary date and multiplying it by the appropriate employer contribution rate. Superannuation payments for fund of choice arrangements are calculated by taking an employee's salary each pay and multiplying it by the appropriate employer contribution rate.

The Superannuation Provision Account recognises the total Territory superannuation liability for the CSS and PSS. Comsuper and the external schemes recognise the superannuation liability for PSSAP and other schemes respectively.

The ACT Government is liable for the reimbursement of the emerging costs of benefits paid each year to members of the CSS and PSS in respect of the ACT Government service provided after 1 July 1989. These reimbursement payments are made from the Superannuation Provision Account.

t) Equity Contributed by the ACT Government

Contributions made by the ACT Government, through its role as 'owner' of the Commission, are treated as contributions of equity.

u) Insurance

The Commission insures all of its major risks through the ACT Insurance Authority. The excess payable under this arrangement varies depending on each class of insurance held.

Note 2. Summary of Significant Accounting Policies – Continued

v) Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Commission has made the following judgements and estimates that have the most significant impact on the amounts recorded in the financial statements:

- i. *Employee Benefits*: The estimated liability for annual and long service leave requires a consideration of the future wage and salary levels, experience of employee departures, probability that leave will be taken in service and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable. Further information on this estimate is provided in Note 2(r) - Employee Benefits
- ii. *Estimation of the Useful Lives of Plant and Equipment*: The estimation of useful lives of plant and equipment has been based on the historical experience of similar assets. The useful lives are assessed on an annual basis and any adjustments are made when considered necessary. Further disclosure concerning an asset's useful life can be found at Note 2(o) - Depreciation and Amortisation of Non-Current Assets.
- iii. *Allowance for Impairment Losses*: The Commission has estimated the allowance for impairment losses for receivables. An allowance is raised for any impairment of receivables based on a review of all outstanding receivables at year end. Further information on Allowance for Impairment Losses is in Note 2(k) - Receivables.
- iv. *Plant and Equipment – Impairment*: The Commission annually assesses plant and equipment for impairment. If this assessment indicates an asset is impaired then an assessment of the asset's recoverable amount must be estimated to determine whether an impairment loss must be recognised. Further details in relation to the process of impairment are outlined in Note 2(i) - Impairment of Assets.

w) Impact of Accounting Standards Issued but yet to be Applied

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Commission does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date. It is estimated that the effect of adopting the following pronouncements, when applicable, will have no material financial impact on the Commission in future reporting periods.

- AASB 9 Financial Instruments (application date 1 January 2017);
- AASB 10 Consolidated Financial Statements (application date 1 January 2014 for not-for-profit entities);
- AASB 127 Separate Financial Statements (application date 1 January 2014 for not-for-profit entities);
- AASB 1031 Materiality (application date 1 January 2014);
- AASB 1055 Budgetary Reporting (application date 1 July 2014);
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 (application date 1 January 2017);
- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023, & 1038 and Interpretations 5, 9, 16 & 17] (application date 1 January 2014 for not-for-profit entities);
- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (application date 1 January 2014);
- AASB 2013-3 Amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets (application date 1 January 2014);

- AASB 2013-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB10, AASB 12 & AASB 1049] application date 1 January 2014); and
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments Part B Materiality (application date 1 January 2014) Part C Financial Instruments (application date 1 January 2015).

Note 3. Change in Accounting Policy

Change in Accounting Policy

The Commission reviewed its policy on capitalising assets (Note 2(l) Acquisition and Recognition of Plant and Equipment). The review resulted in an increase to the minimum value of plant and equipment to be capitalised from \$2,000 to \$5,000. As a result of this change, \$2,202 of plant and equipment has been expensed in 2013-14.

Note 4. Government Payment for Outputs

Government Payment for Outputs (GPO) is revenue received from the ACT Government to fund the costs of delivering outputs. The ACT Government pays GPO appropriation on a fortnightly basis.

Revenue from the ACT Government	2014 \$	2013 \$
Government Payment for Outputs	4,499,000	4,408,000
Total Government Payment for Outputs	4,499,000	4,408,000

Note 5. Taxation Collected on Behalf of the Territory

Revenue from the ACT Government	2014 \$	2013 \$
Gaming Machines (read note below)	33,685,191	34,905,838
Interstate Lotteries(read note below)	15,168,533	16,054,041
Casino	1,897,688	1,861,794
ACTTAB	1,694,061	1,582,318
Sports Bookmaking	8,416	3,051
Total Taxation Collected on Behalf of the Territory	52,453,889	54,407,042

Note : The decrease in Gaming Machine Taxation is due to lower gaming machine activity in 2013-14. The decrease in Interstate Lotteries is due to lower ticket sales in the ACT in 2013-14.

Note 6. Regulatory Fees

Revenue from the ACT Government	2014 \$	2013 \$
Gaming Machines	293,758	250,922
Lotteries	1,949,332	2,010,605
Casino	873,374	853,938
Sports Bookmaking	26,578	25,804
Racing	1,812	3,804
Total Regulatory Fees	3,144,854	3,145,073

Note 7. Interest

The ACT Gambling and Racing Commission earns interest from cash held in its bank accounts with the Westpac Bank as part of the whole-of-government banking arrangements.

Revenue from Non-ACT Government Entities	2014 \$	2013 \$
Interest (read note below)	124,864	137,209
Total Interest Revenue from Non-ACT Government Entities	124,864	137,209

Note : The decrease in Interest in 2013-14 is due to a lower bank balance after a capital distribution to Government of \$2

million in the previous reporting period.

Note 8. Resources Received Free of Charge

Resources received free of charge relates to goods and/or services being provided free of charge from other agencies within the ACT Government.

Revenue from ACT Government Entities	2014 \$	2013 \$
Legal Services (read note below)	31,209	426
Total Resources Received Free of Charge	31,209	426

Note: The increase in Resources Received Free of Charge in 2013-14 is due to higher use of ACT Government Solicitor's Office services for advice and contract preparation.

Note 9. Other Revenue

Other Revenue arises from the core activities of the ACT Gambling and Racing Commission. Other Revenue is distinct from Other Gains, as Other Gains are items that are not part of the core activities of the Commission.

Revenue from ACT Government Entities	2014 \$	2013 \$
Problem Gambling Assistance Fund Contribution (read note below)	45,455	45,455
Total Other Revenue from ACT Government Entities	45,455	45,455

Revenue from Non-ACT Government Entities	2014 \$	2013 \$
Race Field Information Charge Fee (read note below)	9,975	100,000
Problem Gambling Assistance Fund Contribution (read note below)	1,070,302	1,108,303
Total Other Revenue from Non-ACT Government Entities	1,080,277	1,208,303
Total Other Revenue	1,125,732	1,253,758

Note: ACT Government Entity contributions to the Problem Gambling Assistance Fund consist of a voluntary contribution from ACTTAB. The reduction in the Race Field Information Charge is due to the administrative functions associated with the collection and distribution of the fees being handed over to the Racing Club during the reporting period. Non-ACT Government Entity contributions to the Problem Gambling Assistance Fund consist of a levy on gaming machine licensees as well as a voluntary contribution from Casino Canberra.

Note 10. Other Gains

Other Gains are transactions that are not part of the Commission's core activities. Other Gains are distinct from Other Revenue as Other Revenue arises from the core activities of the Commission.

Revenue from ACT Government Entities	2014 \$	2013 \$
Restructure Fund Receipts (read note below)	118,263	0
Unclaimed Prize Money	26,059	24,978
Total Other Gains	144,322	24,978

Note: The increase in gains from Restructure Fund Receipts in 2013-14 is due to a staff member taking a voluntary redundancy following a minor restructure.

Note 11. Employee Expenses

Expenses	2014 \$	2013 \$
Wages and Salaries	2,555,093	2,494,956
Annual Leave Expense	204,979	222,418
Long Service Leave Expense (read note below)	5,531	(48,329)
Workers' Compensation Insurance Premium	14,979	17,065

Expenses	2014 \$	2013 \$
Termination Expense (read note below)	118,263	0
Total Employee Expenses	2,898,845	2,686,110

Note: The increase in Long Service Leave Expense in 2013-14 is mainly due to an increase in the rate used to estimate the present value of long service leave payments (refer to Note 2(r) Employee Benefits).

The increase in Termination Expenses in 2013-14 is due to a staff member taking a voluntary redundancy following a minor restructure.

Note 12. Superannuation Expenses

Expenses	2014 \$	2013 \$
Superannuation Contributions to the Territory Banking Account	232,669	235,046
Productivity Benefit	30,744	30,350
Superannuation Payment to Comsuper (for the PSSAP)	0	2,294
Superannuation to External Providers	133,200	125,281
Total Superannuation Expenses	396,613	392,971

Note 13. Supplies and Services

Supplies and Services	2014 \$	2013 \$
Rent and Related Expenses	323,673	302,103
Travel	10,552	14,543
Research Expenses (read note below)	118,687	137,399
General Administration Costs	101,409	114,893
Audit Fees	39,866	35,755
Personnel Services	71,609	66,386
ICT Support Services	177,638	195,297
Legal Fees(read note below)	31,209	426
Problem Gambling Assistance Fund Expenses(read note below)	202,967	155,886
Total Supplies and Services	1,077,610	1,022,688

Note: The decrease in Research Expenses in 2013-14 relates to delays in the completion of Commission funded research projects by external providers during the financial year.

The increase in Legal Fees in 2013-14 is due to higher use of ACT Government Solicitor's Office services for advice and contract preparation.

The increase in Problem Gambling Assistance Fund Expenses in 2013-14 is mainly due to a new research project on 'Pathways into Problem Gambling Treatment and Journeys Beyond'.

Note 14. Purchased Services

Purchased services are amounts paid to obtain services from other ACT Government agencies and external parties. The Commission entered into a three year contract with Mission Australia in June 2011 for the provision of problem gambling support services.

Services	2014 \$	2013 \$
Problem Gambling Support Services	650,730	650,730
Total Purchased Services	650,730	650,730

Note 15. Depreciation and Amortisation

Depreciation	2014 \$	2013 \$
Plant and Equipment	865	1,038

Depreciation	2014 \$	2013 \$
Plant and Equipment under a Finance Lease	5,219	5,129
Total Depreciation	6,084	6,167

Amortisation	2014 \$	2013 \$
Intangible Assets	72,085	74,046
Total Amortisation	72,085	74,046

Total Depreciation and Amortisation 2014- \$78,169, 2013- \$80,213.

Note 16. Borrowing Costs

Costs	2014 \$	2013 \$
Finance Charges on Finance Leases	1,709	2,097
Total Borrowing Costs	1,709	2,097

Note 17. Other Expenses

Expenses	2014 \$	2013 \$
Unclaimed Prize Money	361	995
Expensing of Plant and Equipment (read note below)	2,202	0
Total Other Expenses	995	2,563

Note: The expensing of plant and equipment is a result of the Commission increasing the threshold for the recognition of plant and equipment from \$2,000 to \$5,000 in 2013-14.

Note 18. Waivers, Impairment Losses and Write-Offs

A waiver is the relinquishment of a legal claim to a debt over which the Commission has control. The write-off of a debt is the accounting action taken to remove a debt from the books but does not relinquish the legal right of the Commission to recover the amount. The write-off of debts may occur for reasons other than waivers.

The write-offs listed below have occurred during the reporting period.

Write-offs	No.	2014 \$	No.	2013 \$
Irrecoverable Debt – Sports Bookmaking Tax (read note below)	1	60,000	0	0
Total Write-offs	1	60,000	0	0

Note: The write-off is the estimated amount of Sports Bookmaking taxation owed to the Commission but not received as a result of the liquidation of Sports Alive Pty Ltd on 26 August 2011. It is considered that there is no prospect of recovering this debt.

Note 19. Auditor's Remuneration

Auditor's remuneration consists of financial audit services provided to the Commission by the ACT Auditor-General's Office. No other services were provided by the ACT Auditor-General's Office.

Audit service	2014 \$	2013 \$
Audit Fees Paid or Payable to the ACT Auditor-General's Office	39,866	35,755
Total Audit Fees	39,866	35,755

Note 20. Cash and Cash Equivalents

The ACT Gambling and Racing Commission holds four bank accounts with the Westpac Bank as part of the whole-of-government banking arrangements that earned an average floating interest rate of 3.49% (2012-2013 2.98%).

Monies	2014 \$	2013 \$
Cash at Bank (read note below)	3,897,641	3,244,719
Cash on Hand	321	297
Total Cash and Cash Equivalents	3,897,962	3,245,016

Note: The increase in Cash at Bank is a result of positive cash flows generated from operating activities.

The following pages contain images of tables. For a full summary of Notes 21 to 28 contact:

The Manager, Coordination and Revenue ACT Gambling and Racing Commission, phone: (02) 6207 03599, location: Level 2 Canberra Nara Centre, 1 Constitution Avenue CANBERRA CITY ACT 2601.

Note 21. Receivables

Note 21. Receivables	2014 \$	2013 \$
Gaming Machine Taxation	2,886,510	2,881,993
Interstate Lotteries Duty	1,111,265	1,183,512
Casino Taxation ¹	147,126	127,046
ACTTAB Licence Fee	151,508	149,946
Sports Bookmakers Taxation ²	0	60,000
Less: Allowance for Impairment Loss ²	0	(60,000)
Sub-Total (Gambling Taxes Accrued)	4,296,409	4,342,497
Problem Gambling Assistance Fund Levy	91,632	90,921
Other Trade Receivables ³	118,263	11,784
Net GST Receivable	23,752	14,872
Sub-Total (Other Receivables)	233,647	117,577
Total Receivables	4,530,056	4,460,074

- The increase in Casino Taxation in 2013-14 is due to a slight increase in activity for the month of June 2014, payable in July, compared to June 2013 activity.
- The change in Sports Bookmakers Taxation and Allowance for Impairment Loss is a result of the write-off of the amount of Sports Bookmaking taxation owed to the Commission but not received as a result of the liquidation of Sports Alive Pty Ltd on 26 August 2011 (refer Note 18).
- The increase in Other Trade Receivables for 2013-14 is mainly due to reimbursement from the Restructure Fund not yet received (refer Note 10).

Ageing of Receivables

	Not Overdue \$	Past Due			Total \$
		Less than 30 Days \$	30 to 60 days \$	Greater than 60 Days \$	
2014					
Not Impaired¹					
Receivables	4,530,056	0	0	0	4,530,056
Impaired					
Receivables	0	0	0	0	0
2013					
Not Impaired¹					
Receivables	4,460,074	0	0	0	4,460,074
Impaired					
Receivables ²	0	0	0	60,000	60,000

- 'Not Impaired' refers to Net Receivables (that is, Gross Receivables less Impaired Receivables).
- The Impaired Receivable was due to an unpaid tax liability of Sports Alive Pty Ltd as a result of its voluntary liquidation in August 2011.

Note 22. Plant and Equipment.

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 22. Plant and Equipment – Continued

Valuation of Non-Current Assets

The Commission obtained expert independent valuations on all of the Commission's non-current assets. The latest valuations were performed as at 6 June 2014. The next valuation is scheduled to be performed in 2017.

Reconciliation of Plant and Equipment

The following table shows the movement of Plant and Equipment during 2013-14 and 2012-13.

2013-14	Plant and Equipment	Total
	\$	\$
Carrying Amount at the Beginning of the Reporting Period	27,825	27,825
Revaluation Increment	1,344	1,344
Expensing of Plant and Equipment (refer to Note 17)	(2,202)	(2,202)
Depreciation	(6,084)	(6,084)
Carrying Amount at the End of the Reporting Period	20,883	20,883

2012-13	Plant and Equipment	Total
	\$	\$
Carrying Amount at the Beginning of the Reporting Period	33,992	33,992
Revaluation Increment	0	0
Expensing of Plant and Equipment	0	0
Depreciation	(6,167)	(6,167)
Carrying Amount at the End of the Reporting Period	27,825	27,825

Note 23. Intangible Assets

The Commission has externally purchased software consisting of a Gaming Machine Tax Database and an ACT Gamblers' Exclusion Database.

Computer Software	2014	2013
	\$	\$
<i>Externally Purchased Software</i>		
Computer Software at Cost ¹	496,516	362,835
Less: Accumulated Amortisation	(207,835)	(135,750)
<i>Total Externally Purchased Software</i>	288,681	227,085
Total Computer Software	288,681	227,085

1. The increase in Computer Software in 2013-14 relates to the ACT On-Line Gamblers Exclusion Database becoming operational in June 2014.

Note 23. Intangible Assets

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 23. Intangible Assets – Continued

Reconciliation of Intangible Assets

The following table shows the movement of Intangible Assets 2013-14 and 2012-13.

2013-14	Externally Purchased Software \$	Total \$
Carrying Amount at the Beginning of the Reporting Period	227,085	227,085
Additions	133,681	133,681
Amortisation	(72,085)	(72,085)
Carrying Amount at the End of the Reporting Period	288,681	288,681

2012-13	Externally Purchased Software \$	Total \$
Carrying Amount at the Beginning of the Reporting Period	301,131	301,131
Additions	0	0
Amortisation	(74,046)	(74,046)
Carrying Amount at the End of the Reporting Period	227,085	227,085

Note 24. Capital Works in Progress

Capital Works in Progress are assets being constructed over periods of time in excess of the present reporting period. These assets often require extensive installation work or integration with other assets and contrast with simpler assets that are ready for use when acquired, such as motor vehicles and equipment. Capital Works in Progress are not depreciated or amortised as the Commission is not deriving any economic benefits from them.

	2014 \$	2013 \$
Software Works in Progress ¹	0	75,381
Total Capital Works in Progress	0	75,381

1. The reduction in Software Works in Progress in 2013-14 is due to the transfer of the ACT On-line Gamblers' Exclusion Database to intangible assets on completion.

Reconciliation of Capital Works in Progress

The following table shows the movement of Capital Works in Progress during 2013-14 and 2012-13.

2013-14	Software Works in Progress \$	Total \$
Carrying Amount at the Beginning of the Reporting Period	75,381	75,381
Additions	58,300	58,300
Capital Works in Progress Completed and Transferred to Intangible	(133,681)	(133,681)
Carrying Amount at the End of the Reporting Period	0	0

Note 24. Capital Works in Progress and Note 25. Payables

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 24. Capital Works in Progress – Continued 2012-13

	Software Works in Progress	Total
	\$	\$
Carrying Amount at the Beginning of the Reporting Period	0	0
Additions	75,381	75,381
Capital Works in Progress Completed and Transferred to Intangible Assets	0	0
Carrying Amount at the End of the Reporting Period	75,381	75,381

	2014	2013
	\$	\$
Note 25. Payables		
Trade Payables ¹	9,266	124,243
Accrued Expenses	39,996	41,628
Total Payables	49,262	165,871

Ageing of Payables

Payables are aged as follows:

Not overdue	49,262	165,871
Overdue for less than 30 days	0	0
Overdue for 30 to 60 days	0	0
Overdue for more than 60 days	0	0
Total Payables	49,262	165,871

Classification of ACT Government/Non-ACT Government Payables

Payables with ACT Government Entities

Trade Payables	2,705	4,411
Accrued Expenses	39,866	39,753
Total Payables with ACT Government Entities	42,571	44,164

Payables with Non-ACT Government Entities

Trade Payables	6,561	119,832
Accrued Expenses	130	1,875
Total Payables with Non-ACT Government Entities	6,691	121,707
Total Payables	49,262	165,871

1. The decrease in Trade Payables is due to a large number of invoices being received and paid prior to the end of the reporting period.

Note 26. Finance Leases

ACT Gambling and Racing Commission Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 26. Finance Leases

The Commission holds two finance leases each of which has been taken up as a finance lease liability and an asset under a finance lease. These leases are for motor vehicles. The interest rates implicit in these leases are 7.58% and 6.52% with both leases on a four year term. These leases allow for extensions, but have no terms of renewal or purchase options, nor escalation clauses.

Current Finance Leases	2014	2013
	\$	\$
Secured		
Finance Leases	6,120	5,704
Total Current Secured Finance Leases	6,120	5,704

Non-Current Finance Leases

Secured		
Finance Leases	15,056	21,176
Total Non-Current Secured Finance Leases	15,056	21,176
Total Finance Leases	21,176	26,880

Secured Finance Leases

The Commission's finance lease liability is effectively secured because if the Commission defaults the assets

Finance Leases

Finance lease commitments are payable as follows:

Within one year	7,413	7,413
Later than one year but not later than five years	15,342	22,755
Later than five years	0	0
Minimum Lease Payments	22,755	30,168
Less: Future Finance Lease Charges	(1,579)	(3,288)
Amount Recognised as a Liability	21,176	26,880
Total Present Value of Minimum Lease Payments	21,176	26,880

The present value of the minimum lease payments are as follows:

Within one year	6,120	5,704
Later than one year but not later than five years	15,056	21,176
Later than five years	0	0
Total Present Value of Minimum Lease Payments	21,176	26,880

Classification on the Balance Sheet

Finance Leases

Current Finance Leases	6,120	5,704
Non-Current Finance Leases	15,056	21,176
Total Finance Leases	21,176	26,880

Note 27. Employee Benefits and Note 28. Other Liabilities

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 27. Employee Benefits	2014	2013
	\$	\$
Current Employee Benefits		
Annual Leave	292,499	315,497
Long Service Leave	425,647	446,419
Accrued Wages and Salaries ¹	158,655	90,758
Total Current Employee Entitlements	876,801	852,674
1. The increase in Accrued Wages and Salaries is mainly due to the back pay relating to the 2013-17 Enterprise Agreement remaining unpaid at the end of the reporting period.		
Non-Current Employee Benefits		
Long Service Leave	113,185	86,882
Total Non-Current Employee Entitlements	113,185	86,882
Total Employee Benefits	989,986	939,556
Estimate of when Leave is Payable		
Estimated Amount Payable within 12 Months		
Annual Leave	237,255	315,497
Long Service Leave	0	35,343
Accrued Wages and Salaries	158,655	90,758
Total Employee Benefits Payable within 12 Months	395,910	441,598
Estimated Amount Payable after 12 Months		
Long Service Leave	538,832	497,958
Annual Leave	55,244	0
Total Employee Benefits Payable after 12 Months	594,076	497,958
Total Employee Benefits	989,986	939,556

As at 30 June 2014, the ACT Gambling and Racing Commission employed 30.6 full-time equivalent staff
There were 27.6 FTE staff as at 30 June 2013.

Note 28. Other Liabilities

Current Other Liabilities

Revenue Received in Advance		
- Casino Licence	64,053	64,868
- Sports Bookmakers Annual Licence	27,642	26,578
Other – Security Deposits (Interactive Gambling)	35,280	35,280
Total Current Other Liabilities	126,975	126,726

Note 29. Equity

Asset Revaluation Surplus

The Asset Revaluation Surplus is used to record the increments and decrements in the value of property, plant and equipment.

Asset Revaluation Surplus	2014 \$	2013 \$
Balance at the Beginning of the Reporting Period	2,108	2,108
Increase in the Asset Revaluation Surplus	1,344	0
Total Increase in the Asset Revaluation Surplus	1,344	0
Balance at the End of the Reporting Period	3,452	2,108

Note 30. Financial Instruments

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised with respect to each class of financial asset and financial liability are disclosed in Note 2 Summary of Significant Accounting Policies.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A significant proportion of financial assets are held in floating interest rate arrangements, however, the majority of the financial liabilities are non-interest bearing. This means the Commission is not exposed to movements in interest payable, however it is exposed to movements in interest receivable. Interest rates increased during the year ended 30 June 2014.

Interest rate risk for financial assets is managed by the Commission by only investing in floating interest rate investments that are low risk. Interest rate risk for financial liabilities is not actively managed by the Commission as there are no financial liabilities which are exposed to a floating interest rate. There have been no changes in risk exposure or processes for managing risk since the last financial reporting period.

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Commission as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's credit risk is limited to the amount of the financial assets it holds net of any allowance for impairment. The Commission expects to collect all financial assets that are not past due or impaired.

Cash at bank is held with a high credit quality financial institution under Whole-of-Government banking arrangements. Cash at bank is held with the Westpac Bank.

The majority of the Commission's receivables are taxes payable by gaming licensees. The Commission reviews outstanding receivables on a monthly basis with the option of prosecution or disciplinary action being taken against gaming licensees with overdue or unpaid taxes. Unpaid outstanding balances are referred to the ACT Government Solicitor's Office for legal action if all other options have been exhausted.

The Commission also manages the credit risk for receivables by undertaking an analysis of the concentration of risk to ensure that it is not too high. No concentration of credit risk was identified in this analysis.

There have been no changes in the process for managing credit risk since last financial year.

Liquidity Risk

Liquidity risk is the risk that the Commission will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. To limit its exposure to liquidity risk the Commission ensures that it has a sufficient amount of current financial assets to meet its current financial liabilities. The main source of cash to pay these obligations is appropriation from Government which is paid to

the Commission on a fortnightly basis throughout the year. The Commission manages its liquidity risk through forecasting appropriation drawdown requirements to enable payment of anticipated obligations. This ensures that the Commission has enough liquidity to meet its emerging financial liabilities. See the maturity analysis below for further details of when financial assets and liabilities mature.

The Commission's exposure to liquidity risk and the management of this liquidity risk has not changed since the previous reporting period.

Fair Value of Financial Assets and Liabilities

The carrying amounts and fair values of financial assets and liabilities at the end of the reporting period are:

Financial Assets	Carrying Amount 2014 \$	Fair Value 2014 \$	Carrying Amount 2013 \$	Fair Value 2013 \$
Cash and Cash Equivalents	3,897,962	3,897,962	3,245,016	3,245,016
Receivables	142,015	142,015	26,656	26,656
Total Financial Assets	4,039,977	4,039,977	3,271,672	3,271,672

Financial Liabilities	Carrying Amount 2014 \$	Fair Value 2014 \$	Carrying Amount 2013 \$	Fair Value 2013 \$
Payables	49,262	49,262	3,245,016	3,245,016
Finance Leases	21,176	21,176	26,880	26,880
Total Financial Liabilities	70,438	70,438	192,751	192,751

Note: Assets and liabilities that are not contractual (such as those created as a result of statutory requirements imposed by governments) are not financial assets and liabilities. As such, non-contractual receivables and payables are not included in the financial instruments note.

Fair Value Hierarchy

All financial assets and liabilities are measured, subsequent to initial recognition, at amortised cost and as such no fair value hierarchy disclosures have been made.

Note 30. Financial Instruments - Continued

The following table sets out the Commission's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2013. Except for non-current payables, financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

Fixed Interest maturing in:

		Weighted Average Interest Rate	Fixed Interest maturing in:					Non-Interest Bearing	Total
			Floating Interest Rate	1 Year or Less	5 Years	Over 5 Years			
Financial Instruments	Note No.		\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and Cash Equivalents	20	3.49%	3,897,641	0	0	0	0	321	3,897,962
Receivables	21		0	0	0	0	0	142,015	142,015
Total Financial Assets			3,897,641	0	0	0	0	142,336	4,039,977
Financial Liabilities									
Payables	25		0	0	0	0	0	49,262	49,262
Finance Leases	26	7.05%	0	7,413	15,342	0	0	22,755	22,755
Total Financial Liabilities			0	7,413	15,342	0	0	49,262	72,017
Net Financial Assets/(Liabilities)			3,897,641	(7,413)	(15,342)	0	0	93,074	3,967,960

Note 30. Financial Instruments - Continued

The following table sets out the Commission's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2014. Except for non-current payables, financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 30. Financial Instruments – Continued

Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2014

Note 30. Financial Instruments - Continued

The following table sets out the Commission's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2013. Except for non-current payables, financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

Financial Instruments	Note No.	Weighted Average Interest Rate	Fixed Interest maturing in:					Non-Interest Bearing	Total
			Floating Interest Rate	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years			
			\$	\$	\$	\$		\$	\$
Financial Assets									
Cash and Cash Equivalents	20	2.98%	3,244,719	0	0	0		297	3,245,016
Receivables	21		0	0	0	0		26,656	26,656
Total Financial Assets			3,244,719	0	0	0		26,953	3,271,672
Financial Liabilities									
Payables	25		0	0	0	0		165,871	165,871
Finance Leases	26	7.05%	0	7,413	22,755	0		0	30,168
Total Financial Liabilities			0	7,413	22,755	0		165,871	196,039
Net Financial Assets/(Liabilities)			3,244,719	(7,413)	(22,755)	0		(138,918)	3,075,633

Note 30. Financial Instruments – Continued

Carrying Amount of Each Category of Financial Asset and Financial Liability	2014 \$	2013 \$
Financial Assets- Loans and Receivables Measured at Amortised Cost	142,015	26,656
Financial Liabilities- Financial Liabilities Measured at Amortised Cost	70,438	192,751

The Commission does not have any financial assets in the 'Financial Assets at Fair Value through Profit and Loss' category, the 'Available for Sale' category or the 'Held to Maturity' category and as such these categories are not included above. Also, the Commission does not have any financial liabilities in the 'Financial Liabilities at Fair Value through Profit and Loss' category and, as such, this category is not included above.

Note 31. Remuneration of Commissioners

Commission members (other than the Chief Executive Officer) are appointed by the Minister for Gaming and Racing under Section 12 of the Gambling and Racing Control Act 1999 and in accordance with provisions of the Financial Management Act 1996. The members of the Commission during 2013-14 were:

- Mr J Haskins, Chair
- Mr M Rolfe, Deputy Chair (Resigned 13 June 2014)
- Dr M Doherty, Member
- Ms A Tay, Member
- Mr G Jones, Chief Executive Officer

Commission members (other than the Chief Executive Officer) are entitled to remuneration and allowances in accordance with Determination No.9 of November 2012 and Determination No.9 of November 2013 made by the ACT Remuneration Tribunal. Total remuneration paid to the Chair, Deputy Chair and members of the Commission was \$124,430 (2012-13 \$121,532).

There were no other related party transactions during the reporting period.

Note 32. Commitments

Capital Commitments

Capital commitments contracted at reporting date that have not been recognised as liabilities are as follows:

Capital Commitments – Intangible Assets	2014 \$	2013 \$
Payable: Within one year	0	45,655
Payable: Later than one year but no later than five years	0	0
Payable: Later than five years	0	0
Total Capital Commitments – Intangible Assets (read note below)	0	45,655
Total Capital Commitments	0	45,655

Note: The decrease in Capital Commitments in 2013-14 relates to the completion of the ACT Online Gambler's Exclusion Database during the reporting period.

Other Commitments

Other commitments contracted at reporting date that have not been recognised as liabilities are payable as follows:

Capital Commitments	2014 \$	2013 \$
Within one year	809,606	650,730
Later than one year but no later than five years	1,652,731	0
Later than five years	0	0
Total Other Commitments (read note below)	2,462,337	650,730

Note: The increase in Other Commitments in 2013-14 relates to the commencement of a new three year contract on 1 July 2014 for the provision of problem gambling support services to the ACT community.

Operating Lease Commitments

At 30 June 2014, the Commission's operating lease commitments are associated with information and communication technology asset rentals from Shared Services ICT and are payable as follows:

Capital Commitments	2014 \$	2013 \$
Within one year	16,377	9,624
Later than one year but no later than five years	27,418	6,268
Later than five years	0	0
Total Operating Lease Commitments	43,795	15,892

Note 33. Contingent Liabilities

The Commission manages unclaimed prize monies relating to winning prizes which have remained unclaimed. The Commission's contingent liability amount on the potential claims is \$2,337,481 (2012-13 \$2,311,782).

Note 34. Cash Flow Reconciliation

Note 34. Cash Flow Reconciliation

(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement to the Equivalent Items in the Balance Sheet

	2014 \$	2013 \$
Total Cash and Cash Equivalents recorded in the Balance Sheet	3,897,962	3,245,016
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement	3,879,962	3,245,016

(b) Reconciliation of Net Cash Inflows from Operating Activities to the Operating Surplus

Operating Surplus	818,888	988,567
Add/(Less) Non-Cash Items		
Depreciation and Amortisation	78,169	80,213
Expensing of Plant and Equipment	2,202	0
Cash Before Changes in Operating Assets and Liabilities	899,259	1,068,780
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	(69,982)	196,292
(Increase)/Decrease in Prepayments	(60)	54
(Decrease) in Payables	(116,609)	(107,362)
Increase/(Decrease) in Employee Benefits	50,430	(14,692)
(Decrease) in Taxation Revenue Payable	(46,337)	(181,921)
Increase in Other Liabilities	249	1,543
Net Changes In Operating Assets and Liabilities	(182,309)	(106,086)
Net Cash Inflows from Operating Activities	716,950	962,694

(c) Non-Cash Financing Activities

	2014	2013
Acquisition of Motor Vehicles by means of Finance Leases	0	0

Note 35. Events Occurring After Balance Date

There were no events occurring after the balance date that would affect the financial statements as at 30 June 2014 or in future reporting periods.

Note 36. Third Party Monies

During the reporting period, the ACT Gambling and Racing Commission collected and dispersed the Race Field Information Charge in accordance with the provisions of the Racing Act 1999.

Race Field Information Charge	2014 \$	2013 \$
Balance at the Beginning of the Reporting Period	138,473	16,982
Cash Receipts (read note below)	272,725	2,217,469
Cash Payments (read note below)	(411,198)	(2,095,978)
Balance at the End of the Reporting Period	0	138,473

The amounts shown in the Third Party Monies note are inclusive of GST.

Note: The reduction in third party monies collected and paid during the reporting period is a result of The Race Field Information Scheme administrative functions being handed over to the Racing Club during the reporting period.

F.3 CAPITAL WORKS

The Commission had no projects included in the Capital Works Program for 2013-14.

F.4 ASSET MANAGEMENT

The only assets managed by the ACT Gambling and Racing Commission are its:

- furniture and fittings;
- motor vehicles; computer software; and
- Information Technology (IT) equipment leased from Shared Services ICT.

The Commission has in place policies for the management of these assets consistent with the ACT Asset Management Strategy, namely:

- an inventory and audit of all assets that includes asset registers which are updated
- following the receipt of newly purchased or leased equipment; a depreciation schedule;
- an ongoing program for replacement of all IT assets, developed and implemented in conjunction with Shared Services ICT; and
- comprehensive insurance with the ACT Insurance Authority.

Commission managed assets were valued at approximately \$564,000 for the period with no significant assets added or removed from its register.

The Commission occupies leased accommodation at Level 2 of the Canberra Nara Centre, Canberra City. Total occupied office floor space, including a percentage for common areas is 531m².

This space accommodates 34 employees which equates to 15.6m² per person.

F.5 GOVERNMENT CONTRACTING

The Commission's procurement selection and management process for all contractors including consultants complied with the Government Procurement Act 2001 and Government Procurement Regulation 2007 and subordinate guidelines and circulars.

Procurement processes above \$25,000 have been reviewed by Shared Services Procurement, and if necessary by the Government Procurement Board, consistent with the provisions of the Government Procurement Regulation Act 2007.

Table 33: 2013-14 Contractual payments that exceed \$25,000

Contracting Entity	Description	Financial Year Expenditure (excl GST)	Procurement Method	Reason for use of Select Tender (where applicable)	Date Contract Let
Mission Australia	Problem Gambling Support Service for the period 1 July 2011 to 30 June 2014	\$650,730	Open tender	N/A	June 2011
ANU Centre for Gambling Research	Research into Gambling	\$118,687	Single select	ANU Centre for Gambling Research was considered the only contractor sufficiently skilled to provide the specialist research and analysis required for these projects	November 2003
Hammond Street Development	Gamblers' Exclusion Database	\$58,300	SSICT Select Panel	N/A	December 2012

Further information may be obtained from: Manager, Coordination and Revenue Telephone: (02) 6207 0359

F.6 STATEMENT OF PERFORMANCE

F.6 STATEMENT OF PERFORMANCE



AUDITOR GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY



A14/24

Mr John Haskins
Chair
ACT Gambling and Racing Commission
Level 2, Canberra Nara Centre
1 Constitution Avenue
CANBERRA ACT 2601

Dear Mr Haskins

John

**REPORT OF FACTUAL FINDINGS - ACT GAMBLING AND RACING COMMISSION
STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014**

The Audit Office has completed the review of the statement of performance of the ACT Gambling and Racing Commission for the year ended 30 June 2014.

I have attached the statement of performance and unqualified report of factual findings.

I have provided a copy of the statement of performance and report of factual findings to the Minister for Racing and Gaming, Ms Joy Burch MLA.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'B Sheville'.

Bernie Sheville
Director, Financial Audits
28 August 2014

c.c. Mr Greg Jones, Chief Executive Officer
Mr Ron Leonard, Manager, Coordination and Revenue

REPORT OF FACTUAL FINDINGS

ACT GAMBLING AND RACING COMMISSION

To the Members of the ACT Legislative Assembly

Report on the statement of performance

The statement of performance of the ACT Gambling and Racing Commission (the Commission) for the year ended 30 June 2014 has been reviewed.

Responsibility for the statement of performance

The Governing Board of the Commission is responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate records and internal controls that are designed to prevent and detect fraud and error, and the systems and procedures used to measure the results of the accountability indicators reported in the statement of performance.

The auditor's responsibility

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2011*, I am responsible for providing a report of factual findings on the statement of performance.

The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide assurance that the results of the accountability indicators reported in the statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Commission, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

The review did not include an assessment of the relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets.

No opinion is expressed on the accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations.

Electronic presentation of the statement of performance

Those viewing an electronic presentation of this statement of performance should note that the review does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from the statement of performance. If users of the statement of performance are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the reviewed statement of performance to confirm the accuracy of this electronically presented information.

Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting this review.

Review opinion

Based on the review procedures, no matters have come to my attention which indicate that the results of the accountability indicators, reported in the statement of performance of the Commission for the year ended 30 June 2014, are not fairly presented in accordance with the *Financial Management Act 1996*.

This review opinion should be read in conjunction with the other information disclosed in this report.



Bernie Sheville
Director, Financial Audits
28 August 2014



ACT Gambling and Racing Commission Statement of Performance For the Year Ended 30 June 2014

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the ACT Gambling and Racing Commission's records and fairly reflects the service performance of the ACT Gambling and Racing Commission for the year ended 30 June 2014 and also fairly reflects the judgments exercised in preparing it.

A handwritten signature in black ink, appearing to read 'John Haskins'.

John Haskins, AM
Chairperson
ACT Gambling and Racing Commission

13 August 2014

Description of Objectives

The ACT Gambling and Racing Commission's major objectives include:

- subject to the Gambling and Racing Control Act 1999, to operate as a customer service oriented
- entity along business-like lines;
- to use financial practices and maintain accounts and records which satisfy the requirements of
- the Financial Management Act 1996 and which fairly present the Commission's financial position, operational and cash flow results for planning and reporting purposes;
- to use benchmarking to operate at least as efficiently as alternative service providers and to
- provide quality, value for money services in all aspects of the Commission's operations;
- to provide a productive and satisfying working environment for staff and a commitment to high
- standards of human resource management based on the principles of equal employment opportunity; and
- to adopt high standard operating practices to safeguard the environment, health and safety of staff.

Output Class 1: Gambling Regulation and Harm Minimisation

Output 1.1: Gambling Regulation and Harm Minimisation

	Original Target 2013-14	Actual Result 2013-14	% Variance from Target	Reasons for Material Variance
Total cost	\$5,596,000	\$5,106,239	(8.75)	Note 1
Government payment for outputs	\$4,451,000	\$4,499,000	1.1	-
Accountability Indicators				
<i>Effectively regulate gambling and racing activity for statutory compliance</i>				
a Conduct compliance audits of operator activity to detect compliance with legal framework				
– Casino	100	100	0	-
– Gaming Machines	250	257	2.8	-
– Bookmakers	50	52	4	-
– Minor Lotteries	60	60	0	-
<i>Ensure compliance with statutory payment of taxes and fees</i>				
b Conduct revenue audits to ensure correct payment of taxes and fees received				
– Casino	12	12	0	-
– Gaming Machines	12	12	0	-
– Bookmakers	12	12	0	-
<i>Keep informed about problem gambling issues and harm minimisation strategies</i>				
c Initiate or complete research projects; analyse significant research projects conducted elsewhere	5	5	0	-
<i>Undertake measures designed to reduce the negative impact of problem gambling</i>				
d Initiate or complete projects through the Problem Gambling Assistance Fund	3	3	0	-

Reasons for Material Variance

The result reflects lower than expected expenditure on supplies and services as a result of:

- lower expenditure from the Problem Gambling Assistance Fund while extensive consultation was undertaken as part of the development of projects prior to formal approval; and
- delays in the completion of Commission funded research projects by external providers during the financial year.

Outcomes of Accountability Indicators

a. Effectively regulate gambling and racing activity for statutory compliance.

- The Commission has achieved or exceeded all of its original audit targets against this objective to provide assurance that licensees are compliant with statutory requirements.

b. Ensure compliance with statutory payment of taxes and fees.

- The Commission has met all of its original audit targets to provide assurance that it has collected and verified all taxes and fees that were generated from gambling activity undertaken in the Territory this year.

c. Keep informed about problem gambling issues and harm minimisation strategies.

The Commission has:

- completed the research project on Stigma and Help Seeking for Gambling Problems which was released in November 2013;
- initiated a research project on Understanding the Self-exclusion Process from the Perspective of Venue-based Gambling Providers, People who Self-exclude from Gambling Venues and Service Providers who Assist Them;
- analysed the research paper on The Impact of Electronic Gaming Machines (EGM) Jackpots on Gambling Behaviour prepared for Gambling Research Australia;
- analysed the research paper on Interactive Gambling prepared for Gambling Research Australia; and
- analysed the research paper on Validation Study of In-Venue Problem Gambling Indicators prepared for Gambling Research Australia.

d. Undertake measures designed to reduce the negative impact of problem gambling.

The Commission has:

- initiated the design, development, translation and printing of material aimed at promoting and assisting problem gambling and help seeking behaviour within the multicultural community;
- initiated training for non gambling specific community sector workers and counsellors whose clients may have problems with gambling; and
- initiated the design, development and printing of a brochure relating to responsible gambling to be included within OzHelp Foundation's 'Hard Hat Chat' health series.

Additional performance measures included in the Commission's 2013-14 Statement of Intent.

Additional performance measures included in the Commission's 2013-14 Statement of Intent.

Objective	Activity	Measured by	Original Target 2013-14	Actual Result 2013-14	% Variance from Target
1. Review gaming legislation and policies and implement changes	Critical examination of gaming laws and gaming policy issues	Provision of reports or briefs to Commission or Minister, implementation of reviews or policy issues considered	Completion of at least one report, brief or review	1	0
2. Keep informed about developments in gaming and regulatory practices	Attend relevant meetings and conferences	Number of meetings and conferences attended	Attend at least two meetings or conferences	2	0
3. Effectively manage Commission resources	Ensure that all Commission resources are effectively utilised	Comparing actual outcome with 2013-14 budget	Achieve or improve the 2013-14 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus	Actual operating result of \$818,888 exceeds the budgeted operating result of \$101,000	0

Outcomes of Performance Measures

1. Review gaming legislation and policies and implement changes.
 - The Commission has:
 - Developed a policy paper with recommendations for legislative change following a review of the *Gambling and Racing Control (Code of Practice) Regulation 2002*.
2. Keep informed about developments in gaming and regulatory practices.
 - Commission staff attended two Australasian Casino and Gaming Regulators' Chief Executive Officers Forums during the reporting period.
3. Effectively manage Commission resources.
 - The Commission has achieved an operating surplus of \$818,888 against the 2013-14 budgeted result of \$101,000.

Financial performance measures included in the Commission's 2013-14 Statement of Intent.

	Original Target 2013-14	Actual Result 2013-14	% Variance from Target	Reasons for Material Variance
Profitability				
Return on Assets	1.28%	9.78%	664.1	Note 1
Return on Equity	5.50%	24.52%	345.8	Note 1
Financial Management				
Current Ratio	1.29:1	1.60:1	24.0	Note 2
Cash Position	0.36:1	0.45:1	25.0	Note 2
Financial Stability				
Debt Ratio	0.77:1	0.62:1	(19.5)	Note 2
Debt Management				
Interest Cover Ratio	50:1	480:1	860.0	Note 1

Reasons for Material Variance

- The higher than expected actual result reflects the improvement in the Commission's operating result mainly due to reduced expenditure on supplies and services as a result of:
 - lower expenditure from the Problem Gambling Assistance Fund while extensive consultation was undertaken as part of the development of projects prior to formal approval; and
 - delays in the completion of Commission funded research projects by external providers during the financial year.
- The variance reflects an increase in cash and cash equivalents mainly as a result of lower cash outflows for expenditure on supplies and services as indicated above.

Explanation of Financial Performance Measures

- Return on Assets=EBIT / average total assets for period
- Return on Equity=EBIT / equity
- Current Ratio=current assets / current liabilities
- Cash Position=(cash + current investments) / total assets
- Debt Ratio=total liabilities / year end total assets
- Interest Cover Ratio=EBIT / annual interest payments

Note: EBIT is Earnings Before Interest and Tax (Earnings = Operating Result)

Reasons for Material Variance

- The higher than expected actual result reflects the improvement in the Commission's operating result mainly due to reduced expenditure on supplies and services as a result of:
 - lower expenditure from the Problem Gambling Assistance Fund while extensive consultation was undertaken as part of the development of projects prior to formal approval; and
 - delays in the completion of Commission funded research projects by external providers during the financial year.
- The variance reflects an increase in cash and cash equivalents mainly as a result of lower cash outflows for expenditure on supplies and services as indicated above.

Explanation of Financial Performance Measures

Return on Assets=EBIT / average total assets for period

Return on Equity=EBIT / equity

Current Ratio=current assets / current liabilities

Cash Position=(cash + current investments) / total assets Debt Ratio=total liabilities / year end total assets Interest Cover Ratio=EBIT / annual interest payments

Note: EBIT is Earnings Before Interest and Tax (Earnings = Operating Result)

ATTACHMENTS

ANNUAL REPORT OF THE RACING APPEALS TRIBUNAL FUNCTIONS

To hear and determine appeals and other matters in accordance with the provisions of the Racing Act 1999 (the Act).

CONTACT: Registrar of the Tribunal

Manager, Compliance and Investigations ACT Gambling and Racing Commission Phone: (02) 6207 0359

Fax: (02) 6207 7372

MEMBERS

The members of the Tribunal during 2013-14 were:

Mr Grant Lalor (President)

Mr John Kalokerinos (Deputy President) Mr Phillip Drever

Mr Ted Quinlan

Ms Thena Kyprianou Ms Dorothy Topfer

No assessors were appointed to the Tribunal during the current reporting period.

OPERATIONS

The Racing Appeals Tribunal is established by Part 5 of the Act. The Tribunal is an independent body responsible for hearing and determining appeals from persons aggrieved by a decision of a controlling body or another organisation conducting a race meeting being held for the purposes of betting in the ACT. The functions of the Tribunal are contained in section 39 of the Act.

APPEALS LODGED WITH THE TRIBUNAL

During the Reporting period the Tribunal did not receive any appeals.

GLOSSARY OF ACRONYMS

AASB – Australian Accounting Standards Board
ACAT – ACT Civil & Administrative Tribunal
ACT – Australian Capital Territory
ACTCOSS – ACT Council of Social Services
ACTGSO – ACT Government Solicitor’s Office
ACTPS – ACT Public Service
ANU – Australian National University
ATM – Automated Teller Machine
AS – Australian Standard
AWA – Australian Workplace Agreement
CALD – Culturally and Linguistically Diverse
CBUS – Construction and Building Industry Super
CCTV – Closed Circuit Television
CEOs – Chief Executive Officers
CGR – Centre for Gambling Research
CIT – Canberra Institute of Technology
CMTEDD – Chief Minister, Treasury and Economic Development Directorate
CSS – Commonwealth Superannuation Scheme
EAP – Employee Assistance Program
EGMs – Electronic Gaming Machines
EPIC – Exhibition Park in Canberra
FMA – Financial Management Act
FOI – Freedom of Information
FTE – Full Time Equivalent
GAAP – General Accepted Accounting Principles
GARG – Gambling Advisory Reference Group
GCO – Gambling Contact Officer
GICC – Gambling Industry Consultative Committee
GPO – Government Payment for Outputs
GRA – Gambling Research Australia
GST – Goods and Services Tax
HR – Human Resource
HRA – Human Rights Act 2004
IT – Information Technology
IFAWPCA – International Federation of Asian and Western Pacific Contractors’ Association
ISO – International Organisation for Standardisation
MCG – Ministerial Council on Gambling

DEFINITION OF TECHNICAL TERMS

Community contribution – expenditure by gaming machine licensees on eligible community contributions under the *Gaming Machine Act 2004*

Compliance audits – audits undertaken to identify a licensee’s compliance with the current gaming legislation

Cross-border betting – race and sports betting in different jurisdictions

Disciplinary action – a notice of reprimand, monetary penalty or suspension or cancellation of a gaming licence.

Lottery – raffle, trade promotion, Keno, Housie etc under the Lotteries Act 1964

Race bookmaking – means the carrying on (whether regularly or on one or more occasions) of the business of receiving or negotiating bets on races

Race field information scheme – a statutory scheme whereby licensed wagering operators are required to obtain approval to use ACT race field information

Revenue audits – audits of operator activity to ensure correct payment of fees and taxes

Sports bookmaking – means the carrying on (whether regularly or on one or more occasions) of the business of receiving or negotiating sports bets

MoU – Memorandum of Understanding

NABERS – National Australian Built Environment Rating System

NSW – New South Wales

NZS – New Zealand Standard

OSCAR – Online System for Comprehensive Activity Reporting

PGAF – Problem Gambling Assistance Fund

PIDs – Public Interest Disclosures

PSS – Public Sector Superannuation Scheme

PSSAP – Public Sector Superannuation Accumulation Plan

RACR – Relationships Australia Canberra and Region

RED – Respect, Equity and Diversity

RGAW – Responsible Gambling Awareness Week

RMP – Records Management Program

SEA – Special Employment Agreements

SERBIR – Senior Executive Responsible for Business Integrity Risk

SSICT – Shared Services Information and Communications Technology

TABs – Totalisator Agency Boards

TRO – Territory Records Office

WHS – Workplace Health and Safety

WHSC – Workplace Health and Safety Committee

COMPLIANCE INDEX

Section A: Transmittal Certificate 5

Section B: Performance Reporting 7

- B.1 Organisational Overview 8
- B.2 Performance Analysis16
- B.3 Community Engagement And Support45
- B.4 Ecologically Sustainable Development 49

Section C: Governance and Accountability Reporting 52

- C.1 Internal Accountability 53
- C.2 Risk Management And Internal Audit 56
- C.3 Fraud Prevention58
- C.4 Legislative Assembly Inquiries And Reports 58
- C.5 Auditor-General And Ombudsman Reports 59

Section D: Legislation Based Reporting 59

- D.1 Public Interest Disclosure 61
- D.2 Freedom Of Information 62
- D.3 Human Rights Act 64
- D.4 Territory Records Act 65
- D.5 Legal Services Directions 66
- D.6 Notices Of Non Compliance 67
- D.7 Bushfire Risk Management 67
- D.8 Commissioner For The Environment67

Section E: Human Resources Management Reporting 68

- E.1 Human Resources Management 69
- E.2 Learning And Development 70
- E.3 Work Health And Safety 71
- E.4 Workplace Relations7 3
- E.5 Staffing Profile 74

Section F: Financial Management Reporting 76

- F.1 Financial Management Analysis 77
- F.2 Financial Statements 84
- F.3 Capital Works 127
- F.4 Asset Management 127
- F.5 Government Contracting 128
- F.6 Statement Of Performance 129

Attachments 138

Annual Report Of The Racing Appeals Tribunal 139

Glossary Of Acronyms 140

Definition Of Technical Terms 141

Compliance Index 142

Index 143

Compliance Index 141

INDEX

A

ACT Civil and Administrative Tribunal, 58
ACT Government, ii,10,11,12,16,21,29,44,46,53,55, 61,62,64,65,68,69,70,78,82,97,104,107,108,109,112, 115,118
ACT Government Solicitor's Office, 65,78,107,109,118 ACT Public Service Code of Ethics, 53
ACT Remuneration Tribunal, 54,122
ACTTAB, 12,27,28,29,35,36,40,42,44,45,46,53,76,78,79,107,108,111
Applications, 21,22,28,29,31,61,63
Approved Attendant, 21,22,24
Approved Technician, 22
ATMs, 24,25
Auditor General, 11,42,53,56,58,83,110,129
Australasian Casino and Gaming Regulators' 'Chief Executive Officers' Forum, 42,135
Australian National University Centre for Gambling Research, 33,39,41
Australian Online Gambling Counselling and Support Program, 38,47

B

Betting, 8,27,28,29,30,34,47,138
Betworks, 28,45,46
Board, 10,11,21,35,41,42,52,53,54,55,56,105,127
Bookmaking, 27,28,29,42,55,107,110,111
Breaches, 16,20,24,25,26,28,29,30,31,32,65,66
Business Continuity Plan, 11

C

Clubs, 21,23,36,44
ClubsACT, 44,45,46
Community Consultation, 8,9,46,61
Community Contributions, 23
Community Engagement, 9,44
Complaints, 20,27,28,29,30
Compliance Audit Program, 11,13
Consumer Protection, 9,61
Counselling, 8,12,13,17,25,35,37,38,39,40,44,46,47,48,52,61,69
Corruption, 11,21,57

D

Decision-making, 62
Disciplinary Action, 20,22,26,58,118
Disputes, 27,28,65

E

Ecologically Sustainable Development, 49 Economic Development, 10,12,42,45,49,55,64,68,69,70,71,72
Exclusion Database, 12,13,14,77,80,113,114,123,127

F

Fees, 8,15,16,21,29,32,41,61,76,78,79,89,93, 96,97,98,107,108,109,110,133,134
Financial Management Act, 52,97,98,112,132
Financial Report, 11,23,53,54,57,58,118

Fines, 61,78,97,98

Fraud Prevention, 6,54,57

Freedom of Information, 61,65

Functions and Powers of the Commission, 8

Funding, 8,33,37,44,46,82,98,108

C

Capital Works, 49,80,90,96,114,115,126

Casino Canberra, 12,35,36,40,44,45,46,78,108

Casino Control Act 2006, 18,20,42

Casino Control Regulation 2006, 18

Casino Regulation, 18

Charitable Fundraising, 31

Charges, 8,15,110,116

Chief Executive, 6,14,42,43,52,54,55,65,122,135

Chief Minister, Treasury and Economic Development Directorate, 49,71

G

Gambling Advisory Reference Group, 13,44,46

Gambling and Racing Control Act 1999, 8,28,30,33, 52,122,132

Gambling and Racing Control (Code of Practice) Regulation 2002, 12,13,17,18,24,25,27,28,30,42, 52,135

Gambling Counselling and Support Services, 37,44,48

Gambling Help Online, 38 Gambling Industry, 11,14,45,46,68

Gambling Industry Consultative Committee, 14,45,46

Gambling Research Australia, 14,33,34,134

Gambling Revenue, 76,79

Gaming and Wagering, 9,10,12,16,45,46

Gaming Equipment, 19

Gaming Laws, 8,13,15,58,61,89,97,135

Gaming Machine, 12,14,15,16,21,22,23,24,25,26,27,
30,32,34,35,42,46,47,54,76,78,79,107,108,111,113, 133,134

Gaming Machine Act 2004, 21,22,23,24,26,27,32, 35,42

Gaming Machine Cap, 21

Gaming Machine National Standard Working Party, 14,42

Gaming Machine Regulation 2004, 25

Gaming Regulation, 10,12,14,23,31,54

Gaming Venues, 47

Government, ii,6,10,11,16,21,27,29,41,43,44,45,46, 47,48,52,53,55,61,62,63,64,65,68,69,70,76,77,78,8
1, 82,89,90,93,94,95,96,97,98,103,104,107,108,109, 110,112,115,118,119,127,133,135

Government Contracting, 27

Guidelines, 8,55,60,65,97,127

Internal Audit and Risk Committee, 11,54,55,56

Investigations, 20,26,28,29,30,42,63,66,69

K

Keno, 40,47

Key Stakeholders, 9,10,46

L

Learning and Development, 69,70 Legislation Act 2001, 52

Legislative Amendments, 42,64
Legislative Assembly, 6,10,57,58,60
Legislative Reviews, 13
Levy, 32,35,78,108,111,112
Licence, 18,21,22,24,25,26,28,32,42,55,58,76,79,111,117,140
Licensed Venues, 21,24
Licensees, 11,12,13,14,16,21,22,23,24,25,26,27,28,32,35,42,46,47,54,78,108,118,134,140
Litigation, 28,65
Lotteries, 8,15,24,25,29,30,47,76,79,107,111,133
Lotteries Act 1964, 24,25,29,30

M

Machine and Peripheral Equipment, 22
Membership of the Commission, 52
Memorandum of Understanding, 34,35,47,68
Minister, 6,8,9,11,12,23,27,42,52,61,62,71,122,135
Ministerial Directions, 8
Mission Australia, 12,35,37,44,47,48,109,127
Model Litigant Guidelines, 65
Monitoring and Research, 8,61

H

Harm Minimisation, 9,15,18,19,24,38,42,76,133,134
Hotels, 21,23,36,45,46
Housie, 29,140
Human Rights, 63,64

N

National Gambling Helpline 1800 Number, 35,48
Note Acceptors, 25

I

Industry, 11,12,13,14,17,28,38,42,45,46,47,48,53,62,68,70
Instruments, 8,96,105,106,118,119,120,121,122
Integrity, 9,18,22,39,56,57,69
Interactive Gaming, 31
Internal Audit, 11,54,55,56,76

O

Objectives, 9,11,15,16,18,21,27,68,70,76,96,97,132
OfficeSmart, 49
Ombudsman, 58
Organisation Chart, 10
OzHelp Foundation, 35,40,134
Responsible Gambling Awareness Week, 47
Risk Management, 10,11,54,55,56,66,69,76

P

Permits, 29
Policies, 8,9,42,52,56,61,62,69,76,96,97,98,99,100,101,102,103,104,105,106,118,126,135
Pool Betting, 29,30

Pool Betting Act 1964, 29,30
 Probity, 27,28
 Problem Gambling, 8,9,11,12,13,14,15,17,18,23,32,33,34,35,36,37,38,39,40,41,42,44,46,52,61,70,76,77,78,108,109,112,123,127,133,134,136
 Problem Gambling Assistance Fund, 11,12,13,15,32, 33,35,36,37,44,46,77,78,108,109,111,112,133,134,136
 Problem Gambling Assistance Fund Advisory Committee, 35,44,46
 Problem Gambling Website, 39
 Public Interest Disclosure Act 1994, 60

S

Section 7 Statement, 61
 Section 8 Statement, 61,63
 Security Operations, 18
 Self- Exclusion, 33,134
 Shared Services, 68 ,123 126 127 140
 Signage, 24,25,39,42
 Sports Bookmaking, 27,28,29,42,55,107,110,111,140
 Stakeholders, 9,10,13,35,46,63,69
 Staffing Profile, 73
 Standing Committee on Public Accounts, 52,57
 Statement of Intent, 10,33,42,62,77,95,98,135,136
 Statement of Performance, 10,11,58,68,128,131,132, 133,135,136
 Strategic Plan, 9,10,11,68
 Sustainability, 49

T

Taverns, 21,23,36
 Taxes, 8,15,16,21,32,61,76,78,80,81,82,89,97,98,100,111,112,118,133,134,140
 Territory Records, 64,65 Trade Promotion Lotteries, 29
 Training, 10,25,35,37,38,53,57,64,68,69,70,72,76,134
 Transmittal Certificate, 6

R

Race and Sports Bookmaking Act 2001, 27,28 Race Bookmaker, 27,28,29,32,76
 Race Field Information, 108,125 Racing Act 1999, 8,27,28,125,138
 Racing Appeals Tribunal, 10,138 Racing Club, 36,108,125
 Racing Industry, 28,42
 Raffles, 29 76
 Recommendations, 8,9,12,35,42,52,56,66,135
 Records Management, 64,70 Red Tape Reduction, 12,13,42
 Regulation, 9,12,13,14,15,17,18,21,24,25,27,28,29,30,31,42,52,54,64,77,89,127,133,135
 Regulatory Practices, 9,13,42,76,135
 Rehabilitation Case Manager, 71
 Request for Information, 63
 Research, 8,9,12,13,14,15,17,33,34,39,41,46,48,61,77,87,97,109,127,133,134,136
 Resource Management Plan, 49
 Responsible Gambling, 14,34,40,47,70,134

U

Unlawful Gambling Act 2009, 31

W

Wagering, 9,10,12,16,27,28,30,45,45,140

Workplace Health & Safety, 55,68,70,71

Workplace Relations, 72