



**ACT**  
Government



ACT Gambling and Racing Commission  
Annual Report  
2019-20



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# ACT Gambling and Racing Commission

## Annual Report

### 2019-20



The ACT Gambling and Racing Commission's 2019-20 Annual Report has been prepared by the ACT Gambling and Racing Commission in accordance with the ACT Chief Minister's *Annual Reports (Government Agencies) Directions 2019* issued on 14 May 2019.

#### Feedback about this publication may be submitted to:

ACT Gambling and Racing Commission

[GRCBoard@act.gov.au](mailto:GRCBoard@act.gov.au)

☎ (02) 6207 1915

#### Postal address

ACT Gambling and Racing Commission

GPO Box 158

CANBERRA ACT 2601

#### Website

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

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There are many ways to get help and support for gambling harm, including self-help options:

**Phone:** Gambling helpline 1800 858 858

**Financial:** Call 1800 007 007 if you would like help with your finances

**Online:** [gamblinghelponline.org.au](http://gamblinghelponline.org.au)

**Face to face:** Call 1800 858 858 to find out about face-to-face counselling

# Contents

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<b>Tables</b> .....	<b>v</b>
<b>Transmittal Certificate</b> .....	<b>1</b>
<b>Compliance Statement</b> .....	<b>2</b>
<b>Organisational Overview and Performance</b> .....	<b>4</b>
Organisational Overview.....	4
Performance Analysis .....	17
Scrutiny .....	33
Risk Management .....	41
Internal Audit.....	42
Fraud Prevention .....	43
Freedom of Information .....	44
Community Engagement and Support.....	45
Aboriginal and Torres Strait Islander Reporting .....	47
Work Health and Safety.....	48
Human Resources Management.....	49
Ecologically Sustainable Development .....	50
<b>Financial Management Reporting</b> .....	<b>51</b>
Financial Management Analysis.....	51
Management Discussion and Analysis for the ACT Gambling and Racing Commission for the Financial Year Ended 30 June 2020.....	51
Financial Statements.....	59
Capital Works.....	38
Asset Management .....	38
Government Contracting .....	38
Statement of Performance .....	39
<b>For the Year Ended 30 June 2020</b> .....	<b>44</b>
<b>Accountability Indicators</b> .....	<b>44</b>
The above Statement of Performance should be read in conjunction with the accompanying notes. .....	44
The above Accountability Indicators were examined by the ACT Audit Office in accordance with the <i>Financial Management Act 1996</i> . The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the <i>Financial Management         (Statement of Performance Scrutiny) Guidelines 2019</i> . .....	44
1. Total costs include components of Commission expenditure excluding taxation revenue transferred to Government. ....	44
<b>Reasons for Material Variance</b> .....	45
<b>Explanation of Accountability Indicators</b> .....	45
<b>Explanation of Accountability Indicators - Continued</b> .....	46
<b>Explanation of Accountability Indicators - Continued</b> .....	47
<b>Annual Report Requirements - ACT Gambling and Racing Commission</b> .....	<b>48</b>
Summary of Complaints.....	48

Gambling Harm Prevention and Mitigation Fund.....	48
<b>Whole of Government Annual Reporting .....</b>	<b>54</b>
Bushfire Risk Management .....	54
Human Rights.....	54
Legal Services Directions.....	54
Territory Records .....	54
<b>Attachments .....</b>	<b>55</b>
Annual Report of the ACT Racing Appeals Tribunal.....	55
<b>List of Abbreviations and Acronyms.....</b>	<b>57</b>
<b>Glossary of Technical Terms .....</b>	<b>59</b>
<b>Alphabetical Index .....</b>	<b>60</b>

# Tables

---

Table 1: Commission Members’ Attendance at Meetings – July 2019 to June 2020 .....	15
Table 2: Name and role of management committees .....	16
Table 3: Summary of operational performance against targets.....	17
Table 4: Summary of results for Strategic Objectives and Indicators.....	18
Table 5: Summary of casino licensing activities 2019-20.....	25
Table 6: Summary of licence variation activity in 2019-20 .....	28
Table 7: Summary of trading scheme figures at 30 June 2020.....	29
Table 8: Summary of race bookmaking activities in 2019-20 .....	30
Table 9: Summary of sports bookmaking activities in 2019-20 .....	30
Table 10: Summary of lotteries permits issued in 2019-20 .....	31
Table 11: Summary of Auditor-General report recommendations relevant to the Commission carried over from 2017-18 .....	33
Table 12: Summary of meetings attended by members and observers during 2018-19 .....	42
Table 13: Summary of Community Engagement Activities .....	45
Table 14: Current Ratio .....	58
Table 15: 2018-19 Contracts with suppliers of goods and services that exceed \$25,000.....	38
Table 16: Summary of complaints received during 2019-20 .....	48
Table 17: Gambling Harm Prevention and Mitigation Fund Receipts 2018-19 .....	49
Table 18: Gambling Harm Prevention and Mitigation Fund – Projects and Funding as at 30 June 2020 .....	50

# Transmittal Certificate

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Ms Tara Cheyne MLA  
Minister for Business and Better Regulation  
ACT Legislative Assembly  
London Circuit  
CANBERRA ACT 2601

Dear Minister

## 2019-20 ACT Gambling and Racing Commission Annual Report

This report has been prepared in accordance with section 7(2) for public sector body of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the *Annual Reports (Government Agencies) Directions 2019*.

We certify that the information in the attached report and information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the ACT Gambling and Racing Commission has been included for the period 1 July 2019 to 30 June 2020.

We hereby certify that fraud and prevention has been managed in accordance with Part 2.3 of the *Public Sector Management Standards 2006* (see section 113 of the *Public Sector Management Standards 2016*).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year. However, under section 14, the Chief Minister has granted an extension of the time when the report must be presented by you to the Legislative Assembly. The Chief Minister has granted the extension to 18 December 2020.

The annual report must be provided to the Speaker on 18 December 2020 for distribution to each Member of the Legislative Assembly. The annual report must then be tabled in the Legislative Assembly on the next sitting day.

Yours sincerely

Handwritten signature of Paul Baxter in black ink.

Mr Paul Baxter  
Chairperson

9 November 2020

Handwritten signature of David Snowden in black ink.

Mr David Snowden  
Chief Executive Officer

9 November 2020



Gambling & Racing Commission  
GPO Box 158, Canberra City ACT 2601  
✉ GRCBoard@act.gov.au  
🌐 [gamblingandracing.act.gov.au](http://gamblingandracing.act.gov.au)





# Compliance Statement

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The ACT Gambling and Racing Commission's 2019-20 Annual Report must comply with the Annual Report Directions (the Directions) made under section 8 of the *Annual Reports (Government Agencies) Act 2004*. The Directions are found at the ACT Legislation Register: [www.legislation.act.gov.au](http://www.legislation.act.gov.au).

The Compliance Statement indicates the subsections, under Parts 1 to 5 of the Directions, that are applicable to the ACT Gambling and Racing Commission and the location of information that satisfies these requirements:

## Part 1 Directions Overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution, and records keeping of annual reports. The ACT Gambling and Racing Commission's 2019-20 Annual Report complies with all subsections of Part 1 under the Directions.

To meet Section 15 Feedback, Part 1 of the Directions, contact details for the ACT Gambling and Racing Commission are provided within the ACT Gambling and Racing Commission's 2019-20 Annual Report to provide readers with the opportunity to provide feedback.

## Part 2 Reporting entity Annual Report Requirements

The requirements within Part 2 of the Directions are mandatory for all reporting entities and the ACT Gambling and Racing Commission complies with all subsections. The information that satisfies the requirements of Part 2 is found in the ACT Gambling and Racing Commission's 2018-19 Annual Report as follows:

- A. Transmittal Certificate, see page 5
- B. Organisational Overview and Performance, inclusive of all subsections, see pages 8-15
- C. Financial Management Reporting, inclusive of all subsections, see pages 55-103

## Part 3 Reporting by Exception

The ACT Gambling and Racing Commission has nil information to report by exception under Part 3 of the Directions for the 2019-20 reporting year.

## Part 4 Directorate and Public Sector Body Specific Annual Report Requirements

The following subsections of Part 4 of the 2019 Directions are applicable to the ACT Gambling and Racing Commission and can be found within the ACT Gambling and Racing Commission's 2019-20 Annual Report:

- *Gambling and Racing Control Act 1999*, s46(2)
- *Gaming Machine Act 2004*, s54

The ACT Gambling and Racing Commission has nil information to report on Ministerial Directions.

## Part 5 Whole of Government Annual Reporting

All subsections of Part 5 of the Directions apply to the ACT Gambling and Racing Commission. Consistent with the Directions, the information satisfying these requirements is reported in the one place for all ACT Public Service directorates, as follows:

- Bushfire Risk Management-- no information to report for 2019-20. Please refer to Bushfire Risk Management section on page 116 of this report;
- Human Rights, see the annual report of the Justice and Community Safety Directorate;
- Legal Services Directions, see the annual report of the Justice and Community Safety Directorate;
- Public Sector Standards and Workforce Profile, see the annual State of the Service Report; and
- Territory Records, see the annual report of Chief Minister, Treasury and Economic, Development Directorate.

ACT Public Service Directorate annual reports are found at the following web address:

[https://www.cmtedd.act.gov.au/open\\_government/report/annual\\_reports](https://www.cmtedd.act.gov.au/open_government/report/annual_reports)

# Organisational Overview and Performance

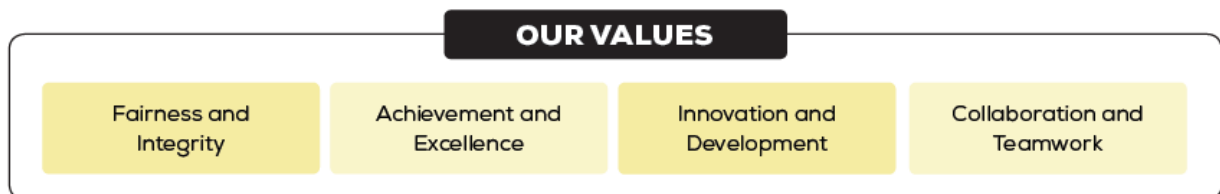
## Organisational Overview

The ACT Gambling and Racing Commission (the Commission) is an independent statutory authority responsible for ensuring the lawful conduct of gambling and racing in the ACT. The Commission is established under the *Gambling and Racing Control Act 1999* (the Control Act). A copy of the Control Act is available on the ACT Legislation Register (<http://www.legislation.act.gov.au>).

## Vision and Values

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 gambling harm.

The Commission's values are:



## Role, Functions and Services



The Commission's functions include:

- regulating the activities of the casino, gaming machines, lotteries, racing, betting and interactive gambling;
- approving gaming and racing activities;
- monitoring and researching the social effects of gambling and of gambling harm;
- reviewing legislation and policies relating to gaming and racing, and making recommendations to the Minister on those matters;
- providing education and counselling services;
- investigating and conducting inquiries into issues and activities of persons in relation to gaming and racing related matters;
- monitoring and researching activities relating to gaming and racing;
- engaging in community consultation, as appropriate; and
- collecting taxes, fees and charges imposed or authorised by or under gaming laws.

## WHO DO WE IMPACT AND WHO ARE OUR STAKEHOLDERS?

ACT community

ACT Government and ACT Legislative Assembly

Territory's licensed gaming and wagering providers and their customers

Other gaming regulators and jurisdictions

## KEY OBJECTIVES FOR 2018-2020

Harm Prevention

Engage, Educate and Enforce

Innovate, Collaborate, and Consult



The Commission's Business Plan 2018-2020 outlines the following strategies to achieve objectives:



### SHARING ACCESS CANBERRA RESOURCES

The Gambling and Racing Commission has an MOU with the Chief Minister, Treasury and Economic Development Directorate. This details the services and functions undertaken by Access Canberra on behalf of the Commission in relation to the administration of gaming laws.

### HARM PREVENTION

We will implement harm prevention strategies:

- A public health approach to the prevention and minimisation of gambling harm in the Territory. Gambling affects the community, not just the individual gambler
- Initiate and complete projects through the Problem Gambling Assistance Fund
  - Applying the latest research and best practice methods for gambling harm prevention
- Support counselling and relapse prevention services



- Target interventions to minimise and prevent harm
- Provide information to help and support people at risk of harm from gambling, including:
  - self-exclusion options
  - gambling harm awareness activities



### ENGAGE, EDUCATE AND ENFORCE STRATEGY



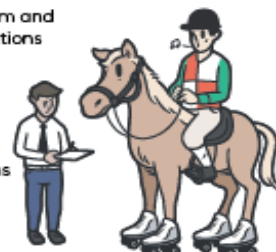
We will increase compliance rates by engaging and educating licensees and the gaming industry.

We will:

- Use a 70/20/10 model
  - 70% engagement
  - 20% education
  - 10% enforcement
- Ensure the industry understands and abides by regulatory obligations



- Safeguard the integrity of the industry
  - Minimise criminal/unethical activity
- Direct resources to where they are needed most
  - Using a risk-based approach conduct a comprehensive compliance inspection program
    - Scheduled, random and responsive inspections
  - Take action when required
    - More inspections
    - Disciplinary actions
    - Issue directions
    - Prosecutions



## INNOVATE, COLLABORATE AND CONSULT

We will collaborate and consult with stakeholders with a commitment to promoting continuous improvement particularly in areas relevant for the ACT Community:

- Community contribution scheme
- Social impact assessment requirements and their availability to the public
- Support the Government by providing independent advice on harm minimisation, consumer protection and gambling and racing regulation

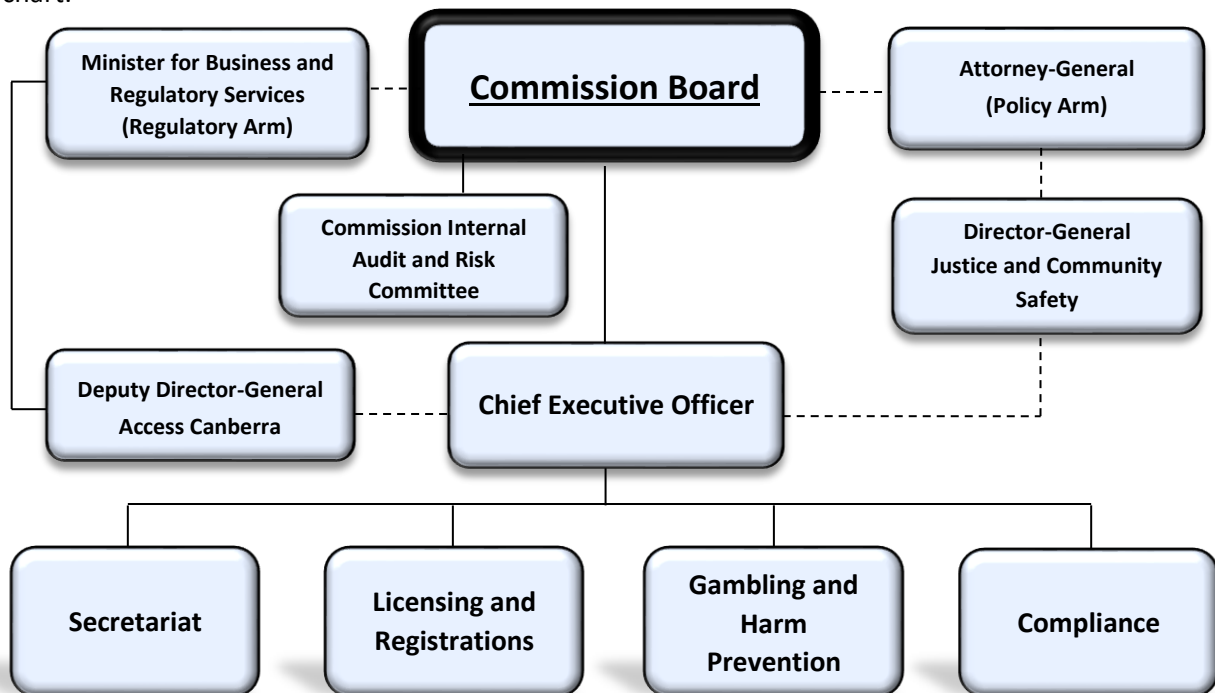


## Organisational Structure

The Commission has a Memorandum of Understanding (MOU) with the Chief Minister, Treasury and Economic Development Directorate (Access Canberra) on the provision of services for the administration of the gaming laws including the control, supervision and regulation of gaming and racing in the ACT. The MOU agreement provides for the Commission to perform its functions and obligations as specified in section 6 of the Control Act and as outlined in the Commission's Statement of Intent. The MOU is current until September 2023.

### Organisational Chart

The Commission's operational structure as at 30 June 2020 is identified in the following organisation chart:



- The Deputy Director-General of Access Canberra is accountable to the ACT Public Service Head of Service, and the Minister for Business and Regulatory Services. The Deputy Director-General is responsible for the administration and business of Access Canberra including any work that Access Canberra undertakes on behalf of the Commission.
- The Director-General of the Justice and Community Safety Directorate is accountable to the Attorney-General. The Director-General is responsible for broad gaming and racing policy on a whole-of-government basis.
- The Chief Executive of the Commission is also the Executive Group Manager, Regulatory Services within Access Canberra and is a member of the governing board.

## Achievements in 2019-20

### Gaming Operations

During the 2019-20 reporting period the Pathway to 4000 ('the Pathway') initiative was met. The Pathway was jointly delivered by the Commission and the Justice and Community Safety Directorate.

The Pathway implemented the ACT Government's commitment in the *Parliamentary Agreement for the 9th Legislative Assembly* to reduce the number of gaming machine authorisations in the ACT to 4,000 by 2020 and considered the recommendations of the Club Industry Diversification Support Analysis undertaken by Mr Neville Stevens AO.

As at 30 June 2020, the number of gaming machine authorisations in the ACT had reduced to 3997, meeting the target of 4000 authorisations by 2020.

The Commission also implemented a number of ACT Government COVID-19 stimulus measures aimed at providing an economic support for industry. These measures included waivers of gaming related taxes and fees as well as incentivised surrender of gaming machine authorisations.

On 21 December 2018, Aquis Entertainment entered a binding Implementation Deed (and related documentation) with Blue Whale Entertainment Pty Ltd ('Blue Whale') in relation to the proposed transfer of a majority shareholding in Aquis Entertainment to Blue Whale ('the proposed transaction'). The proposed transaction triggered a probity assessment under the *Casino Control Act 2006*. To receive regulatory approval from the Commission each executive officer and influential person of Blue Whale needed to be an "eligible person". Additionally, the corporation must not be, or have been the subject of a winding-up order or had an administrator appointed in the last 3 years.

On 22 January 2020, Aquis Entertainment announced the termination of the Blue Whale transaction on the ASX. This was a commercial decision of Aquis Entertainment executed in accordance with the Implementation Deed.

### Compliance

During 2019-20, Access Canberra on behalf of the Commission continued to carry out compliance and investigation activities relating to the conduct and provision of gaming and racing services in the ACT to ensure compliance with ACT gaming laws.

A total of 145 gaming and racing related inspections were conducted. Where possible the regulatory burden on licensees was reduced by undertaking several coordinated joint inspection programs covering various pieces of legislation. Reducing regulatory burden ensures greater efficiencies in both time and costs which benefits licence holders.

Resources for compliance activities are allocated based upon their risk profile, which includes the analysis of any received intelligence. Additionally, compliance programs are rounded out by the inclusion of a small random sample of venues, regardless of the level of risk.

In 2019-20, four targeted compliance inspection programs were completed focussing on a range of regularly obligations such as gaming machine community contributions, casino operations, totalisator operations and racing events.

## Harm Prevention

### Gambling Harm Awareness Week 2019

Gambling Harm Awareness Week (GHAW) is designated each year by the Commission to promote awareness within the community of gambling harm, research into gambling, and access to gambling help and support.

Gambling Harm Awareness Week 2019 was held from 21 to 27 October 2019.

The key event for the week was the GHAW Conference held on Tuesday 22 October 2019 at the Ann Harding Conference Centre, University of Canberra. The theme for this year's GHAW conference was "*Together we can reduce Gambling Harm*". This theme encapsulates the view that to effectively address gambling harm in the community we must engage across a range of sectors and settings identified under the public health approach. This includes government, industry, the community service sector, families, and individuals.

The Conference consisted of presentations from a range of speakers including industry, academia, and government. These presenters were:

- Geoff Long, CEO of Belconnen Soccer Club;
- Professor Paul Delfabbro, University of Adelaide;
- Shane Lucas, CEO of the Victorian Responsible Gambling Foundation;
- Jeanette Knowler, Manager Interactive Gambling Taskforce, Australian Communications and Media Authority; and
- Associate Professor Nikki Dowling, Deakin University.

Following the presentations, a panel discussion on the subject of harm minimisation was held with the panel consisting of:

- Kim Marshall, President of ClubsACT
- Athol Chalmers, President of Canberra Community Clubs; and
- Alison Brook, CEO of Relationships Australia Canberra and Region.

Dr Nicholas Biddle, Associate Director, Centre for Social Research and Methods, Australian National University, also gave a presentation on the methodology and findings of the 2019 ACT Gambling Survey.

A comprehensive communications campaign ran throughout Gambling Harm Awareness Week and beyond. This included gambling harm awareness advertising on radio, digital advertising and ACT Government sponsored Facebook and Instagram posts.

Other key activities and events that the Commission undertook for GHAW included:

- The release of the '*Strategy for Gambling harm prevention in the ACT – A public health approach 2019-2024*' which maps the way forward for achieving the Commission's vision of a Canberra free from gambling harm;
- The release of the findings of the 2019 ACT Gambling Survey which was funded by the Commission;
- A stall at the Mental Health & Wellbeing Expo on 10 October which was a joint venture with Care Financial Inc. and Relationships Australia Canberra and Region;
- The Commission also partially funded ClubsACT to hold a Gambling Harm Awareness event on the 4 November featuring Ms Janine Robinson from the Responsible Gambling Council Canada who gave a presentation "Continuing Our Responsibility in a Era of Mistrust" to industry and other community stakeholders.

## Engagement with young people: Orientation Week Stalls

Throughout February 2020 the Commission's Gambling and Harm Prevention Team conducted information stalls at five university campuses in the ACT and Canberra Institute of Technology to promote gambling harm awareness and the role of the Commission. The ACT Gambling Counselling and Support Service provider also attended stalls and supplied promotional materials. The key messages utilised to engage students (predominantly young people) were "support your mates" and "know the signs of gambling harm".

The aim was to engage students in their role as a friend and support for friends and family members who may be gambling, by educating themselves on the early signs of gambling harm and having the tools to start a conversation. A secondary message was aimed at students in the care and allied health subject areas, acting as a support, learning the signs and becoming familiar with services for referring clients and getting additional support as professionals. Targeting students as friends of people who gamble, rather than as gamblers themselves, enabled the team to engage a large number of students in a deep and interactive way. Several hundred students and staff were engaged across these events, with a high rate of active engagement and uptake of materials.

## Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach

On 22 October 2019, the Commission released its *Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach* (the Strategy). The Strategy provides a guide for the Commission in developing and delivering effective, co-ordinated evidence-based activities over a five-year period, from 2019-20 to 2023--24. It provides the rationale, principles and objectives for adopting a public health approach and the framework for the development of annual work plans.

The Strategy was released during 2019 Gambling Harm Awareness Week and is available on the Commission's website. A six-page brochure summarising the key points of the Strategy was also published on the Commission's website.

## Gambler in-Venue Support Program

The Gambler in-Venue Support (GiVS) Program continued in 2019-20. Initiated by the Commission in October 2017, GiVS is a multi-faceted program aimed at increasing the consistency and effectiveness of assistance provided to Canberrans who gamble at venues in the ACT. Further details on this achievement are outlined below.

## Communications

To continue and complement the Commission's messaging about gambling harm awareness throughout the year, targeted social media has been implemented across ACT Government social media channels. The intention of this messaging is to encourage engagement with the Commission's website for further information and support relating to gambling harm.

## Innovate, Collaborate and Consult

### Gambling and Racing Commission Advisory Committee

The Gambling and Racing Commission Advisory Committee (GRCAC) considers current and emerging issues related to the prevention and minimisation of gambling harm; public health approaches to gambling harm; and areas of research interest, bringing together individuals with expertise in these areas. Members provide views and opinions to support the Commission's legislative functions, with particular emphasis on the prevention and mitigation of gambling harm in the ACT.



Over the last 12 months advice has been sought from the GRCAC on development of a research agenda for the Commission to guide future research initiatives, and research proposals requesting funding from the Gambling Harm Prevention and Mitigation Fund. The GRCAC has also been consulted on events and communications for Gambling Harm Awareness Week 2019, the ACT Gambling Survey methodology and findings, the tender process for the provision of the ACT Gambling Counselling Support Service, and gambling harm activities undertaken by the Commission.

## Research

Under the *Gambling and Racing Control Act 1999* the Commission is required to monitor and research the social effects of gambling and gambling harm. The research projects provide information to the Commission and inform the development of strategies and policies to reduce the risk of gambling harm to the ACT community.

The Commission conducts representative surveys on gambling in the Canberra community every five years. This research assists the Commission's role in monitoring the impacts of gambling in the ACT. The Commission funded the Australian National University's Centre for Gambling Research to conduct the 2019 Survey on Gambling in the ACT, which was released during Gambling Harm Awareness Week 2019.

Previous surveys on gambling in the ACT community had been conducted in 2001, 2009 and 2014. They have provided an invaluable map of the prevalence of problem gambling, patterns of gambling behaviour and service use as well as community attitudes regarding gambling, over time. While the previous survey had a target sample size of 5,000 people and was conducted by phoning landlines, the 2019 survey had a sample size of 10,000 people and included phone calls to mobile phones as well as landline numbers.

Access Canberra also represents the Commission and the ACT in the requisition of research by Gambling Research Australia. GRA is a partnership between the Commonwealth, State and Territory Governments to initiate and manage a national gambling research program. Research underway includes a national interactive gambling study, skills-based gaming, as well as investigations into consistent gambling messaging and voluntary opt-out pre-commitment for online wagering.

## Policy and Legislation

The Commission is responsible for implementing policy and legislative changes to gaming laws and its functions under the *Gambling and Racing Control Act 1999*. The Commission also provides advice to the Justice and Community Safety Directorate to assist in the development and implementation of gambling reforms.

The Commission has continued to implement a range of legislative reforms to gambling during the 2019-20 financial year. Among these include the implementation of the reforms introduced by the *Gaming Machine Amendment Act 2020*, the *COVID-19 Emergency Response Legislation Amendment Act 2020* and the *COVID-19 Emergency Response Act 2020*.

## Outlook for 2020-21

Strategic and operational issues to be pursued by the Commission in 2020-21 are outlined in the 2019-20 ACT Budget Statements

([https://apps.treasury.act.gov.au/data/assets/pdf\\_file/0011/1369784/B-Chief-Minister-Treasury-and-Economic-Development-Directorate.pdf](https://apps.treasury.act.gov.au/data/assets/pdf_file/0011/1369784/B-Chief-Minister-Treasury-and-Economic-Development-Directorate.pdf)) and include the following:

### Gaming Operations

The Commission will continue to support industry in their operations during and post COVID-19, and in the general course of business.

### Compliance

The Commission will continue to engage, provide advice and education to the community, individuals, licensees and gambling and racing industry stakeholders through the course of its proactive and reactive compliance programs. The goal is to ensure that the Commission's stakeholders understand their rights, obligations and responsibilities under the ACT's gaming laws.

### Harm Prevention

Under the *Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach, 2019-20 – 2023/24*, the Commission developed the Annual Work Plan 2019-20 which details the operationalisation and implementation of the Strategy in order to address objectives. The three priority areas for 2019-20 were (i) Education and awareness, (ii) Industry Training, and (iii) Research, with initiatives and activities involving collaboration with a wide range of stakeholders.

The GiVS scheme continued overseeing Responsible Service of Gambling (RSG) and Gambling Contact Officer (GCO) training programs and sessions. RSG and GCO training will continue to increase the consistency and effectiveness of assistance provided to Canberrans who gamble at venues in the ACT by developing new content for the Responsible Conduct of Gambling, GCO initial training and GCO annual training sessions.

Access Canberra on behalf of the Commission will undertake ACT Government procurement processes for the provision of gambling counselling support and services beyond 30 June 2021.

### Innovate, Collaborate and Consult

The Commission will seek to build on the Government's reforms to gaming legislation to develop, implement and evaluate interventions to reduce harm caused by gambling. The Commission will do so with the input of gambling providers, academic experts, community organisations and people with lived experience of harm from gambling.

### Research

The Commission will continue to monitor and research the social effects of gambling and gambling harm. Where data from research shows an increase in rates of people experiencing gambling harm in respect of a particular gambling product, the Commission, through Access Canberra, will focus on raising awareness of, and preventing, that harm.

# Internal Accountability

## Membership of the Commission Board

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 and a 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 (the Board).

Under section 56 of the FMA the Board is responsible, under the responsible 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 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 Board. Non-executive members' appointments are approved by the Attorney-General as the responsible Minister. 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*. All appointed members are governed by the ACT Government Code of Conduct which outlines the standards of behaviour and ethical conduct expected of all people serving official appointments. In addition, to ensure the integrity of decisions made by the Board of the Commission, all Board Members are invited, at the beginning of every meeting, to declare any conflicts of interest.

The term of appointment for Commission members is three years. Members are eligible for re-appointment at the expiration of that term. The Chief Executive remains as a member for the duration of their term of office.

As at 30 June 2020, the Commission's Board consisted of the following members:

<i>Chairperson:</i>	Mr Paul Baxter
<i>Deputy Chairperson:</i>	Ms Alice Tay
<i>Members:</i>	Ms Carmel Franklin
	Mr Carl Buik
<i>Chief Executive:</i>	Mr David Snowden

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 Ms Franklin ensures compliance with this criterion.

#### Paul Baxter (Chairperson)



Mr Baxter is a semi-retired professional business consultant who until mid-2011 was the public face of the ACT’s electricity and water pricing regulator, the Independent Competition and Regulatory Commission, having been the inaugural Commissioner of that agency for nearly 16 years.

This role in the ACT partly overlapped with his nearly 25 years as a Director and Partner in PricewaterhouseCoopers, 16 years as a member of the Independent Audit Group of the Murray Darling Basin Commission, five years as the Associate Commissioner of the PNG Independent Consumer and Competition Commission, eight years as an Associate Commissioner of the ACCC, Chair of the National Water Accounting Standards Development Committee, and Chair of Anglicare Canberra/Goulburn.

#### Alice Tay (Deputy Chairperson)

Ms Tay (LLB) is a lawyer, regulator and non-executive director. After a career of 30 years with legal firm Meyer Vandenberg leading their Corporate Advisory and Commercial Division, Ms Tay now focuses on helping businesses grow, organisations prosper and communities flourish. She sits on the boards of the National Heart Foundation and mental health start-up The Fly Program.



#### Carmel Franklin (Member)



Ms Franklin has been the Chief Executive Officer of Care Financial Counselling and Consumer Law Service since July 2008. She is a Consumer Director of the Australian Financial Complaints Authority and Chairperson of Financial Counselling Australia. Ms Franklin holds a Bachelor of Education and Diploma of Financial Counselling. Ms Franklin has the knowledge and experience related to providing counselling services to problem gamblers.

### Carl Buik (Member)

Mr Buik is a semi-retired consumer protection consultant who brings to the Commission extensive experience in all aspects of consumer protection including business compliance programs, consumer and business education, agency capacity building and investigations.

Mr Buik enjoyed a long career with the Australian Competition and Consumer Commission (ACCC). Since 2002 he has undertaken a range of consultancies involving both consumer protection and competition law issues for international organisations, national governments and the private sector.

Mr Buik has qualifications in law (LLB, ANU) and economics (B.Ec, UNE & Grad Dip Economics for Competition Law, KCL).



### David Snowden (Chief Executive Officer and Member)



Mr Snowden is the Executive Group Manager, Regulatory Services within Access Canberra and Chief Executive of the Gambling and Racing Commission. David has over 20 years of regulatory, enforcement and Executive management experience across multiple Commonwealth, Territory and New Zealand public sector agencies, including Transport, Customs, Competition and Consumer Protection.

Mr Snowden also holds the statutory position of ACT Commissioner for Fair Trading.

## Meetings of the Commission

The Commission conducts formal board meetings on a monthly basis where comprehensive briefing papers and recommendations regarding significant issues are prepared and presented to the Board.

Minutes of these meetings are documented, and decisions of the Commission are communicated in writing to relevant parties. These minutes are examined by the ACT Auditor-General's Office 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.

Access Canberra resources, personnel and expertise 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.

Table 1: Commission Members' Attendance at Meetings – July 2019 to June 2020

	Jul	Aug	Sep	Oct	Nov	Dec	Jan <sup>1</sup>	Feb	Mar	Apr	May	Jun
<b>Paul Baxter</b>	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
<b>Alice Tay</b>	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
<b>Carmel Franklin</b>	✓	✓	X	✓	✓	✓	-	✓	✓	✓	✓	✓
<b>Carl Buik</b>	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
<b>David Snowden</b>	✓	✓	X	✓	X <sup>2</sup>	✓	-	✓	✓	X	X	✓

**Notes:**

1. A meeting was not held in January 2020.
2. Whilst Mr David Snowden did not attend the November 2019 Board Meeting, he participated by providing extensive written input and comments on Board papers.

## Remuneration

During the 2019-20 financial year all board members were paid in accordance with the determinations of the ACT Remuneration Tribunal. Section 13 of the *ACT Remuneration Tribunal Act 1995* requires the ACT Remuneration Tribunal to make determinations about part time public office holders (which includes the ACT Gambling and Racing Commission Board) on an annual basis.

## Management Committees

Table 2: Name and role of management committees

Name of Committee	Role of Committee	Membership
<b>Internal Audit and Risk Committee (Further details are available on page 45)</b>	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.
<b>Gambling and Racing Commission Advisory Committee</b>	Provides views, opinions and recommendations to support the Commission in undertaking its legislative functions, with particular emphasis on the prevention and minimisation of gambling harm in the ACT.	Advisory body with a maximum of ten members, to reflect a diverse range of skills, expertise and backgrounds. Representatives are drawn from the gambling and racing industry, support services for those experience gambling harm, community organisations seeking to address the effects of gambling harm, the health sector and ACT government directorates with a role to play in implementing a public health approach to gambling harm. The Chair is the Executive Branch Manager of the Projects, Governance and Support Branch of Access Canberra.

Both these committees report as required into the ACT Gambling and Racing Commission Board.

<b>Contact for further information:</b>	Senior Director, Policy and Coordination, Access Canberra, Phone: (02) 6207 1915.
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# Performance Analysis

## Output Class 1: Gambling Regulation and Harm Minimisation

The Commission's objectives, deliverables and accountability indicators are published in the 2019-20 ACT Budget Statements ([https://apps.treasury.act.gov.au/data/assets/pdf\\_file/0011/1369784/B-Chief-Minister-Treasury-and-Economic-Development-Directorate.pdf](https://apps.treasury.act.gov.au/data/assets/pdf_file/0011/1369784/B-Chief-Minister-Treasury-and-Economic-Development-Directorate.pdf)) on the ACT Budget 2019-20 website. They are used to monitor and assess the Commission's performance.

During the 2019-20 financial year as result of COVID-19 and the resulting Public Health Emergency Directions from March 2020 gaming and gambling venues such as the Casino and gaming machine venues were not permitted to operate. This had a significant impact on gaming and gambling venues.

### Output 1.1: Gambling Regulation and Harm Minimisation

The Commission purchases the following services from Access Canberra:

- administration of gaming laws;
- the control, supervision and regulation of gaming in the Territory;
- collection and verification of gambling taxes, levies, fees and charges; and
- the development and implementation of projects through the Gambling Harm Prevention and Mitigation Fund.

## Accountability Indicators

Table 3: Summary of operational performance against targets

	Original Target 2019-20	Actual Result 2019-20	% Variance from Original Target
<b>Undertake evidence (e.g. research and evaluation) informed activities to prevent and reduce gambling harm, including through the Gambling Harm Prevention and Mitigation Fund*</b>	12	13	8.3
<b>Percentage of customers satisfied with the Gambling and Racing Commission*</b>	90%	100%	11.1
<b>Percentage of the Canberra community satisfied with the ease of interacting with the Gambling and Racing Commission*</b>	95%	100%	5.3
<b>Compliance rate during targeted campaign inspections*</b>	90%	80%	(11.1)
<b>Average level of helpfulness after issuing a notice or before issuing a license/authorisation*</b>	4.2 out of 5	5 out of 5	19.0

\*Further information including explanation of measures and variance is available in the Financial Management Reporting Section specifically under Statement of Performance.



## Strategic Objectives and Indicators

Table 4: Summary of results for Strategic Objectives and Indicators

### ***Strategic Objective 1: To take meaningful action to prevent gambling harm***

Gambling harm is any negative consequence caused or made worse by gambling, that affects the health or wellbeing of an individual, their family or community. Gambling harm includes economic, social and health harms which extend between generations and to society. A survey conducted in 2019 found that 14 percent of Canberra adults experienced harm from their own or someone else's gambling in the last 12 months.

Of the 5 percent of adults who had experienced harm from another person's gambling, one in four reported financial difficulties. Emotional and relationship harms were more common than financial difficulties for people affected by another's gambling - with 59 percent reporting feelings of stress or anxiety and 62 percent reporting trust issues. Reducing the burden from the broad range of harms in the community requires a long-term commitment.

The Commission must perform its functions in a way that prevents and reduces the burden of gambling harm on the community and individuals. The Commission monitors the social effects of gambling and gambling harm in the ACT, conducts research to understand gambling harm, and implements innovative evidence-based activities using a public health approach to prevent and reduce gambling harm.

The public health approach acknowledges that focusing attention on only the small group of people who are experiencing high levels of harm (classified as "problem" gamblers) will not in itself help to reduce the incidence or burden of gambling harm in the population.

A combination of strategies is being developed and implemented to prevent and reduce gambling harm. These include:

- enhanced collaboration for effective research, to contribute to the body of knowledge on how to prevent gambling harm;
- strengthening community action to prevent gambling harm through supporting educative and gambling harm awareness resources for the entire Canberra community; and organising gambling harm awareness activities;
- partnering with gambling venues to deliver safer settings such as: quality staff training to prevent harm, including delivery of consistent information about self-exclusion options and available support services for people at risk; public health messages, and safer gambling environments; and
- strengthening community access to a range of resources and support services for people experiencing gambling harm including: funding of counselling and relapse prevention services; funding gambling harm awareness courses for non-gambling specific community sector workers.

### ***Strategic Indicator 1: Prevent and reduce gambling harm in the ACT.***

The Problem Gambling Severity Index (PGSI) is a widely used measure of clinical (or extreme) levels of problem gambling in the population. It was used in the ACT surveys undertaken in 2009, 2014 and 2019. The prevalence of 'problem gambling' was 0.5, 0.4 and 0.8 percent across this time period.

In 2019, 70 percent of the survey participants were contacted via their mobile phone, whereas the previous surveys only contacted people using landline phones. The inclusion of mobile phone numbers was necessary given shifting preferences in the community from landline to mobile phones. However, it is likely to have influenced the prevalence rates. This is best illustrated by the finding that mobile phone respondents were almost twice as likely as landline respondents to be classified as problem gamblers.

The 2019 ACT Gambling Survey included the recently developed and validated Short Gambling Harm Scale (SGHS). Developed and validated by Matthew Browne and colleagues of Central Queensland University, this measure assesses the financial, emotional and relationship harms experienced by people who gamble. The SGHS has been used by most jurisdictions to assess the extent of gambling harm since it was released in 2016.

The survey found that 9.6 percent of the adult population experienced harm from their own gambling in the last 12 months.

This is the first time the ACT has had an estimate of the nature and extent of gambling harm, using a widely recognised and validated measure. The findings provide an invaluable benchmark and represent achieving a major and necessary milestone for assessing gambling harm prevention and reduction into the future.

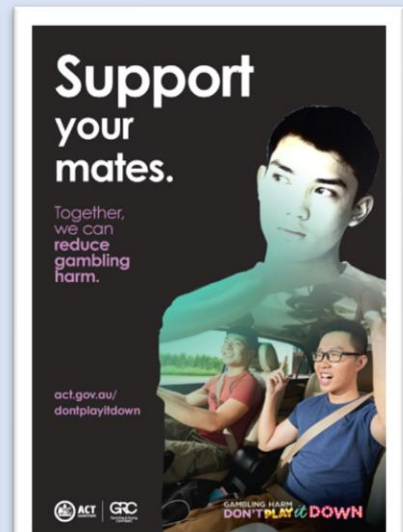
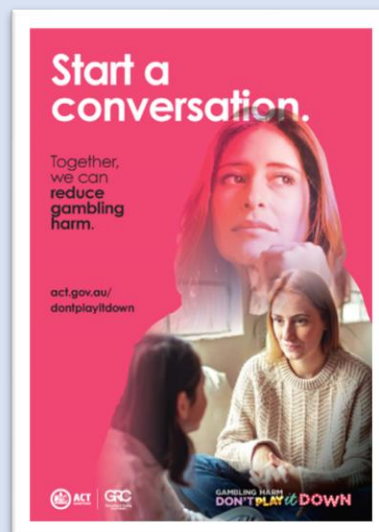
## Result

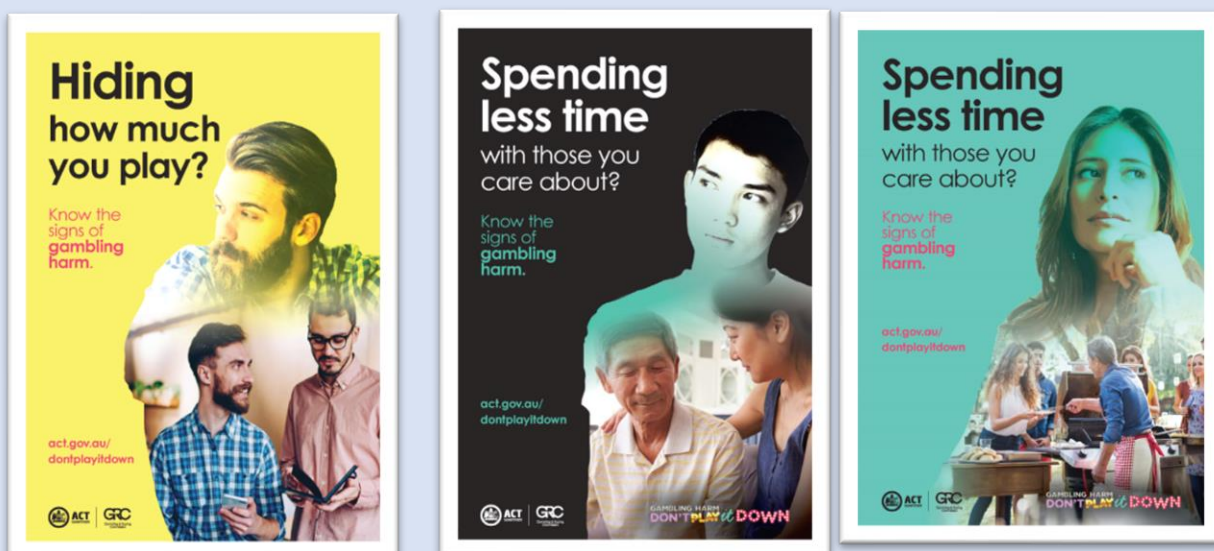
During Gambling Harm Awareness Week (GHAW) 2019, the Commission released its *Strategy for gambling harm prevention in the ACT – A Public Health Approach 2019/20-2023/24*. The Strategy provided the next stage in the ACT’s implementation of a public health approach to preventing gambling harm and provided a guide for the Commission in developing and delivering effective, co-ordinated evidence-based activities over a five-year period, from 2019/20 to 2023/24.

Furthermore, the Strategy provided the rationale, principles and objectives for adopting a public health approach and the framework for the development of annual work plans.

As part of GHAW 2019 several creative materials using the Commission’s public health approach to gambling harm prevention were developed for the communication campaign. These materials were used for GHAW 2019 advertising, as well as harm prevention collateral for gambling venues and community engagement on an on-going basis. The materials have been distributed to the gambling industry, the community services sector, and higher education institutions.

\*Communication materials developed for GHAW 2019 included:





In December 2018 the Commission engaged the Australian National University Centre for Gambling Research to conduct the 2019 Survey on Gambling in the ACT. The Commission conducts these representative surveys on gambling in the Canberra Community every five years. 10,000 interviews with randomly selected Canberrans were conducted between April and June 2019.

The questionnaire design was informed by previous surveys and by a working group of leading academics, as well as an advisory group including key invited stakeholders, to ensure that the survey represented best practice in the Gambling Research field. The 2019 Survey on Gambling in the ACT was released on 22 October 2019. The survey found that 60 percent of adults in the ACT participated in at least one form of gambling, with one in five people playing electronic gaming machines (EGMs) in the past 12 months. The survey also found that almost 21 percent of ACT adults (68,000 people) gambled, and only 10 percent of gamblers gambled exclusively online. Almost 14 percent of ACT adults (around 44,000 people) reported experiencing harm from their own or someone else's gambling over the past

It should be noted and acknowledged that as the ACT has adopted a public health approach to gambling harm prevention, in the short-term rates of gambling harm counselling service use could increase along with community knowledge, recognition and action.

### ***Strategic Objective 2: Ensure Gambling Operators' Compliance with Legislation***

On behalf of the Commission, Access Canberra conducts comprehensive programs to ensure that operators comply with relevant gaming and wagering legislation. Through this inspection program and its engage and educate approach, the Commission aims to increase compliance with the various gaming laws by operators.

Access Canberra also receives returns from operators along with payments for gambling related taxes and levies. The returns will be reconciled against operators' activities for compliance and variation advice issued if discrepancies are identified. The aim of this is to reduce the number of variations through engagement and education with operators in the ACT.

As a result of the enhanced engagement and education activities the Commission obtains information that is, within the risk and harm model, used to develop regulatory strategies to prevent non-compliance.

**Strategic Indicator 2: Regulatory education and engagement activities result in a decreasing use of formal enforcement powers.**

An increase in successful engagement with, and education of, licensees may decrease the use of formal enforcement powers as licensee behaviour demonstrates a higher level of regulatory compliance.

**Result**

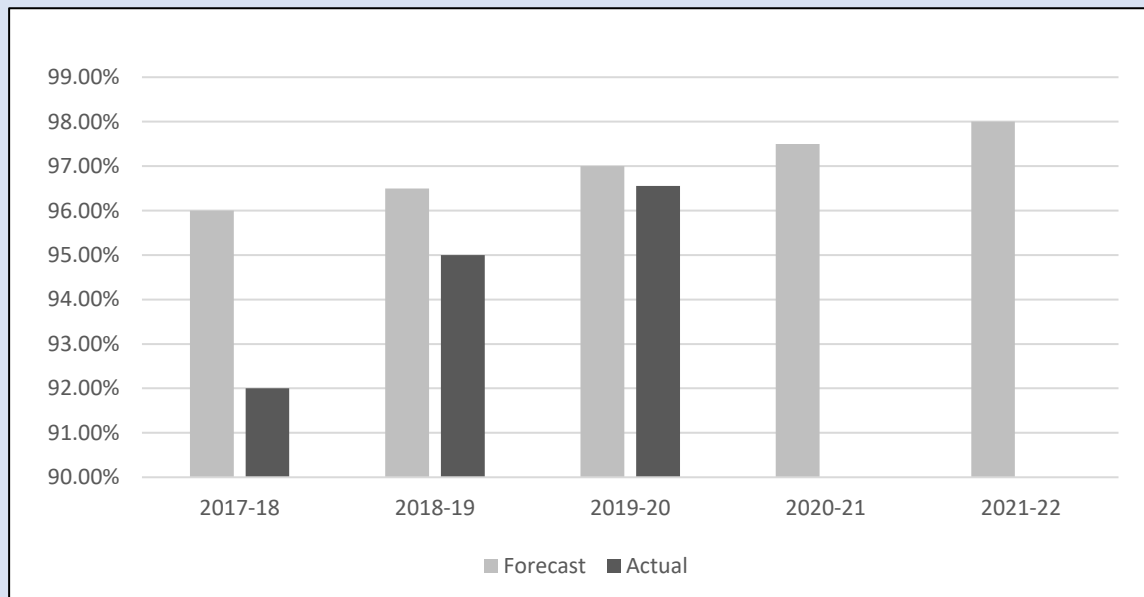
The approach of the Commission is to engage and educate through the conduct of compliance programs and when responding to enquiries or complaints. This approach supports the goal to support licensees achieve voluntary compliance.

Throughout 2019-20, the Commission has continued to take a proportionate enforcement response on matters where the risk, harm or level of detriment to a party warrants action.

**Strategic Indicator 3: Increase the accuracy of gambling taxation returns.**

The increase in the accuracy percentage, as a proportion of returns, will indicate the success, or otherwise, of engagement and education with operators.

**Figure 2: Percentage of Accurate Gambling Taxation Returns as a Proportion of Returns**



**Result**

During the reporting period accuracy of gambling taxation returns increased to 96.5 per cent compared to 95 per cent in 2018-19. The increase reflects the continuing engagement and education approach undertaken by Access Canberra on behalf of the Commission.

**Contact for further information:**

Senior Director, Finance and Budgets, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 0378.

## Operational Performance Achievements

### Engage, Educate and Enforce

The Commission's proactive compliance programs for the reporting period continued to reinforce the legislative obligations to individuals and licensees. The ongoing decline in the number of breaches detected and the noticeable reduction in the use of formal enforcement powers is evidence of the benefit to the industry and the community of the engage and educate approach used by the Commission.

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 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.

The Commission did not initiate disciplinary action against any licensee for breaches of the legislation in 2019-20.

### Harm Prevention

Under the Strategy and Annual Work Plan 2019-20, harm prevention activities and initiatives focused on education and awareness raising, training for gambling industry and community services, and expanding the research evidence base. For the first time, the Commission funded an extensive targeted social media campaign. This successfully increased traffic to the *Don't Play it Down* website.

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

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

## ANU Centre for Gambling Research

The ANU Centre for Gambling Research is established by a Deed of Agreement between the ANU and the Commission. Its purpose is to undertake and publish research on gambling, particularly gambling harm, to assist policy development into the social and economic effects of gambling in the ACT and other Australian jurisdictions.

On 25 October 2019 the ANU released the final report of the *2019 ACT Gambling Survey*. The Survey was funded by the Commission and provides an invaluable map of the prevalence of gambling harm in the ACT, patterns of gambling behaviour and support service use, as well as community attitudes regarding gambling. The survey was launched at the Commission's Gambling Harm Awareness Week conference where the ANU presented the main findings. The survey release drew considerable media attention, and was covered by local radio, television news, as well as print and online media.

The survey found that 60 percent of adults in the ACT participated in at least one form of gambling, with one in five people playing electronic gaming machines (EGMs) in the past 12 months. The survey also found that almost 21 percent of ACT adults (68,000 people) gambled, and only 10 percent of gamblers gambled exclusively online. Almost 14 percent of ACT adults (around 44,000 people) reported experiencing harm from their own or someone else's gambling over the past 12 months. The findings were based on interviews with 10,000 randomly selected Canberrans.

On 15 November 2019 the Commission hosted question and answer sessions about the survey. Sessions were held for the community and gambling industry sectors. The sessions enabled gambling industry and community sector representatives to ask questions directly of the researchers who conducted the survey.

The Commission has also produced infographics and a summary of the key findings of the survey. These are designed to communicate the key findings to a wide audience in easily accessible formats.

The summary also prioritises the survey findings that best inform the objectives and principles of the Strategy. The findings will inform the development and implementation of initiatives addressing gambling related harm in the ACT over the coming five years.

## Research from other jurisdictions

In addition to sponsoring and funding research projects, the Commission also monitors research undertaken by other jurisdictions. This includes regularly liaising with university researchers as well as government representatives across Australia. Being aware of emerging research directions, priorities and projects in other jurisdictions informs our own research agenda and our harm prevention and reduction initiatives.

The Strategy for Gambling Harm Prevention in the ACT was founded on years of academic research calling for a public health approach to preventing gambling harm. Strategies and frameworks on gambling harm prevention from other jurisdictions were reviewed in developing the Strategy. Australian and international literature was also reviewed, including public health research on other health and wellbeing issues.

## Innovate, Collaborate and Consult

### Gambler in-Venue Support Program

The Gambler in-Venue Support (GiVS) Program continued in 2019-20. Initiated by the Commission in October 2017, GiVS is a multi-faceted program aimed at increasing the consistency and effectiveness of assistance provided to Canberrans who gamble at venues in the ACT. In 2019-20, the program included:

- continued roll-out and promotion of the *Don't Play It Down* in-venue gambling harm support kit (<https://www.gamblingandracing.act.gov.au/dontplayitdown/venue-support-kit>);
- a refreshed Annual Training Session package for Gambling Contact Officers (GCOs) which was developed and delivered in collaboration with Wisdom Learning. Although delivery was suspended in March 2020 to comply with Covid-19 public health direction requirements, 10 sessions were delivered to 135 GCOs in 2019-20. The sessions introduce GCOs for licensed gambling venues to a public health approach to gambling harm prevention, train GCOs to better identify signs of gambling harm and equip them to better support their patrons who may experience gambling harm;
- provision of support by Access Canberra to GCOs to make better use of the online gambling incident register through improved monitoring, reporting and responses by GCOs;
- review of the Responsible Conduct of Gambling and GCO initial training courses; and
- development of Responsible Conduct of Gambling videos in collaboration with the Queensland Department of Justice and Attorney which were released in GHAW 2019.

In 2020-2021, the GiVS program will see the further development of Responsible Conduct of Gambling, GCO initial training and GCO annual training sessions.

### Making interactions easier

The Commission has continued to implement the use of online 'Smartforms' to provide another means for clients to lodge a range of applications with Access Canberra. Access Canberra continues to review existing hard copy application forms to determine further streamlining opportunities.

## Other relevant performance activities

### Casino

#### Casino Employee licensing

The licensing of persons employed in relation to gaming, security, finance and other key areas of the casino ensures that these people meet 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 5: Summary of casino licensing activities 2019-20

Licences Processed	Number
New Employees	37
Renewals	30
Variations	15
Cessations	59
Current Casino Employees	Number
Licensed	256
Unlicensed	42

#### Approval of Casino gaming equipment and chips

The approval of gaming equipment and chips by the Commission from approved 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 new gaming table layouts, a software update to card shufflers and a software update to the multi terminal table game system was given by the Commission during 2019-20.

#### Approval of Casino rules of games

The approval of the rules of games by the Commission ensures that the casino games are conducted in a fair and equitable manner and that an appropriate return to players is provided.

Approval for amendments to the rules of Pai Gow and Multi Terminal Table Games were given by the Commission during 2019-20. At the end of the reporting period, the Commission was considering proposed amendments to the rules for Mini Baccarat.

#### Approval of Casino control procedures

The control procedures cover the detailed operations of the casino and are an essential part of the regulatory scheme, 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. The Commission must approve changes to the casino's control procedures.

Approval for a number of new job descriptions and organisation charts were given by the Commission during 2019-20 as result of changes in reporting lines, job titles and restructuring of the Canberra Casino.

The control procedures for Pai Gow and Multi Terminal Table Games were changed in order to facilitate an amendment to each game's rules approved by the Commission. Additionally, amended procedures were approved for the Security, Surveillance and Cash Desk Departments.



## Review of Casino 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.

In 2019-20, the Commission did not receive any written appeals against an exclusion notice.

## Compliance Inspections of Casino

The Commission uses a risk-based inspection methodology to ensure the casino's compliance with the relevant legislation.

In 2019-20, a total of 89 inspections of casino operations were undertaken.

## Breaches Detected - Casino

There were 842 self-reported breaches of the approved rules and gaming control procedures in 2019-20. Examples include dealer errors (e.g. losing bet paid, incorrectly identifying the winning number on roulette) and where an excluded person has been identified (and subsequently asked to leave). These breaches are noted but no further action is taken by the Commission as they are rectified almost immediately.

During the 2019-20 period the Casino self-reported detection of several alleged breaches of the security control procedures by Casino security staff. The Commission investigated the alleged breaches within the reporting period.

In addition to the above breaches, during 2019-20 the Commission identified 1 breach relating to the failure to comply with cash desk control procedures as required by section 77 and 5 breaches relating to the failure to conduct an authorised game in accordance with its conditions as required by section 100 of the *Casino Control Act 2006* (the Act). Following an investigation into these matters, written warnings were issued to the casino. An additional breach of section 128 of the Act was identified relating to the failure to pay tax by the due date and the casino was reminded of its obligations.

## Disciplinary Action - Casino

In the event of a breach of the legislation being identified, 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 under section 37 of the Act.

In 2019-20 the Commission did not initiate disciplinary action against the casino licensee under section 37 of the Act.

## Gaming Machines

### Compliance Inspections of Gaming Machine Licensees

In 2019-20, a total of 48 inspections 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* (the Code of Practice) and where applicable the *Lotteries Act 1964*.

### Breaches Detected - Gaming Machine Licensees

The Commission identified no breaches of the legislation during the reporting period.

### Applications for Additional Authorisations – Gaming Machines

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

### Licence Cancellations and Transfers – Gaming Machines

The Commission did not receive any requests for the cancellation or transfer of licences during the reporting period.

### Application for Initial Gaming Machine Licence – Gaming Machines

The Commission did not receive any applications for initial gaming machine licensees during the reporting period.

### Review of Gaming Machine Licensee Patron Exclusion Notice

A gaming machine licensee may exclude a person from gambling at the venue by giving the person an exclusion notice in writing. A person may appeal in writing to the Commission against the licensee's decision to give the person an exclusion notice.

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

In 2018-19, the Commission did not receive any written appeals against an exclusion notice.

## Licence Amendments – Notifications and Approvals

Table 6: Summary of licence variation activity in 2019-20

<b>Licence Variation Activity</b>	<b>Number</b>
<b>Notifications</b>	
Number of gaming machines converted on application by licensees	773
Number of gaming machines replaced on application by licensees	286
One off increase in authorisations	0
<b>Approvals</b>	
Applications to operate a linked-jackpot arrangement	30
Applications to operate a multi-user linked-jackpot arrangement	0
Applications to disburse a linked-jackpot amount	21
Application for gaming area amendment	3
Application for premises relocation	0
Application for increase maximum authorisations (other than one-off)	0

<b>Contact for further information:</b>	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 4412; or
	Senior Director, Licensing and Registrations, Access Canberra Phone: (02) 6207 0252.

## Trading Scheme

The Trading Scheme has been in effect since August 2015 requiring acquiring licensees to forfeit one authorisation for every four authorisations traded. Its primary purpose is to allow for licensed venues to better manage their gaming machine authorisation numbers to meet their business needs.

In total, through forfeitures imposed on trades and through surrendered authorisations, the Trading Scheme, in conjunction with the Pathway to 4000, has seen a combined reduction in authorisations from 5,022 to 3,997.

As of 30 June 2020, there was a total of:

- 31 licensees;
- 50 licensed venues;
- 3,997 gaming machine authorisations; and
- 3,848 gaming machines in operation.

Table 7: Summary of trading scheme figures at 30 June 2020

<b>LICENCES</b>	
Number of Licensees as at 31 August 2015	39
Licences Cancelled or Surrendered	8
Current Number of Gaming Machine Licensees - Clubs (Class C)	26
Current Number of Gaming Machine Licensees - Hotels/Taverns (Class B)	5
Current Number of Gaming Machine Licensees - Total	31
<b>AUTHORISATION CERTIFICATES (i.e. Venues)</b>	
Number of Authorisation Certificates as at 31 August 2015	58
Authorisation Certificates Cancelled or Surrendered	9
Authorisation Certificates Approved (Eastlake Gungahlin)	1
Current Number of Authorisation Certificates - Clubs (Class C)	45
Current Number of Authorisation Certificates - Hotels/Taverns (Class B)	5
Current Number of Authorisation Certificates - Total	50
<b>AUTHORISATIONS (To operate a gaming machine under an Authorisation Certificate)</b>	
Number of Authorisations as at 31 August 2015	5022
Authorisations Forfeited on Confirmation of Trade	99
Authorisations Surrendered	926
Authorisations Cancelled	0
Current Number of Authorisations	3997
<b>GAMING MACHINES</b>	
Gaming Machines as at 31 August 2015	5022
Gaming Machines Forfeited with Trade	1025
Gaming Machines in Quarantine	0
Gaming Machines in Storage	16
Authorisations in Storage (without machine)	0
Authorisations in Quarantine (without machine)	0
Authorisations Without Machines (Unused Authorisations)	133
Current Number of Gaming Machines in Operation	3848

## Racing and Wagering

### Compliance Inspections of Racing and Wagering Licensees

In 2019-20, the Commission undertook 4 inspections of racing and wagering providers in the Territory to identify compliance with the *Race and Sports Bookmaking Act 2001*, the *Totalisator Act 2014*, the *Racing Act 1999* and the *Gambling and Racing Control (Code of Practice) Regulation 2002*.

### Breaches Detected – Racing and Wagering

In 2019-20 the Commission did not identify any breaches of the *Race and Sports Bookmaking Act 2001*, the *Totalisator Act 2014*, the *Racing Act 1999* and the *Gambling and Racing Control (Code of Practice) Regulation 2002* in relation to racing and wagering providers.

### 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*.

In 2019-20, the Commission did not receive any betting disputes. The betting dispute that was ongoing at the end of last reporting period was withdrawn after the sports bookmaker and their client resolved the matter to their mutual satisfaction.

### Race Bookmaking Operations

Table 8: Summary of race bookmaking activities in 2019-20

Type of Commission Activity	Number
New Race Bookmaking Licence	0
Renewed Race Bookmaking Licence	3
New Race Bookmaker's Agents Licence	1
Renewed Race Bookmaker's Agents Licence	0
<b>Total current Race Bookmaking Licences as at 30 June 2019</b>	<b>6</b>
<b>Total current Race Bookmaker's Agents Licences as at 30 June 2019</b>	<b>6</b>

### Sports Bookmaking Operations

Table 9: Summary of sports bookmaking activities in 2019-20

Type of Commission Activity	Number
New Sports Bookmaking Licence	0
Renewed Sports Bookmaking Licence	0
Surrendered Sports Bookmaking Licence	0
New Sports Bookmaker's Agents Licence	0
Renewed Sports Bookmaker's Agents Licence	0
<b>Total current Sports Bookmaking Licences as at 30 June 2019</b>	<b>1</b>
<b>Total current Sports Bookmaker's Agents Licences as at 30 June 2019</b>	<b>0</b>

<b>Contact for further information:</b>	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 4412; or
	Senior Director, Licensing and Registrations, Access Canberra Phone: (02) 6207 0252.

## Trade Promotion Lotteries, Raffles and other Lotteries

Table 10: Summary of lotteries permits issued in 2019-20

Type of Approval	Amount
Trade Promotion Lotteries	2316
Raffles	226
Housie	4
Other	1
<b>Total</b>	<b>2,367</b>

### Compliance Inspections of Lottery Providers

The Commission undertakes inspection programs that may include lotteries conducted in the Territory. In 2019-20, in addition to a review of lotteries conducted at gaming machine licensed venues, 4 further inspections were conducted on lottery providers.

### Breaches Detected - Lotteries

The Commission identified no breaches of the *Lotteries Act 1964*.

<b>Contact for further information:</b>	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 4412; or
	Senior Director, Licensing and Registrations, Access Canberra Phone: (02) 6207 0252.

### Other Gaming Activities

#### Charitable Gaming

The Commission did not receive any applications for charitable gaming during the reporting period.

#### Conduct of Two-Up on Anzac Day

Part 4 of the *Unlawful Gambling Act 2009* provides for the conduct of exempt two-up games on Anzac Day, subject to prescribed conditions. In 2019-20 the Commission conducted no inspections of venues conducting two-up on Anzac Day due to the Covid-19 public health restrictions in place at the time.

#### Interactive Gaming Regulation

In 2019-20, there were no interactive gaming service providers licensed in the Territory.

<b>Contact for further information:</b>	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 4412; or
	Senior Director, Licensing and Registrations, Access Canberra Phone: (02) 6207 0252.

## Community Contributions

The community contributions scheme has been amended by changes made to the *Gaming Machine Act 2004* which commenced on 1 July 2019. In the 2018-19 financial year, all gaming machine licensees were required to submit their community contributions report to the Commission within one month after the end of the financial year (31 July 2019).

For the 2018-2019 financial year gaming machine licensees were 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.

Under the superseded scheme, 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 publishes Community Contributions reports on its website.

## Clubs

The *Commission's Community Contributions made by Gaming Machine Licensees 2018-19 Report* notes:

- \$11.53 million in contributions were made by clubs out of a total of \$94.5 million in net gaming machine revenue (12.21 per cent); and
- \$6,300 in contributions were made by hotels out of a total of \$119,507 in net gaming machine revenue (5.27 per cent).

<b>Contact for further information:</b>	Senior Director, Licensing and Registrations, Access Canberra, Phone: (02) 6207 0252.
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# Scrutiny

## 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 2019-20 Financial Report and Statement of Performance with no significant matters identified during the process (see Financial Statements and Statement of Performance Sections).

The Auditor-General conducted the following audits with impact on the ACT Gambling and Racing Commission:

Table 11: Summary of Auditor-General report recommendations relevant to the Commission carried over from 2017-18

ACT Auditor-General’s Report ACT Government Strategic and Accountability Indicators Report No. 2/2018 Government Response Tabled 5 June 2018		
Recommendation No. and Summary	Action	Status
<b>Recommendation 2</b>  <b>Improve Strategic Indicators</b>  <b>Strategic indicators should be improved by:</b> <b>a) the Territory Banking Account, Chief Minister, Treasury and Economic Development Directorate, Community Services Directorate, Environment, Planning and Sustainable Development Directorate, Health Directorate, Housing ACT, Justice and Community Safety Directorate, Lifetime Care and Support, Superannuation Provision Account, ACT Gambling and Racing Commission and Canberra Institute of Technology removing or amending strategic indicators so they fully meet the criterion of <i>Representative</i>. Territory entities whose strategic indicators cannot meet the strategic criterion of <i>Representative</i> because they relate to whole</b>	<b>Government response:</b>  <b>Agreed in principle.</b>  Existing indicators will be reviewed in line with updated guidance material once it has been released. Amended indicators will be phased in from the 2019-20 Budget.	Complete.



ACT Auditor-General's Report  
 ACT Government Strategic and Accountability Indicators  
 Report No. 2/2018  
 Government Response Tabled 5 June 2018

Recommendation No. and Summary	Action	Status
<p>of government functions should explain how indicators support achievement of Government priorities through commentary;</p> <p>c) the Environment, Planning and Sustainable Development Directorate, Cultural Facilities Corporation, Territory Banking Account, Chief Minister, Treasury and Economic Development Directorate, Transport Canberra and City Services, ACT Gambling and Racing Commission and ACT Legal Aid Commission amending strategic indicators so they meet the <i>Quantifiable</i> criterion. Territory entities whose strategic indicators cannot meet the strategic criterion of <i>Quantifiable</i> through supporting quantitative data should use qualitative data that can be assessed and is explained through commentary</p>		
<p><b>Recommendation 3</b></p> <p><b>Improve Accountability Indicators by:</b></p> <p><b>b) the ACT Local Hospital Network, Chief Minister, Treasury and Economic Development Directorate, Community Services Directorate, Education Directorate, Environment, Planning and Sustainable Development Directorate,</b></p>	<p><b>Agreed in principle.</b></p> <p>Existing indicators will be reviewed in line with updated guidance material once it has been released. Amended indicators will be phased in from the 2019-20 Budget.</p>	<p>Complete.</p>

ACT Auditor-General's Report  
 ACT Government Strategic and Accountability Indicators  
 Report No. 2/2018  
 Government Response Tabled 5 June 2018

Recommendation No. and Summary	Action	Status
<p><b>Health Directorate, Transport Canberra and City Services, Compulsory Third Party Insurance, Gambling and Racing Commission, ACT Insurance Authority and the Public Trustee and Guardian amending accountability indicators so they meet the criterion of <i>Clarity</i>.</b></p>		
<p><b>Recommendation 4</b></p> <p><b>Procedure for the review, selection and approval of strategic and accountability indicators</b></p> <p><b>All Territory entities should document their procedure for the review, selection and approval of strategic and accountability indicators (the Transport Canberra and City Services Directorate and ACTION documented procedures could be used as a guide). The procedures should include:</b></p> <p><b>a) specifying a time (e.g. three years or when circumstances change) for reviewing and assessing all accountability indicators against performance indicators used by government agencies for similar services in other jurisdictions; and</b></p> <p><b>b) engaging with other Territory entities to identify better practices used in the Territory.</b></p>	<p><b>Agreed.</b></p> <p>The updated guidance material will include a requirement that entities document their procedures for the review, selection and approval of relevant indicators.</p> <p>Entities will be required to specify a timeframe for the review and assessment of indicators, and appropriate procedures for engagement with other entities on identification of better practices.</p>	<p>In Progress.</p> <p>Updated guidance material has been released by CMTEDD. Access Canberra, on behalf of the Commission, is in the process of documenting procedures for the review, selection and approval of indicators.</p>

ACT Auditor-General's Report ACT Government Strategic and Accountability Indicators Report No. 2/2018 Government Response Tabled 5 June 2018		
Recommendation No. and Summary	Action	Status
<b>Recommendation 5</b>  <b>Interim Arrangements</b>  <b>When Recommendation 1 a) to e) are complete, all Territory Entities should use the revised criteria as the basis for assessing the suitability of their Strategic and Accountability indicators.</b>	<b>Agreed.</b>  The updated guidance material will provide clear direction for entities in reviewing, selecting and approving relevant indicators. Entities will be required to make full use of the assessment criteria defined within the updated guidance material.	Complete.

[http://www.audit.act.gov.au/data/assets/pdf\\_file/0010/1184896/Report-No-2-of-2018-ACT-Government-strategic-and-accountability-indicators.pdf](http://www.audit.act.gov.au/data/assets/pdf_file/0010/1184896/Report-No-2-of-2018-ACT-Government-strategic-and-accountability-indicators.pdf)

ACT Auditor-General's Report ACT Clubs' Community Contributions Report No. 5/2018 Government Response Tabled 31 July 2018		
Recommendation No. and Summary	Action	Status
<b>Recommendation 2</b>  <b>INTERPRETATIVE GUIDANCE</b> <b>The ACT Gambling and Racing Commission should provide guidance on how they interpret and approve community contributions with respect to objectives (when defined by the ACT Government) and requirements in the <i>Gaming Machine Act 2004</i> and <i>Gaming Machine Regulation 2004</i>.</b>	<b>Commission Position – Agreed</b>  Existing guidance material and operating procedures for both Access Canberra staff and clubs reflects the requirements of the Gaming Machine Act 2004 (the Act) and the Guidelines set out in the Gaming Machine Regulation 2004 (the Regulation).  Subject to the outcomes of the Government's review of the community contributions scheme; the Commission will revise or, if needed, develop detailed guidance documentation supporting the interpretation and approval of community contributions.	Complete.  The Justice and Community Safety Directorate has published a community contributions guideline and several factsheets to assist licensees comply with the requirements of the scheme.
<b>Recommendation 3</b>  <b>GUIDANCE MATERIALS (POLICIES AND PROCEDURES)</b> <b>Access Canberra, in consultation with the ACT Gambling and Racing Commission, should:</b>  <b>a) Review and update the policies and procedures it currently uses to regulate clubs' community contributions; and</b>	<b>Government Position – Agreed</b>  Access Canberra agrees to undertake a comprehensive review, in consultation with the Commission, of existing relevant policies and procedures subject to the outcomes of the community contributions scheme, as outlined in response to recommendation 1.  Further, Access Canberra will implement an annual review of its	Complete.

**ACT Auditor-General's Report  
ACT Clubs' Community Contributions  
Report No. 5/2018  
Government Response Tabled 31 July 2018**

<b>Recommendation No. and Summary</b>	<b>Action</b>	<b>Status</b>
<b>b) Implement a regular review process for the policies and procedures.</b>	policies and procedures following endorsement by the Commission.	
<b>Recommendation 4</b>  <b>RECORDS OF BENEFICIARIES AND PURPOSE</b> <b>Access Canberra should request, where currently not provided by clubs, further information regarding the beneficiary and purpose of a community contribution, before recommending its approval to the ACT Gambling and Racing Commission.</b>	<b>Government Position – Noted</b>  Access Canberra currently requests additional information in all cases where there is ambiguity in the beneficiary or purpose of a community contribution submitted by a club. It is noted that guidance to be developed under recommendation 2, subject to the outcomes of the community contributions scheme review, should improve the overall quality of information provided by clubs to Access Canberra.	Complete.
<b>Recommendation 5</b>  <b>RISK-BASED APPROACH TO REGULATION</b> <b>The ACT Gambling and Racing Commission, in cooperation with Access Canberra, should fully document its risk-based approach to the regulation of clubs' community contributions, including decision-making associated with the percentage of clubs' contributions to be subjected to compliance checking.</b>	<b>Commission Position – Noted</b>  This is a matter for Access Canberra. The Commission purchases regulatory services from Access Canberra under the Memorandum of Understanding (MOU - first entered into in August 2016, and updated in 2017), to fulfil its obligations under the Gambling and Racing Control Act 1999.  The Commission has previously endorsed (in June 2016) taking a risk-based approach to compliance checking of community contributions. The Commission relies on the expertise of Access Canberra as a regulator to determine where the risk thresholds are and what levels of compliance checking are appropriate; and notes the level of checking will change at the discretion of Access Canberra staff depending on the level of risk indicated in a specific circumstance.  <b>Government Position – Agreed</b>  Access Canberra applies a risk-based approach to compliance, to ensure that resources are targeted to where the risks of harm, unsafe practices or misconduct are the greatest, thereby strengthening its capacity to take action where the community is most at risk. The principles outlining its approach are	Complete.  Scheme has been finalised and Clubs are being engaged on the new policy. Work is continuing both across Access Canberra and Government (JACS) to map and refine risk areas, taking into account areas of the new regime which are of particular interest to the community, industry and Government.

**ACT Auditor-General's Report  
ACT Clubs' Community Contributions  
Report No. 5/2018  
Government Response Tabled 31 July 2018**

<b>Recommendation No. and Summary</b>	<b>Action</b>	<b>Status</b>
	<p>documented in its Accountability Commitment. Further, the Gambling and Racing Compliance Framework sets out how compliance monitoring (including audits) and investigations are undertaken under a risk-based framework.</p> <p>Access Canberra assess each element of a community contribution submission; and will request additional information where there is ambiguity in the beneficiary or purpose of a community contribution submitted by a club.</p> <p>The compliance audit of community contribution claims is set at 10 per cent which is consistent with the approach adopted across Access Canberra for low-risk activities. Clubs' contributions have historically been in excess of the legislated minimum, and are deemed to be a low- risk activity. Under a risk-based framework, officers retain the discretion to undertake a higher level of checking where circumstances indicate. In this way, Access Canberra's approach allows a higher level of resourcing to be applied to an activity where the risk warrants it.</p> <p>Standard operating procedures will be reviewed and amended, as needed, to ensure that the justification for decisions regarding the proportion of contributions subject to compliance checking are recorded. Access Canberra will continue to review and refine its risk-based approach and enforcement practices to ensure that the Commission can deliver its functions in reducing gambling harm, promoting consumer protection and ensuring industry integrity.</p>	
<p><b>Recommendation 6</b></p> <p><b>MEMORANDUM OF UNDERSTANDING BETWEEN ACT GAMBLING AND RACING COMMISSION AND ACCESS CANBERRA</b></p>	<p><b>Government Position –</b></p> <p><b>a) Agreed in principle</b></p> <p>The MOU is an overarching governance document, providing for the delivery of services by Access Canberra to the Commission.</p>	<p>Complete</p> <p>a) Access Canberra teams supporting the Commission have worked closely with the Commission in terms of the 2019-20 program of work.</p>

**ACT Auditor-General's Report  
ACT Clubs' Community Contributions  
Report No. 5/2018  
Government Response Tabled 31 July 2018**

<b>Recommendation No. and Summary</b>	<b>Action</b>	<b>Status</b>
<p><b>Access Canberra, in conjunction with the ACT Gambling and Racing Commission, should:</b></p> <p><b>a. Prepare an annual work plan to support the Memorandum of Understanding (MOU), which outlines services to be delivered according to a budget and timeline;</b></p> <p><b>b. Revise the MOU to clearly state procedures for the management of the potential conflict of interest of the Chief Executive Officer of the ACT Gambling and Racing Commission; and</b></p> <p><b>c. Revise the MOU to include appropriate and practical dispute resolution measures.</b></p>	<p>Each year the Commission's Statement of Intent outlines its strategic priorities, and therefore the priorities for Access Canberra in supporting the Commission. The 2018-20 Commission Business Plan, developed by Access Canberra and endorsed by the Commission, provides further detail about how these objectives will be progressed.</p> <p>Access Canberra teams are finalising work plans for 2018-19. The work plans reflect a team's activities that support both the Commission's strategic priorities and business as usual to ensure the Commission meets its statutory obligations; and other Access Canberra responsibilities. Work plans will not contain detailed budgets, as the budget provided by the Commission to Access Canberra to fulfil its statutory requirements is managed centrally and in accordance with the MOU. Operational arrangements for supporting the Commission, outlined via work plans and business plans, are settled between Access Canberra management and the Chief Executive Officer of the Commission.</p> <p><b>b) Agreed</b></p> <p>Access Canberra will consider additional procedures to address a potential conflict of interest for the Chief Executive Officer of the Commission and put these forward for the consideration of the Commission. Should the Commission identify any structural issues as a result of the audit findings, the Government will consider how these might best be addressed within the context of the Access Canberra model.</p> <p><b>c) Agreed</b></p> <p>Access Canberra will review and revise dispute resolution procedures outlined in the MOU, and put these forward for the consideration of the Commission.</p>	<p>b) Access Canberra has reviewed and redrafted the relevant clause of the MOU to clearly state procedures for the management of the potential conflict of interest of the Chief Executive Officer of the Gambling and Racing Commission.</p> <p>c) Access Canberra has reviewed and drafted a new MOU to include clear dispute resolution procedures.</p>

[http://www.audit.act.gov.au/data/assets/pdf\\_file/0003/1193610/Report-No-5-of-2018-ACT-clubs-community-contributions.pdf](http://www.audit.act.gov.au/data/assets/pdf_file/0003/1193610/Report-No-5-of-2018-ACT-clubs-community-contributions.pdf)

## Ombudsman

There were no reviews initiated by the ACT Ombudsman relevant to the Commission during the 2019-20 reporting period.

## Legislative Assembly Committees

There were no recommendations relevant to the Commission during the 2019-20 reporting period.

## ACT Civil and Administrative Tribunal

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).

There were no matters that were referred to ACAT during the 2019-20 reporting period.

<b>Contact for further information:</b>	Senior Director, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 1915.
	Senior Director, Fair Trading and Compliance, Access Canberra, Phone: (02) 6207 4412.
	Senior Director, Licensing and Registrations, Access Canberra, Phone: (02) 6207 0252.

## Risk Management

The Commission adopts the Chief Minister, Treasury and Economic Development Directorate's Risk Management Framework and maintains its own risk register. The Commission's risk register has been developed in accordance with the relevant standard (*AS/NZS ISO 31000:2009*) to include organisational risks, sources, impacts, responsibilities, treatments and monitoring/review processes. The Commission's risk register is reviewed on a yearly basis and submitted for the approval of the Commission's Internal Audit and Risk Committee meetings. The Commission's Internal Audit and Risk Committee is responsible for monitoring and reporting on the implementation of risk mitigation strategies at each of its meetings.

The Commission's Statement of Intent identifies the risks and associated mitigation strategies in relation to the Commission meeting its corporate and business objectives. These risks are incorporated in the Commission's risk register.

The Commission has agreed to apply a risk-based compliance approach to ensure that resources are targeted to where the risks of harm, unsafe practices or misconduct are the greatest, thereby strengthening capacity to take action where the community, workers and the environment are most at risk.

The three fundamental steps used to ensure compliance are to engage, educate and enforce with the optimal outcome being voluntary compliance. Education has a key role to play in maximising compliance by proactively ensuring licensees are aware of legislated requirements. Enforcement action will be applied where conduct is in breach of legislation and is likely to cause harm.

<b>Contact for further information:</b>	Executive Branch Manager, Projects, Governance and Support, Access Canberra, Phone: (02) 6205 0319.
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## Internal Audit

The Commission has established an Internal Audit and Risk Committee (the Committee) as part of its responsibilities in relation to the corporate governance of the Commission. The objective of the Committee is to provide independent assurance to the Board on the Commission's risk, control and compliance framework, and its financial statement responsibilities.

The Internal Audit and Risk Committee met on three occasions in 2019-20.

Table 12: Summary of meetings attended by members and observers during 2019-20

Name of Member	Position	Meetings Attended
Alice Tay	Chair	3
Carl Buik	Member	3
Ron Leonard	Senior Director/Observer	3
Yu-Lan Chan	Executive Branch Manager	2
Bei Hu	Director/Observer	2

The Committee Charter has been modelled on the Australian National Audit Office (ANAO) Better Practice Guides. The Board endorses the charter at its meetings and will continue to review them.

The Commission has an Internal Audit Program which has been developed after identifying areas of potential operational and financial risk. During 2019-20 the Committee undertook an extensive review of the Commission's risk management plan.

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.

<b>Contact for further information:</b>	Executive Branch Manager, Projects, Governance and Support, Access Canberra, Phone: (02) 6205 0319.
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## Fraud Prevention

As required under the ACT Public Service (ACTPS) Integrity Policy, the Commission has in place a Fraud and Corruption Prevention Plan and a Fraud Risk Register. The objective of the Fraud and Corruption Prevention Plan is to provide the basis of the Commission's actions to control fraud and to identify those key activities performed by the Commission that require the implementation of additional controls to reduce the likelihood of fraud occurring. With the integration of Commission staff into Access Canberra, the Fraud and Corruption Prevention Plan of the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) now apply to all staff. Fraud awareness and ethics training is available to all CMTEDD staff and is part of the induction process for all new CMTEDD employees.

There were no reports or allegations of fraud or corruption received and investigated by the Commission during this reporting period.

<b>Contact for further information:</b>	Executive Branch Manager, Projects, Governance and Support, Access Canberra, Phone: (02) 6205 0319.
	Workforce Capability and Governance Division, CMTEDD, Phone: (02) 6207 6502 or <a href="mailto:psm@act.gov.au">psm@act.gov.au</a> .

## Freedom of Information

Information in relation to requests made under the *Freedom of Information Act 2016* in relation to the business of the ACT Gambling and Racing Commission can be sourced from the 2019-20 annual report of the Chief Minister, Treasury and Economic Development Directorate.

<b>Contact for further information:</b>	Senior Director/Information Officer, Information Access, Chief Minister, Treasury and Economic Development Directorate, Phone: (02) 6207 3153.
	ACT Ombudsman Phone: 13000 362 072 or email: <a href="mailto:actfoi@ombudsman.gov.au">actfoi@ombudsman.gov.au</a>

## Community Engagement and Support

The Commission engages with the community in several ways including through information on the Commission website and through interactions with members of the community through Access Canberra. In the 2019-20 financial year, the Commission continued raising awareness of gambling harm by implementing a new look website, which included a suite of videos to inform and engage industry and the community about gambling harm. Ongoing improvements to the Gambling and Racing Commission website have been made to further enhance the user experience.

In July 2019, the Commission undertook a social media campaign utilising Facebook and images on the Commission's website around the theme "*Is gambling causing harm in your life?*" to raise gambling harm awareness in the community.

In October 2019, the Commission lead Gambling Harm Awareness Week in the ACT, comprising events and communication around the theme of "*Together we can reduce Gambling Harm*" to raise awareness of gambling harm in the community.

Throughout February 2020 the Commission's Gambling and Harm Prevention Team conducted information stalls at five university campuses in the ACT and Canberra Institute of Technology to promote gambling harm awareness and the role of the Commission.

In May 2020, in response to the COVID-19 pandemic and closure of gambling venues, the Commission provided information on gambling and harm prevention during COVID-19 on its website, in particular a statement from the Chair and ways on how to manage online gambling which also included links for support.

The Commission also connected with stakeholders including Canberra Community Clubs, ClubsACT, the Queensland's Department of Justice and Attorney-General, ACT Gambling Counselling and Support Services, TabCorp, Casino Canberra and the Victorian Responsible Gambling Foundation to collaboratively support gambling harm prevention initiatives.

## Community Engagement Activities

Table 13: Summary of Community Engagement Activities

Project	Summary
<b>Gambling Harm Awareness Week</b>	<p>During Gambling Harm Awareness Week held in October 2019, the Commission held a full day conference which included presentations from industry and Australian gambling researchers. Topics focused on gambling industry diversification, gambling harm prevention, and findings from the 2019 ACT Gambling Survey. Over 100 participants attended. The <b><i>Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach 2019-2024</i></b> was released and provided to gambling industry, community support services, researchers and public servants.</p> <p>A communication campaign was also run, including advertising on local buses, radio, social and digital channels, in office buildings, and through the Access Canberra Service and Contact Centres.</p>

**Tertiary Institution Orientation Week Stall**

During February and March 2020, the Gambling and Harm Prevention Team represented the Commission at the CIT, Australian National University, University of Canberra and Australian Catholic University orientation weeks in collaboration with the ACT Gambling Counselling and Support Service.

## Community Support Initiatives: Grants and Sponsorship

No grants, assistance or sponsorship were provided to organisations by the Commission during the reporting period.

**Contact for further information:**

Senior Director, Communications, Access Canberra,  
Phone: (02) 6205 9093.

## Aboriginal and Torres Strait Islander Reporting

The Commission's work is governed by its enabling legislation. To the extent that it is relevant the Commission's work affects all residents of the Territory. During 2019-20, the Commission did not have any information or data suggesting that the ACT Aboriginal and Torres Strait Islander community would benefit from specific targeted programs or initiatives in relation to gaming and racing.

<b>Contact for further information:</b>	Senior Director, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 1915.
	Senior Director, Fair Trading and Compliance, Access Canberra, Phone: (02) 6207 4412.
	Senior Director, Licensing and Registrations, Access Canberra, Phone: (02) 6207 0252.

## Work Health and Safety

As of 1 July 2016, as a result of Commission staff being integrated into Access Canberra, CMTEDD, workplace health and safety requirements for those staff were also transferred. CMTEDD aims to provide a safe and health work environment for all works, including contractors and volunteers while they are undertaking work for CMTEDD. CMTEDD's Work Health and Safety Management Policy mandates PeopleSafety as CMTEDD's Work Health and Safety management system. PeopleSafety applies to all CMTEDD activities and functions.

Work Health and Safety information for the ACT Gambling and Racing Commission can be sourced from the 2019-20 annual report of the CMTEDD.

<b>Contact for further information:</b>	Work Health and Safety Coordinator, Access Canberra, Phone: (02) 6207 4350.
	Workplace Injury Performance, Workplace Safety and Industrial Relations, CMTEDD, Phone (02) 6207 8794.

## Human Resources Management

As of 1 July 2016, as a result of Commission staff being integrated into Access Canberra, CMTEDD human resource management requirements for those staff were also transferred. This includes all facets of human resourcing including employment conditions, workplace behaviours, recruitment and employee health and wellbeing.

Human Resources Management information for the ACT Gambling and Racing Commission can be sourced from the 2019-20 annual report of the CMTEDD.

<b>Contact for further information:</b>	Workforce Capability and Governance Division, CMTEDD, Phone 6207 6502 or <a href="mailto:psm@act.gov.au">psm@act.gov.au</a> .
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## Ecologically Sustainable Development

The ACT Government is committed to sustainable development of the ACT and encourages directorates and public sector bodies to embed sustainability in their decision-making processes. The commitment was translated into a legislative responsibility for directorates and public sector bodies to develop policies and programs to promote ecologically sustainable development through the *Commissioner for Sustainability and the Environment (CSE) Act 1993*, *Climate Change and Greenhouse Gas Reduction Act 2010* and the *Environment Protection Act 1997* (the Environment Protection Act). Ecologically sustainable development means the effective integration of economic, social and environmental considerations in decision-making processes.

From 1 July 2016, Commission staff were integrated into Access Canberra, CMTEDD and as a result, the Commission had no staff, accommodation or motor vehicles in 2019-20.

Ecologically Sustainable Development information for the ACT Gambling and Racing Commission can be sourced from the 2019-20 annual report of CMTEDD.

<b>Contact for further information:</b>	Executive Group Manager, Corporate, Chief Minister, Treasury and Economic Development Directorate, Phone: (02) 6207 0569.
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# Financial Management Reporting

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## Financial Management Analysis

### Management Discussion and Analysis for the ACT Gambling and Racing Commission for the Financial Year Ended 30 June 2020

#### General Overview

##### Objectives

The objectives of the ACT Gambling and Racing Commission (the 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 gambling harm;
- review gaming legislation and policies and implement changes;
- keep informed about developments in gaming and regulatory practices; and
- effectively manage its resources.

#### Financial Performance

The following financial information is based on audited Financial Statements for 2018-19 and 2019-20.

The Commission has experienced material financial impacts as a result of the COVID-19 health emergency. On this basis, budget and forward estimates information have not been presented. On 18 June 2020 the Legislative Assembly resolved to delay the introduction of the Appropriation Bill 2020-2021/Appropriation (Office of the Legislative Assembly) Bill 2020-2021 and 2020-21 Budget until after the election has been held and the formation of a government.

In December 2014, it was announced that a number of regulatory functions across the ACT Government, including gambling regulation, would be brought together to create Access Canberra. In July 2017, an agreement between Access Canberra and the Commission on *“the provision of services for the administration of the gaming laws including the control, supervision and regulation of gaming and racing in the ACT”* (the Agreement) was executed.

The Agreement states that ‘the GRC will commission work from Access Canberra to fulfil its obligations under the *Gambling and Racing Control Act 1999* (the Act), and satisfy its objectives outlined in the 2018-2020 Strategic Plan and the 2019-2020 Statement of Intent’.

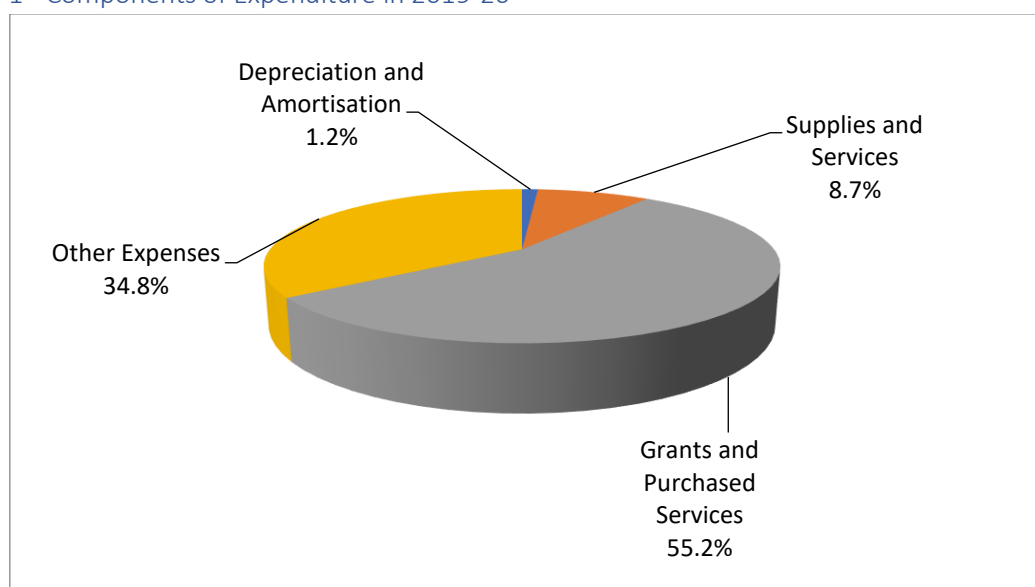
## Total Expenditure

### 1. Components of Expenditure

Figure 1 indicates the components of the Commission's expenditure for 2019-20 not including taxation revenue transferred to Government. As the Commission has entered into an agreement with Access Canberra for the provision of services for the administration of the gaming laws including the control, supervision and regulation of gaming and racing in the ACT, the main expenditure items during the year was purchased services, 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 and projects undertaken by the Commission in addition to the agreement with Access Canberra.

The largest component of expenditure is grants and purchased services which represents **55.2 per cent** of ordinary activities or **\$6.111 million**.

Figure 1 - Components of Expenditure in 2019-20



### 2. Comparison to Budget

Total expenditure, not including taxation revenue transferred to Government, of **\$11.066 million** was **\$3.951 million** higher than the 2019-20 budget of **\$7.115 million**. This was mainly due to an increase in Other Expenses (**\$3.855 million**) as a result of:

- waiving club gaming machine licensees and Casino Canberra tax liabilities for March 2020 (**\$2.074 million**) as part of the economic survival package resulting from the Covid-19 health emergency;
- Act of Grace Payments for Casino Canberra annual licence fee and refunds to small/medium club gaming machine licensees gaming machine tax for January and February 2020 (**\$1.033 million**) as part of the economic survival package resulting from the COVID-19 health emergency; and
- Diversification and Sustainability Support Fund payment as a result of a change in legislation from 1 July 2019 that requires gaming machine licensees that is a club to pay the Commission an amount for each gaming machine authorisation held (**\$0.748 million**). These funds are then transferred to the Diversification and Sustainability Support Fund, which is managed by the Justice and Community Safety Directorate.

### *3. Comparison to 2018-19 Actual Expenditure*

Total expenditure, not including taxation revenue transferred to Government, was **\$4.535 million**, or **69.5 per cent**, higher than the 2018-19 actual result of **\$6.531 million**. This is mainly due to an increase in:

- Other Expenses (**\$3.855 million**) as a result of:
  - waiving club gaming machine licensees and Casino Canberra tax liabilities for March 2020 (**\$2.074 million**) as part of the economic survival package resulting from the COVID-19 health emergency;
  - Act of Grace Payments for Casino Canberra annual licence fee and refunds to small/medium club gaming machine licensees gaming machine tax for January and February 2020 (**\$1.033 million**) as part of the economic survival package resulting from the COVID-19 health emergency; and
  - Diversification and Sustainability Support Fund payment as a result of a change in legislation from 1 July 2019 that requires gaming machine licensees that is a club to pay the Commission an amount for each gaming machine authorisation held (**\$0.748 million**). These funds are then transferred to the Diversification and Sustainability Support Fund, which is managed by the Justice and Community Safety Directorate.
- Grants and Purchase Services (\$0.444 million) as a result of indexation and an additional levy on gaming machine licensees from 1 July 2019 being collected by the Commission, and remitted to the Chief Minister's Charitable Fund; and
- Supplies and Services (\$0.210 million) as a result of increased expenditure from the Gambling Harm Prevention and Mitigation Fund mainly due to expenditure associated with the '2019 ACT Gambling Survey';

## Total Income

Gambling revenue incorporates the following categories:

- gaming machine taxes, levies and fees;
- interstate lotteries taxes (New South Wales);
- minor lottery fees (promotions and raffles);
- casino tax and fees;
- Totalisator licence fee;
- 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 Territory.

### *1. Components of Income*

Although the Commission collects and verifies revenue from gambling taxes, levies, fees and fines, all such revenue is immediately transferred to the Territory Banking Account through daily sweeps of the Commission's Taxation Account. Taxes and Levies are received in accordance with the respective legislation or agreements held with the Commission and are based on gross profit or the level of gambling activity depending on the requirements for each product. Regulatory Fees are paid in relation to gaming operations such as licensing applications, raffle and trade promotion permit applications and general gaming and racing approvals.

The revenue that the Commission uses to fund its operating activities is appropriated through Controlled Recurrent Payments and interest from its bank accounts. In 2019-20, appropriation payments from Government totalled **\$6.200 million**.

The Commission also receives a Gambling Harm Prevention and Mitigation Fund levy and contributions to the Chief Minister's Charitable Fund and the Diversification and Sustainability Support Fund.

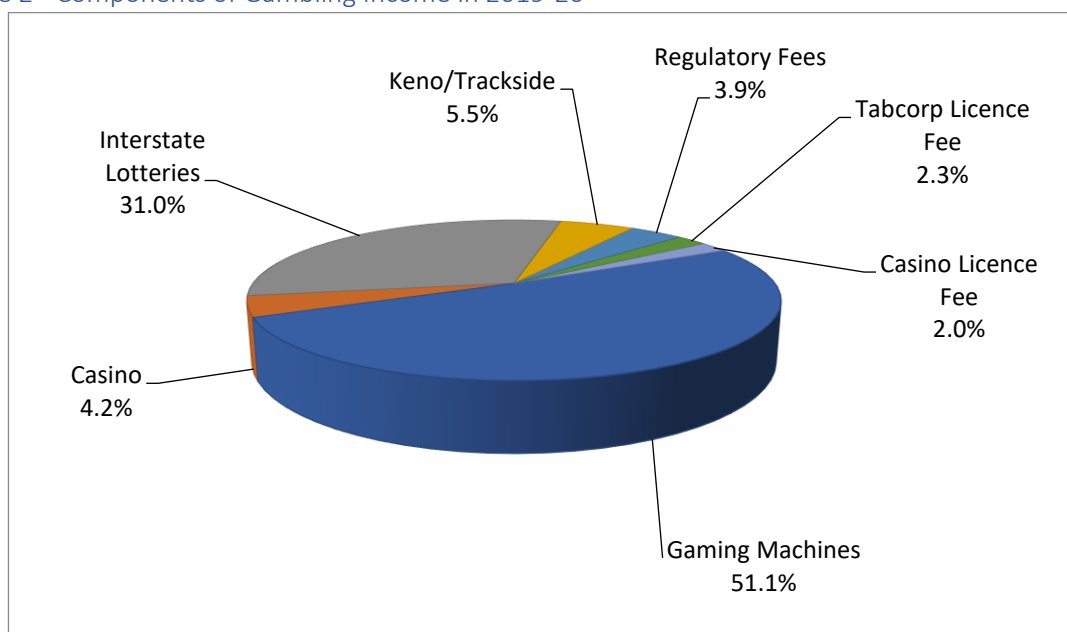
*Gambling Harm Prevention and Mitigation Fund* - Payments to the Gambling Harm Prevention and Mitigation Fund consists of a levy from gaming machine licensees as well as voluntary contributions from Tabcorp ACT and Casino Canberra. These funds are used to provide problem gambling support services to the ACT community as well as other projects to reduce the negative impact of problem gambling. In 2019-20, the total amount received by the Commission in the Gambling Harm Prevention and Mitigation Fund was **\$1.251 million**.

*Chief Minister's Charitable Fund* – Payment to the Chief Minister's Charitable Fund consists of a contribution from gaming machine licensees. These funds are collected by the Commission and transferred to the Chief Minister's Charitable Fund. In 2019-20, the total amount received by the Commission in the Problem Gambling Assistance Fund was **\$0.269 million**.

*Diversification and Sustainability Support Fund* – Payments to the Diversification and Sustainability Support Fund consists of a payment for each authorisation for gaming machines held by club gaming machine licensees. These funds are collected by the Commission and transferred to the Justice and Community Safety Directorate who manages the fund. In 2019-20, the total amount received by the Commission in the Gambling Harm Prevention and Mitigation Fund was **\$0.753 million**.

Figure 2 below indicates that for the financial year ended 30 June 2020 the Commission received **\$24.494 million** or **51.1 per cent** of its total gambling revenue from gaming machine taxation.

Figure 2 - Components of Gambling Income in 2019-20



## 2. Comparison to Budget

For the year ending 30 June 2020 gambling revenue was **\$47.929 million** which was **\$9.995 million** lower than the 2019-20 budget of **\$57.924 million**. This was mainly due to lower:

- gaming machine taxation (**\$8.866 million**) and casino taxation receipts (**\$0.698 million**) due to restrictions put in place as a result of the COVID-19 health emergency;
- interstate lotteries revenue (**\$1.046 million**) from lower than expected ticket sales; and
- regulatory fees (**\$0.383 million**) as a result of lower activity.

These increases were partially off-set by higher keno/trackside revenue (**\$1.008million**) due to higher gambling activity in 2019-20.

## 3. Comparison to 2018-19 Actual Income

Gambling revenue in 2019-20 was **\$8.495 million**, or **15.1 per cent**, lower than the 2018-19 actual result. This was mainly due to decreases in:

- gaming machine taxation (**\$7.934 million**) and casino taxation receipts (**\$0.769 million**) due to restrictions put in place as a result of the COVID-19 health emergency;
- interstate lotteries revenue (**\$1.604 million**) due to a decrease in ticket sales; and
- regulatory fees (**\$0.117 million**) as a result of lower activity.

The decreases were partially off-set by increases in keno/trackside (**\$0.929 million**) as a result of higher gambling activity and casino licence fees (**\$0.964 million**) due to the five years licence fee paid in 2015 converting to an annual fee from January 2020.

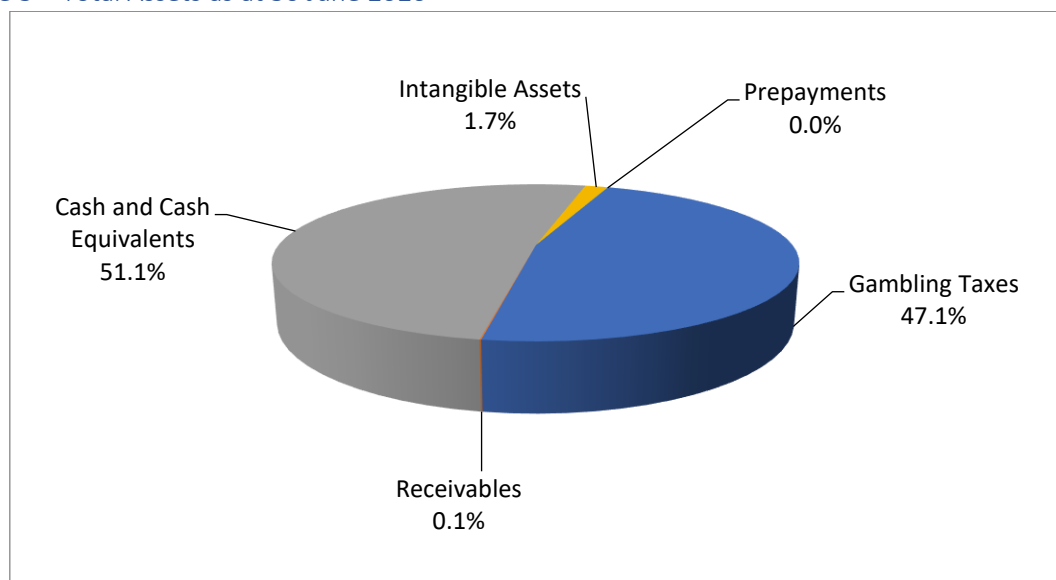
## Commission's Financial Position

### Total Assets

#### 1. Components of Total Assets

Figure 3 below indicates that for the financial year ended 30 June 2020, **47.1 per cent** of the Commission's assets are accrued gambling tax revenue and **51.1 per cent** are cash and cash equivalents.

Figure 3 – Total Assets as at 30 June 2020



#### 2. Comparison to Budget

The total asset position as at 30 June 2020 of **\$9.211 million** is **\$0.702 million** lower than the 2019-20 budget of **\$9.913 million**. The decrease is mainly due to lower cash and cash equivalents (**\$0.521 million**) resulting from increased expenditure from the Gambling Harm Prevention and Mitigation Fund and additional expenses associated in undertaking a probity assessment associated with a proposed sale of Casino Canberra and intangible assets (**\$0.168 million**) as a result of enhancements to the Commission's gaming machine database to enable the reduction of gaming machines in the Territory being lower than expected.

#### 3. Comparison to 2018-19 Actuals

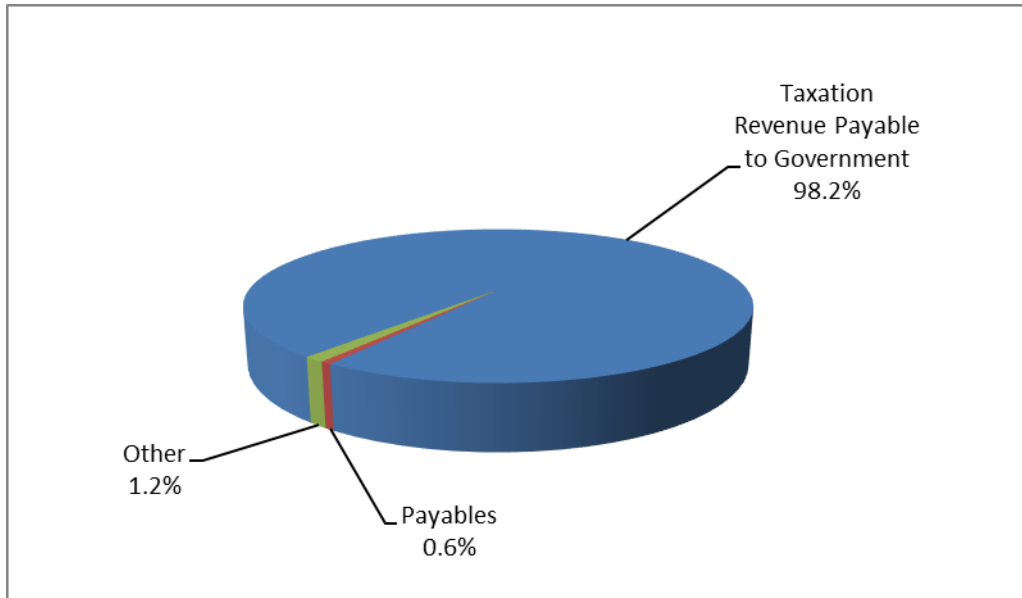
The Commission's total asset position decreased **\$2.021 million** from 2018-19 actual result of **\$11.232 million** mainly due to a decrease in: accrued gambling taxes (**\$1.483 million**) mainly due to reduced gaming machine and casino taxation liabilities as a result of restrictions put in place as part of the Covid-19 health emergency offset by a 6 month deferral of Interstate Lotteries Duty for payments due from 1 April 2020; and cash and cash equivalents (**\$0.338 million**) as a result of increased expenditure from the Gambling Harm Prevention and Mitigation Fund and additional expenses associated in undertaking a probity assessment associated with a proposed sale of Casino Canberra; receivables (**\$0.122 million**) due to reduced Gambling Harm Prevention and Mitigation Fund liabilities as a result of restrictions put in place as a part of the Covid-19 health emergency and intangible assets (**\$0.082 million**) due to amortisation.

## Total Liabilities

### 1. Components of Total Liabilities

Figure 4 below indicates that the majority of the Commission's liabilities as at 30 June 2020 relate to taxation revenue payable to Government (**98.2 per cent**).

Figure 4 – Total Liabilities as at 30 June 2020



### 2. Comparison to Budget

The Commission's liabilities for the year ended 30 June 2020 of **\$4.392 million** is **\$0.021 million** higher than the 2019-20 budget of **\$4.371 million**. This is mainly due to higher payables (**\$0.037 million**) as a result of a higher number of invoices not being received until after the reporting period.

### 3. Comparison to 2018-19 Actuals

Total liabilities decreased **\$1.657 million** from 2018-19 actual results of **\$6.064 million** due to lower taxation revenue payable to Government (**\$1.466 million**) due to a 6 month deferral of Interstate Lotteries Duty for payments due from 1 April 2020 and reduced gaming machine and casino taxation liabilities as a result of restrictions put in place as part of the COVID-19 health emergency; and lower payables (**\$0.191 million**) as a result of a reduced number of outstanding at the end of the reporting period. All Taxes and Levies received by the Commission are transferred on a daily basis to the ACT Government.



## 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 14: Current Ratio

<b>Description</b>	<b>Prior Year Actual 2018-19 \$'000s</b>	<b>Current Year Budget 2019-20 \$'000s</b>	<b>Current Year Actual 2019-20 \$'000s</b>
Current Assets	10,989	9,574	<b>9,050</b>
Current Liabilities	6,064	4,371	<b>4,392</b>
<b>Current Ratio</b>	<b>1.81:1</b>	<b>2.19:1</b>	<b>2.06:1</b>

The Commission's current ratio for the financial year ended 30 June 2020 is **2.06 to 1** which is lower than the budgeted current ratio of **2.19 to 1**. The lower ratio reflects decreased cash and cash equivalents (**\$0.521 million**) as a result of increased expenditure from the Gambling Harm Prevention and Mitigation Fund and additional expenses associated in undertaking a probity assessment associated with a proposed sale of Casino Canberra.

## INDEPENDENT AUDITOR'S REPORT

### To the Members of the ACT Legislative Assembly

#### Opinion

I have audited the financial statements of the ACT Gambling and Racing Commission (Commission) for the year ended 30 June 2020 which comprise the operating statement, balance sheet, statement of changes in equity, statement of cash flows and statement of appropriation and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

- (i) present fairly, in all material respects, the Commission's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

#### Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the Commission for the financial statements

The Governing Board is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996*, and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Commission to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

#### Auditor's responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Commission.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Commission's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission;
- conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Commission to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with the Governing Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
29 September 2020

**ACT GAMBLING AND RACING COMMISSION**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 June 2020á**



### Statement of Responsibility

In my opinion, the financial statements are in agreement with the ACT Gambling and Racing Commission's (the Commission) accounts and records and fairly reflect the financial operations of the Commission for the year ended 30 June 2020 and the financial position of the Commission on that date.

Paul Baxter  
Chairperson  
ACT Gambling and Racing Commission  
XX October 2020



Gambling & Racing Commission  
GPO Box 158, Canberra City ACT 2601

 [GRCBoard@act.gov.au](mailto:GRCBoard@act.gov.au)  
 [gamblingandracing.act.gov.au](http://gamblingandracing.act.gov.au)





### Statement by the Chief Executive Officer

In my opinion, the financial statements have been prepared in accordance with the Australian Accounting Standards, and are in agreement with the ACT Gambling and Racing Commission's (the Commission) accounts and records and fairly reflect the financial operations of the Commission for the year ended 30 June 2020 and the financial position of the Commission on that date.

David Snowden  
Chief Executive Officer  
ACT Gambling and Racing Commission  
XX October 2020



Gambling & Racing Commission  
GPO Box 158, Canberra City ACT 2601

 [GRCBoard@act.gov.au](mailto:GRCBoard@act.gov.au)  
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**ACT Gambling and Racing Commission**  
**Operating Statement**  
**For the Year Ended 30 June 2020**

	Note No.	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2019 \$'000
<b>Income</b>				
<i>Revenue</i>				
Controlled Recurrent Payments	3	6 200	5 167	5 037
Taxation and Levies Collected on Behalf of the Territory	4	43 975	53 577	53 353
Regulatory Fees	5	3 954	4 347	3 071
Interest		84	110	120
Grants and Contributions	6	33	25	13
Other Revenue	7	2 273	1 996	1 350
<i>Total Revenue</i>		<u>56 519</u>	<u>65 222</u>	<u>62 944</u>
<i>Gains</i>				
Other Gains		54	-	-
<i>Total Gains</i>		<u>54</u>	<u>-</u>	<u>-</u>
<b>Total Income</b>		<b><u>56 573</u></b>	<b><u>65 222</u></b>	<b><u>62 944</u></b>
<b>Expenses</b>				
Employee Expenses		-	133	-
Superannuation Expenses		-	13	-
Supplies and Services	8	964	1 596	755
Grants and Purchased Services	9	6 111	5 356	5 667
Depreciation and Amortisation		136	17	109
Other Expenses	10	3 855	-	-
Taxation, Levies and Regulatory Fee Revenue Transferred to Government		45 856	57 924	56 424
<b>Total Expenses</b>		<b><u>56 922</u></b>	<b><u>65 039</u></b>	<b><u>62 955</u></b>
<b>Operating (Deficit)/Surplus</b>		<b><u>(349)</u></b>	<b><u>183</u></b>	<b><u>(11)</u></b>

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 Harm Minimisation Output Class.

**ACT Gambling and Racing Commission**  
**Balance Sheet**  
**As at 30 June 2020**

	Note No.	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2019 \$'000
<b>Current Assets</b>				
Cash and Cash Equivalents	14	4 703	5 224	5 041
Receivables	15	4 344	4 341	5 924
Prepayments		3	9	24
<b>Total Current Assets</b>		<b>9 050</b>	<b>9 574</b>	<b>10 989</b>
<b>Non-Current Assets</b>				
Plant and Equipment		-	10	-
Intangible Assets	16	161	329	243
<b>Total Non-Current Assets</b>		<b>161</b>	<b>339</b>	<b>243</b>
<b>Total Assets</b>		<b>9 211</b>	<b>9 913</b>	<b>11 232</b>
<b>Current Liabilities</b>				
Payables	17	4 341	4 321	6 013
Other Liabilities		51	50	51
<b>Total Current Liabilities</b>		<b>4 392</b>	<b>4 371</b>	<b>6 064</b>
<b>Total Liabilities</b>		<b>4 392</b>	<b>4 371</b>	<b>6 064</b>
<b>Net Assets</b>		<b>4 819</b>	<b>5 542</b>	<b>5 168</b>
<b>Equity</b>				
Accumulated Funds		4 819	5 542	5 168
<b>Total Equity</b>		<b>4 819</b>	<b>5 542</b>	<b>5 168</b>

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



**ACT Gambling and Racing Commission  
Statement of Changes in Equity  
For the Year Ended 30 June 2020**

**For the Year Ended 30 June 2020**

	<b>Accumulated Funds Actual 2020 \$'000</b>	<b>Total Equity Actual 2020 \$'000</b>	<b>Original Budget 2020 \$'000</b>
<b>Balance at 1 July 2019</b>	<b>5 168</b>	<b>5 168</b>	<b>5 359</b>
<b>Comprehensive Income</b>			
Operating (Deficit)/Surplus	(349)	(349)	183
<b>Total Comprehensive Income</b>	<b>(349)</b>	<b>(349)</b>	<b>183</b>
<b>Balance at 30 June 2020</b>	<b>4 819</b>	<b>4 819</b>	<b>5 542</b>

**For the Year Ended 30 June 2019**

	<b>Accumulated Funds Actual 2019 \$'000</b>	<b>Total Equity Actual 2019 \$'000</b>
<b>Balance at 1 July 2018</b>	<b>5 164</b>	<b>5 164</b>
<b>Comprehensive Income</b>		
Operating (Deficit)	(11)	(11)
<b>Total Comprehensive Income</b>	<b>(11)</b>	<b>(11)</b>
Capital Injections	15	15
<b>Balance at 30 June 2019</b>	<b>5 168</b>	<b>5 168</b>

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

**ACT Gambling and Racing Commission**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2020**

	Note No.	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2019 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Controlled Recurrent Payments		6 200	5 167	5 037
Taxation and Levies Collected on Behalf of the Territory		43 368	53 577	51 756
Regulatory Fees		3 955	4 347	3 071
Interest Received		83	110	-
Goods and Services Tax Input Tax Credits from the Australian Taxation Office		113	-	-
Goods and Services Tax Collected from Customers		8	-	-
Other Receipts		2 384	2 115	1 561
<b>Total Receipts from Operating Activities</b>		<b>56 111</b>	<b>65 316</b>	<b>61 425</b>
<b>Payments</b>				
Employee		-	133	-
Superannuation		-	13	-
Supplies and Services		1 862	1 573	763
Grants and Purchased Services		6 112	5 356	5 557
Other		1 032	-	-
Taxation, Levies and Regulatory Fee Revenue Transferred to Government		47 323	57 924	54 828
Goods and Services Tax Remitted to the Australian Taxation Office		4	-	-
Goods and Services Tax Paid to Suppliers		116	119	102
<b>Total Payments from Operating Activities</b>		<b>56 449</b>	<b>65 118</b>	<b>61 250</b>
<b>Net Cash (Outflows)/Inflows from Operating</b>	22	<b>(338)</b>	<b>198</b>	<b>175</b>
<b>Cash Flows from Investing Activities</b>				
<b>Payments</b>				
Payments for Property, Plant and Equipment and Capital Works		-	10	-
<b>Total Payments from Investing Activities</b>		<b>-</b>	<b>10</b>	<b>-</b>
<b>Net Cash (Outflows) from Investing Activities</b>		<b>-</b>	<b>(10)</b>	<b>-</b>

**ACT Gambling and Racing Commission**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2020**

	Note No.	Actual 2020 \$'000	Original Budget 2020 \$'000	Actual 2019 \$'000
<b>Cash Flows from Financing Activities</b>				
<b>Receipts</b>				
Capital Injection		-	-	15
<b>Total Receipts from Financing Activities</b>		-	-	<b>15</b>
<b>Net Cash inflows from Financing Activities</b>		-	-	<b>15</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>				
		(338)	188	190
Cash and Cash Equivalents at the Beginning of the Reporting Period		5 041	5 036	4 851
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	22	<b>4 703</b>	<b>5 224</b>	<b>5 041</b>

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

**ACT Gambling and Racing Commission  
Statement of Appropriation  
For the Year Ended 30 June 2020**

	Original Budget 2020 \$'000	Total Appropriated 2020 \$'000	Appropriation Drawn 2020 \$'000	Appropriation Drawn 2019 \$'000
Controlled Recurrent Payments	5 167	6 200	6 200	5 037
Capital Injections	-	-	-	15
<b>Total Appropriation</b>	<b>5 167</b>	<b>6 200</b>	<b>6 200</b>	<b>5 052</b>

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 Statement of Cash Flows in the ACT Gambling and Racing Commission's 2019-20 Statement of Intent. This amount also appears in the Statement of Cash Flows.

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 Statement of Cash Flows.

Variances between 'Original Budget', 'Total Appropriated' and 'Appropriation Drawn'.

<b>Reconciliation of Appropriation for 2019-20</b>	<b>Controlled Recurrent Payments \$'000</b>
Original Appropriation	5,167
Supplementary Appropriation (FMA s.)	1,033
Total Appropriated	6,200
<b>Appropriation drawn</b>	<b>6,200</b>

The difference between the Original Budget and the Total Appropriated is due to additional funding for Act of Grace Payments for Casino Canberra annual licence fee and refunds to small/medium club gaming machine licensees gaming machine tax for January and February 2020

**ACT Gambling and Racing Commission  
Note Index of the Financial Statements  
For the Year Ended 30 June 2020**

- Note 1 Objectives of the ACT Gambling and Racing Commission  
Note 2 Significant Accounting Policies  
Appendix A – Basis of Preparation of the Financial Statements  
Appendix B – Significant Accounting Policies  
Appendix C – Change in Accounting Policy

**Income Notes**

- Note 3 Controlled Recurrent Payments  
Note 4 Taxation and Levies Collected on Behalf of the Territory  
Note 5 Regulatory Fees  
Note 6 Grants and Contributions  
Note 7 Other Revenue

**Expense Notes**

- Note 8 Supplies and Services  
Note 9 Grants and Purchased Services  
Note 10 Other Expenses  
Note 11 Waivers  
Note 12 Act of Grace Payments  
Note 13 Auditor's Remuneration

**Asset Notes**

- Note 14 Cash and Cash Equivalents  
Note 15 Receivables  
Note 16 Intangible Assets

**Liability Notes**

- Note 17 Payables

**Other Notes**

- Note 18 Financial Instruments  
Note 19 Related Party Disclosures  
Note 20 Commitments  
Note 21 Contingent Liabilities  
Note 22 Cash Flow Reconciliation  
Note 23 Budgetary Reporting

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**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;
- ensure compliance by gaming organisations and persons with the payment of fee and tax liabilities;
- review gaming laws to ensure their continued relevance and appropriateness; and
- monitor and research the social effects of gambling and problem gambling in the ACT and provide counselling and education services.

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

**Note 2. Significant Accounting Policies**

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information.

Appendix A - Basis of Preparation of the Financial Statements

Appendix B - Significant Accounting Policies

Appendix C – Change in Accounting Policy

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 3. Controlled Recurrent Payments**

Controlled Recurrent Payments (CRP) are revenue received from the ACT Government to fund the costs of delivering outputs.

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue from the ACT Government</b>		
Controlled Recurrent Payments <sup>1</sup>	6 200	5 037
<b>Total Controlled Recurrent Payments</b>	<b>6 200</b>	<b>5 037</b>

1. The increase in Controlled Recurrent Payments is due to additional appropriation provided for Act of Grace payments made by the Commission (refer note 12).

**Note 4. Taxation and Levies Collected on Behalf of the Territory**

Taxation and Levies are collected on behalf of the Territory from licensed gambling operators. Taxes and Levies are received on a monthly basis in accordance with the respective legislation or agreements held with the Commission and are based on gross profit or the level of gambling activity depending on the requirements for each product. All Taxes and Levies received by the Commission are transferred on a daily basis to the ACT Government.

Gaming Machines <sup>1</sup>	24 494	32 428
Interstate Lotteries <sup>2</sup>	14 828	16 432
Casino <sup>3</sup>	2 012	2 781
Keno and Trackside Levy <sup>4</sup>	2 641	1 712
<b>Total Taxation and Levies Collected on Behalf of the Territory</b>	<b>43 975</b>	<b>53 353</b>

1. The decrease in Gaming Machine Taxation is due to the closure of gaming venues in the ACT from 23 March 2020 as a result of the COVID-19 health emergency.
2. The decrease in Interstate Lotteries Taxation is due to reduced ticket sales in 2019-20.
3. The decrease in Casino Taxation is due to the closure of gaming venues in the ACT from 23 March 2020 as a result of the COVID-19 health emergency.
4. The increase in the Keno and Trackside Levy is due to increased gambling activity in 2019-20.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 5 Regulatory Fees**

Regulatory Fees Collected on behalf of the Territory are paid in relation to gaming operations such as licensing applications, raffle and trade promotion permit applications and general gaming and racing approvals. All regulatory fees received by the Commission are transferred on a daily basis to the ACT Government.

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Gaming Machines	195	225
Lotteries <sup>1</sup>	1,675	1 743
Casino <sup>2</sup>	982	19
Totalisator	1 087	1 069
Sports Bookmaking	15	15
<b>Total Regulatory Fees</b>	<b>3 954</b>	<b>3 071</b>

1. The decrease in Lotteries fees is due to restrictions put in place as a result of the COVID-19 health emergency.
2. The increase in Casino Licence fee is due to an annual licence fee received in February 2020 following the expiration of the previous five years licence fee paid in 2015.

**Note 6. Grants and Contributions**

**Resources Received Free of Charge from ACT Government Entities**

Legal Services <sup>1</sup>	33	13
<b>Total Resources Received Free of Charge</b>	<b>33</b>	<b>13</b>

1. The increase in Legal Services in 2019-20 is due to increased engagement of ACT Government Solicitors Office services during the reporting period.



**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 7. Other Revenue**

Other Revenue arises from the core activities of the Commission. Revenue received in the Gambling Harm Prevention and Mitigation Fund consist of a levy on gaming machine licensees and voluntary contributions from Casino Canberra and Tabcorp ACT Ltd. The Commission also collects revenue from gaming machine licensees for payments to the Chief Minister’s Charitable Fund and the Diversification and Sustainability Support Fund.

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue from Non-ACT Government Entities</b>		
Gambling Harm Prevention and Mitigation Fund <sup>1</sup>	1 251	1 350
Chief Minister’s Charitable Fund <sup>2</sup>	269	0
Diversification Sustainability Support Fund <sup>3</sup>	753	0
<b>Total Other Revenue from Non-ACT Government Entities</b>	<b>2 273</b>	<b>1 350</b>
<b>Total Other Revenue</b>	<b>2 273</b>	<b>1 350</b>

1. The decrease in revenue to the Gambling Harm Prevention and Mitigation Fund is due to restrictions on gaming machine venues put in place as a result of the COVID-19 health emergency off-set by an additional levy on gaming machine licensees from 1 July 2019.
2. The increase in payments for the Chief Minister’s Charitable Fund is due to an additional levy on gaming machine licensees from 1 July 2019.
3. The increase in payments for the Diversification and Sustainability Support Fund is due to an additional levy on gaming machine licensees from 1 July 2019.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 8. Supplies and Services**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Legal Fees	33	13
Commission Members Remuneration	146	142
Payment from the Gambling Harm Prevention and Mitigation Fund <sup>1</sup>	339	171
Other	446	429
<b>Total Supplies and Services</b>	<b>964</b>	<b>755</b>

1. The increase in Payments from the Gambling Harm Prevention and Mitigation is mainly due to expenditure associated with the '2019 ACT Gambling Survey'.

**Note 9. Grants and Purchased Services**

Grants are amounts provided to ACT Government agencies and non-ACT Government agencies for general assistance or for a particular purpose. Grants may be for capital, current or recurrent purposes and the name or category reflects the use of the grant. The grants given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation. Grants provided by the Commission are collected from gaming machine licensees and passed on to the Chief Minister's Charitable Fund.

Purchased services are amounts paid to obtain services from other ACT Government agencies and external parties.

Problem Gambling Support Services	886	824
Purchase Service - Access Canberra	4 956	4 843
Recurrent Grants – Chief Minister's Charitable Fund <sup>1</sup>	269	0
<b>Total Grants and Purchased Services</b>	<b>6 111</b>	<b>5 667</b>

1. The increase in recurrent Grants is due to an additional levy on gaming machine licensees from 1 July 2019 being collected by the Commission, and the Commission remitting these funds to the Chief Minister's Charitable Fund.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 10. Other Expenses**

	2020	2019
	\$'000	\$'000
Diversification and Sustainability Support Fund <sup>1</sup>	748	0
Waivers (see note 11) <sup>2</sup>	2 074	0
Act of Grace Payments (see note 12) <sup>3</sup>	1 033	0
<b>Total Other Expenses</b>	<b>3 855</b>	<b>0</b>

1. The increase in the Diversification and Sustainability Support Fund expense is due to a change in legislation from 1 July 2019 that requires gaming machine licensees that is a club to pay the Commission an amount for each gaming machine authorisation held. These funds are then passed onto the Diversification and Sustainability Support Fund, which is managed by the Justice and Community Safety Directorate.
2. The increase in waivers is due to the ACT Government waiving club gaming machine licensees and Casino Canberra tax liabilities for March 2020 as part of the economic survival package resulting from the COVID-19 health emergency.
3. The increase in Act of Grace Payments is due to the ACT Government refunding the annual licence fee for Casino Canberra as part of the economic survival package resulting from the COVID-19 health emergency and refunds of to small/medium club gaming machine licensees gaming machine tax for January and February as a result of the COVID-19 health emergency.

**Note 11. Waivers**

Under Section 131 of the *Financial Management Act 1996*, the Treasurer may in writing, waive the right to payment of an amount payable to the Territory.

The waivers listed below have occurred during the reporting period for the Commission

	No.	2020	No.	2019
		\$		\$
Stimulus Waivers	32	2 074	0	0
<b>Total Waivers</b>		<b>2 074</b>	<b>0</b>	<b>0</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 12. Act of Grace Payments**

Under Section 130 of the *Financial Management Act 1996* the Treasurer may, in writing, authorise Act of Grace Payments be made by a directorate or a territory authority.

The Treasurer authorised six Act of Grace Payments relating to the COVID-19 health emergency. Of these payments, one was made to Casino Canberra and five were to small and medium club gaming machine licensees for taxation payments made in January and February that did not fall within the Governments Economic Survival Package.

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Act of Grace Payments</b>		
Payment relating to the COVID-19 health emergency	1 033	0
<b>Total Act of Grace Payments</b>	<b>1 033</b>	<b>0</b>

**Note 13. Auditor's Remuneration**

Auditor's remuneration consists of financial audit services provided to the Commission by the ACT Audit Office. No other services were provided by the ACT Audit Office. The Commission's Audit Fees are paid by Access Canberra.

**Audit Services**

Audit Fees - ACT Audit Office	51	50
<b>Total Audit Fees</b>	<b>51</b>	<b>50</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 14. Cash and Cash Equivalents**

The ACT Gambling and Racing Commission holds five bank accounts with the Westpac Bank as part of the whole-of-government banking arrangements that earned an average floating interest rate of 1.51% (2018-19 2.33%).

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash at Bank	4 703	5 041
<b>Total Cash and Cash Equivalents</b>	<b>4 703</b>	<b>5 041</b>

**Note 15. Receivables**

**Current Receivables**

**Accrued Gambling Taxes**

Gaming Machine Taxation <sup>1</sup>	0	2 834
Interstate Lotteries Duty <sup>2</sup>	4 312	2 753
Casino Taxation <sup>3</sup>	0	208
<b>Total Accrued Gambling Taxes</b>	<b>4 312</b>	<b>5 795</b>

**Other Receivables**

Gambling Harm Prevention and Mitigation Fund Levy <sup>4</sup>	0	124
Other Trade Receivables	28	0
Net GST Receivable	4	5
<b>Total Other Receivables</b>	<b>32</b>	<b>129</b>
<b>Total Current Receivables</b>	<b>4 344</b>	<b>5 924</b>

- (a) The decrease in Accrued Gaming Machine Taxation is due to licensees gaming machines being closed as part of the ACT health emergency associated with COVID-19.
- (b) The increase in Accrued Interstate Lotteries Duty is due to the ACT Government's agreement to allow a six-month deferral of duties payable for amounts owing from 1 April 2020.
- (c) The decrease in Accrued Casino Taxation is due to licensees gaming machines being closed as part of the ACT health emergency associated with COVID-19.
- (d) The decrease in Gaming Harm Prevention and mitigation Fund Levy is due to licensees gaming machines being closed as part of the ACT health emergency associated with COVID-19.

No receivables were overdue or impaired as at 30 June 2020 or as at 30 June 2019.

All receivables are with non-ACT Government entities.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 16. Intangible Assets**

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

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Computer Software at Cost	907	907
Additions	54	-
Less: Accumulated Amortisation	(800)	(664)
<b>Total Intangible Assets</b>	<b>161</b>	<b>243</b>

There were no impairment losses in 2018-19 and 2019-20

**Reconciliation of Intangible Assets**

The following table shows the movement of each class of Intangible Assets in 2020 and 2019.

<b>2020</b>	<b>Externally Purchased Software \$'000</b>	<b>Total \$'000</b>
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>243</b>	<b>243</b>
Additions	54	54
Amortisation	(136)	(136)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>161</b>	<b>161</b>

<b>2019</b>	<b>Externally Purchased Software \$'000</b>	<b>Total \$'000</b>
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>352</b>	<b>352</b>
Amortisation	(109)	(109)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>243</b>	<b>243</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 17. Payables**

	2020	2019
	\$'000	\$'000
<b>Current Payables</b>		
Trade Payables	0	80
Accrued Expenses	29	140
Taxation and Levies Revenue Payable to Government <sup>1</sup>	4 312	5 793
<b>Total Current Payables</b>	<b>4 341</b>	<b>6 013</b>
<b>Total Payables</b>	<b>4 341</b>	<b>6 013</b>

- a. The decrease in Taxation and Levies Payable to Government is mainly due a decrease in outstanding Accrued Gambling Taxes Receivable at 30 June 2020. All taxes and levies received by the Commission are transferred on a daily basis to the ACT Government.

There are no payables overdue as at 30 June 2020 and 30 June 2019.

**Classification of ACT Government/Non-ACT Government Payables**

**Payables with ACT Government Entities**

Trade Payables	-	32
Taxation and Levies Revenue Payable to Government	4 312	5 793
<b>Total Payables with ACT Government Entities</b>	<b>4 312</b>	<b>5 825</b>

**Payables with Non-ACT Government Entities**

Trade Payables	-	48
Accrued Expenses	29	140
<b>Total Payables with Non-ACT Government Entities</b>	<b>29</b>	<b>188</b>

<b>Total Payables</b>	<b>4 341</b>	<b>6 013</b>
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**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 18. 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 (see Appendix B) *Significant Accounting Policies*.

**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 Banking Corporation.

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.

There have been no significant changes in the process for managing credit risk since the last reporting period.

Trade receivables are always measured at lifetime expected credit losses (the simplified approach).

**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 the ACT 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 cash 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.



**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 18. Financial Instruments – Continued**

**Carrying Amount and Fair Value of Financial Assets and Liabilities**

	<b>Note No</b>	<b>Carrying Amount 2020 \$'000</b>	<b>Fair Value Amount 2020 \$'000</b>	<b>Carrying Amount 2019 \$'000</b>	<b>Fair Value Amount 2019 \$'000</b>
<b>Financial Assets</b>					
Cash and Cash Equivalents	14	4 703	4 703	5 041	5 041
Receivables - Other Trade Receivables	15	28	28	-	-
<b>Total Financial Assets</b>		<b>4 706</b>	<b>4 706</b>	<b>5 041</b>	<b>5 041</b>
<b>Financial Liabilities</b>					
Payables	17	29	29	220	220
<b>Total Financial Liabilities</b>		<b>29</b>	<b>29</b>	<b>220</b>	<b>220</b>

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.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 18. 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 2020. 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.

2020	Note No.	Weighted Average Interest Rate	Floating Interest Rate \$'000	Fixed Interest Maturing In:			Non-Interest Bearing \$'000	Total \$'000
				1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000		
<b>Financial Instruments</b>								
<b>Financial Assets</b>								
Cash and Cash Equivalents	14	1.51%	4 703	-	-	-	-	<b>4 703</b>
Receivables	15						28	<b>28</b>
<b>Total Financial Assets</b>			<b>4 703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28</b>	<b>4 731</b>
<b>Financial Liabilities</b>								
Payables	17	-	-	-	-	-	29	<b>29</b>
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>29</b>
<b>Net Financial Assets</b>			<b>4 703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>4 702</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 18. 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 2019. 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.

2019	Note No.	Weighted Average Interest Rate	Floating Interest Rate \$'000	Fixed Interest Maturing In:			Non-Interest Bearing \$'000	Total \$'000
				1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000		
<b>Financial Instruments</b>								
<b>Financial Assets</b>								
Cash and Cash Equivalents	14	2.33%	5 041	-	-	-	-	<b>5 041</b>
<b>Total Financial Assets</b>			<b>5 041</b>	-	-	-	-	<b>5 041</b>
<b>Financial Liabilities</b>								
Payables	17	-	-	-	-	-	220	<b>220</b>
<b>Total Financial Liabilities</b>			-	-	-	-	<b>220</b>	<b>220</b>
<b>Net Financial Assets</b>			<b>5 041</b>	-	-	-	<b>(220)</b>	<b>4 821</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 18. Financial Instruments - Continued**

<b>Carrying Amount of Each Category of Financial Asset and Financial Liability</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets</b>		
Financial Assets Measured at Fair Value through the Profit and Loss	28	0
<b>Financial Liabilities</b>		
Financial Liabilities Measured at Amortised Cost	29	220

**Note 19. Related Party Disclosures**

A related party is a person that controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Commission, directly or indirectly.

KMP of the Commission are Members of the Governing Board. The members of the Governing Board during 2019-20 were:

Mr P Baxter	Chair
Ms A Tay	Deputy Chair
Ms C Franklin	Member
Mr C Buik	Member
Mr D Snowden	Chief Executive Officer

One of the KMP of the Commission are an employee of Chief Minister, Treasury and Economic Development Directorate (CMTEDD) and are compensated by CMTEDD.

Compensation by the Commission to KMP is set out below:

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Board Member fees	146	141
<b>Total Compensation by the Commission to KMP</b>	<b>146</b>	<b>141</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 19. Related Party Disclosures - Continued**

**Transactions with Key Management Personnel**

There were no transactions with KMP that were material to the financial statements of the Commission.

**Transactions with parties related to Key Management Personnel**

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of the Commission.

**Transactions with other ACT Government controlled entities**

All transactions with ACT Government controlled entities are disclosed on the relevant notes to the financial statements of the Commission.

**Note 20. Commitments**

**Other Commitments**

Other commitments consist of a contract with Relationships Australia Canberra and Region Inc. for the provision of Problem Gambling Support Services. This amount is reported as GST exclusive:

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	924	5 845
<b>Total Other Commitments<sup>1</sup></b>	<b>924</b>	<b>5 845</b>

1. The decrease in Other Commitments relates to the Commission entering into a new contract with Relationships Australia Canberra and Region Inc for 12 months following a procurement process and the 3 year memorandum of understanding with Access Canberra on the provision of services for the administration of gaming laws including the control, supervision and regulation of gaming and racing in the ACT expiring on 30 June 2020.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 21. Contingent Liabilities**

The Commission manages unclaimed prize monies relating to prizes which have remained unclaimed. The Commission's contingent liability amount on the potential claims is \$2,350,815 (2018-19 \$2,350,637).

**Note 22. Cash Flow Reconciliation**

**1. Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Cash and Cash Equivalents Disclosed in the Balance Sheet	4 703	5 041
<b>Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Statement of Cash Flows</b>	<b>4 703</b>	<b>5 041</b>

**(b) Reconciliation of the Operating Surplus to the Net Cash Outflows from Operating Activities**

Operating (Deficit)	(349)	(11)
<b>Add/(Less) Non-Cash Items</b>		
Depreciation and Amortisation	136	109
Asset Transferred from Access Canberra	(54)	0
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>(267)</b>	<b>98</b>
<b>Changes in Operating Assets and Liabilities</b>		
Decrease/(Increase) in Receivables	1 595	(1 593)
Decrease in Other Assets	6	0
(Decrease)/Increase in Payables	(190)	88
(Decrease)/Increase in Taxation Revenue Payable	(1 482)	1 596
(Decrease) in Other Liabilities	-	(14)
<b>Net Changes in Operating Assets and Liabilities</b>	<b>(71)</b>	<b>77</b>
<b>Net Cash (Outflows)/Inflows from Operating Activities</b>	<b>(338)</b>	<b>175</b>

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 23. Budgetary Reporting**

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if **both** of the following criteria are met:

- (a) The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- (b) The variances (original budget to actual) are greater than plus (+) or minus (-) 2.5% and \$500,000 of the budget for the financial statement line item.

	Actual 2020 \$'000	Original Budget <sup>a</sup> 2020 \$'000	Variance \$'000	Variance %	Variance Explanation
<b>Operating Statement Line Items</b>					
Controlled Recurrent Payments	6,200	5,167	1,033	20.0	Note 1
Taxation and Levies Collected on Behalf of the Territory	43 975	53 577	(9 602)	(17.9)	Note 2
Grants and Purchased Services	6,111	5,356	755	14.1	Note 3
Taxation, Levies and regulatory Fee Revenue Transferred to Government	45 856	57 924	(12 068)	(20.8)	Note 4
<b>Balance Sheet Line Items</b>					
Cash and Cash Equivalents	4 703	5 224	(521)	(10.0)	Note 5
<b>Statement of Cash Flows Line Items</b>					
Controlled Recurrent Payments	6,200	5,167	1,033	20.0	Note 1
Taxation and Levies Collected on Behalf of the Territory	43 975	53 577	(9 602)	(17.9)	Note 2
Grants and Purchased Services	6,112	5,356	756	14.1	Note 3
Taxation, Levies and regulatory Fee Revenue Transferred to Government	45 856	57 924	(12 068)	(20.8)	Note 4

- a. Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2019-20 Statement of Intent). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

**Notes**

1. Controlled Recurrent Payments were higher than anticipated due to additional appropriation provided for Act of Grace payments made by the Commission.
2. Taxation and Levies Collected on Behalf of the Territory were lower than anticipated mainly due to decreased Gaming Machine Taxation and Casino Taxation from restrictions put in place as a result of the COVID-19 health emergency; lower Interstate lottery Revenue as a result of reduced Ticket sales in 2019-20, off-set by increased keno levy as a result of increased gambling activity.

**ACT Gambling and Racing Commission**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2020**

**Note 23. Budgetary Reporting - Continued**

3. Grants and Purchased Services is higher than anticipated mainly due to the reclassification of Problem Gambling Support Services from Supplies and Services.
4. Taxation, Levies and Regulatory Fee Revenue Transferred to Government was lower than anticipated due to the factors identified under 'Note 1' above.
5. Cash and Cash Equivalents were lower than expected due to higher than expected expenditure from the Gambling Harm Prevention and Mitigation Fund and additional expenses associated in undertaking a probity assessment associated with a proposed sale of Casino Canberra.

**Statement of Changes in Equity** – these line items are covered in other Financial Statements.

**Statement of Cash Flows** – these line items are covered in other Financial Statements.



**ACT Gambling and Racing Commission**  
**Appendix A - Basis of Preparation of the Financial Statements**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**Legislative Requirement**

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

These general-purpose financial statements have been prepared in accordance with:

- i. Australian Accounting Standards (as required by the FMA); and
- ii. ACT Accounting and Disclosure Policies.

**Accrual Accounting**

The financial statements have been prepared using the accrual basis of accounting. The financial statements have also been prepared according to the historical cost convention.

**Currency**

These financial statements are presented in Australian dollars.

**Individual Not-For-Profit Reporting Entity**

The Commission is an individual not-for-profit reporting entity.

**Reporting Period**

These financial statements state the financial performance, changes in equity and cash flows of the Commission for the year ended 30 June 2020 together with the financial position of the Commission as at 30 June 2020.

**ACT Gambling and Racing Commission**  
**Appendix A - Basis of Preparation of the Financial Statements**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**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 reporting 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.

**Rounding**

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of "-" represents zero amounts or amounts rounded down to zero.

**Going Concern**

The 2019-20 financial statements have been prepared on a going concern basis as the Commission has been funded in 2020-21 under section 7 of the *Financial Management Act 1996* pending funding in the 2020-21 Budget and the 2020-21 Budget paper including forward estimates for the Commission. The 2020-21 Budget will be presented to the Legislative Assembly subsequent to the signing of the Commissions 2019-20 financial statements.

**ACT Gambling and Racing Commission**  
**Appendix B - Significant Accounting Policies**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**Significant Accounting Policies – Income**

**Revenue Recognition**

Revenue is recognised in accordance with AASB 15 Revenue from Contracts with Customers where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 Income of not-for-Profit Entities.

**AASB 15**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Agency have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations

**AASB 1058**

Where revenue streams are in the scope of AASB 1058, the Commission recognises the asset received (generally cash or other financial asset) at fair value, recognises any related amount (e.g. liability or equity) in accordance with an accounting standard and recognises revenue as the residual between the fair value of the asset and the related amount on receipt of the asset.

**Note 3 – Controlled Recurrent Payments**

Controlled Recurrent Payments are recognised as revenue when the Commission gains control over the funding. Control over appropriated funds is obtained upon the receipt of cash.

**Note 4 - Taxation and Levies Collected on Behalf of the Territory and Note 5 Regulatory Fees**

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. Fines are recognised as revenue on the issue of the relevant disciplinary notice.

Taxation, Levies and Regulatory Fee revenue are collected on behalf of the Territory and are statutory in nature.

**ACT Gambling and Racing Commission**  
**Appendix B - Significant Accounting Policies**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**Note 6 – Grants and Contributions**

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 Grants and Contributions, 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.

**Significant Accounting Policies – Expenditure**

**Amortisation**

Amortisation is used in relation to intangible assets.

Amortisation for non-current assets is determined as follows:

<u>Class of Asset</u>	<u>Amortisation Method</u>	<u>Useful Life (Years)</u>
Externally Purchased Intangibles	Straight Line	Five years

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

**Note 11 – Waivers**

Waivers are expensed during the year in which the right to payment was waived.

**Significant Accounting Policies – Assets**

**Assets – Current and Non-Current**

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets which do not fall within the current classification are classified as non-current.

**Note 14 – Cash and Cash Equivalents**

Cash includes cash at bank.

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.

**ACT Gambling and Racing Commission**  
**Appendix B - Significant Accounting Policies**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**Significant Accounting Policies – Assets - Continued**

**Note 15 – Receivables**

**Accounts Receivables**

Accounts receivable (including accrued gambling taxes and levies and other trade receivables) are 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.

**Impairment Loss – Receivables**

The allowance for expected credit losses represents the amount of trade receivables and other trade receivables the Commission estimates will not be repaid. The allowance for expected credit losses is based on objective evidence and a review of overdue balances. The Commission measures expected credit losses of a financial instrument in a way that reflects:

- (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (b) the time value of money; and
- (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

**Note 16 – 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 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.

**ACT Gambling and Racing Commission**  
**Appendix B - Significant Accounting Policies**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**Significant Accounting Policies – Liabilities**

**Liabilities – Current and Non-Current**

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. Liabilities which do not fall within the current classification are classified as non-current.

**Note 17 – Payables**

Payables 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.

Payables include Trade Payables, Accrued Expenses and Taxation and Levies payable to Government.

**ACT Gambling and Racing Commission**  
**Appendix C – Change in Accounting Policy**  
**Forming Part of Note 2 of The Financial Statements**  
**For The Year Ended 30 June 2020**

**Initial Application of AASB 1058 Income of Not-for-Profit Entities**

AASB 15 Revenue from Contracts from Customers and AASB 1058 Income of Not-for Profit Entities replaces AASB 118 Revenue and AASB 1004 Contributions and related interpretations for annual reporting periods beginning on or after 1 January 2019 for not-for-profit entities. The Commission adopted AASB1058 to recognise revenue from 1 January 2019. There has been no impact to the balances in the Commission’s financial statements from this change in accounting policy.

## Capital Works

The Commission had no projects included in the Capital Works Program for 2019-20.

## Asset Management

The only assets maintained by the Commission are its computer software. These databases are managed by Access Canberra through a Memorandum of Understanding. Access Canberra has in place policies for the management of these assets consistent with the ACT Asset Management Strategy. The carrying value of these assets at the end of the reporting period was \$161,000.

## 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 where applicable by the Government Procurement Board, consistent with the provisions of the *Government Procurement Regulation Act 2007*.

The Commission provided no exemptions from the secure local jobs code requirements under section 22G of the *Government Procurement Act 2001* during the reporting period.

Table 15: 2019-20 Contracts with suppliers of goods and services that exceed \$25,000

Contract No.	Contract Title	Procurement Methodology	Procurement Type	Exemption from Quotation and Tender Threshold Requirements	Contractor Name	Contract Amount (excl GST)	Execution Date	Expiry Date
31036.210	ACT Gambling Harm Support Service	Open tender	Community-based services	No	Relationships Australia Canberra and Region	\$924, 285	27 June 2020	30 June 2021
GS001017.210	provision of the ACT Gambling counselling and support services	Single select	Community-based services	No	Relationships Australia Canberra and Region	\$886,541	27 June 2019	26 June 2020
No Number	Research into Gambling	Single select	consultancy	No	ANU Centre for Gambling Research	\$1,100,000	April 2009	16 April 2024

<b>Contact for further information:</b>	Director, Finance and Budgets, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 0378.
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# Statement of Performance



AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY 

## INDEPENDENT LIMITED ASSURANCE REPORT

### To the Members of the ACT Legislative Assembly

#### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the ACT Gambling and Racing Commission (Commission) for the year ended 30 June 2020.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2020 are not in agreement with the Commission's records or do not fairly reflect, in all material respects, the performance of the Commission, in accordance with the *Financial Management Act 1996*.

#### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

#### Commission's responsibilities for the statement of performance

The Governing Board is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

#### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Commission.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Commission's records or do not fairly reflect, in all material respects, the performance of the Commission, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Commission, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

**Limitations on the scope**

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Commission.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
29 September 2020

# **ACT GAMBLING AND RACING COMMISSION**

## **STATEMENT OF PERFORMANCE**

**FOR THE YEAR ENDED 30 JUNE 2020**



**ACT Gambling and Racing Commission**  
**Statement of Performance**  
**For the Year Ended 30 June 2020**

**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 2020 and also fairly reflects the judgements exercised in preparing it.

Paul Baxter  
Chairperson  
ACT Gambling and Racing Commission  
XX October 2020



Gambling & Racing Commission  
GPO Box 158, Canberra City ACT 2601

 [GRCBoard@act.gov.au](mailto:GRCBoard@act.gov.au)  
 [gamblingandracing.act.gov.au](http://gamblingandracing.act.gov.au)



**ACT Gambling and Racing Commission**  
**Statement of Performance**  
**For the Year Ended 30 June 2020**

**Description of Objectives**

The ACT Gambling and Racing Commission's major objectives include:

- undertaking strategies designed to prevent and reduce gambling harm through a public health approach, including effective research, gambling harm awareness activities and the provision of support for people at risk; and
- increasing gambling operators' compliance with legislation through the Commission's comprehensive inspection program and its continued education and liaison with operators;

**ACT Gambling and Racing Commission  
Statement of Performance  
For the Year Ended 30 June 2020**

**Output Class 1: Gambling Regulation and Harm Minimisation**

**Output 1.1: Gambling Regulation and Harm Minimisation**

	Original Target 2019-20	Actual Result 2019-20	Variance from Original Target %	Reasons for Material Variance
<b>Total cost<sup>1</sup></b>	<b>\$7,115,000</b>	<b>\$11,066,000</b>	55.5	Note 1
<b>Controlled Recurrent Payments</b>	<b>\$5,167,000</b>	<b>\$6,200,000</b>	20.0	Note 2
<b>Accountability Indicators</b>				
a Undertake evidence (e.g. research and evaluation) informed activities to prevent and reduce gambling harm, including through the Problem Gambling Assistance Fund	12	13	8.3	Note 3
b Percentage of customers satisfied with the Gambling and Racing Commission	90%	100%	11.1	Note 4
c Percentage of the Canberra community satisfied with the ease of interacting with the Gambling and Racing Commission	95%	100%	5.3	Note 5
d Compliance rate during targeted campaign inspections	90%	80%	(11.1)	Note 6
e Average level of helpfulness after issuing a notice or before issuing a licence/authorisation	4.2 out of 5	5 out of 5	19.0	Note 7

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

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

1. Total costs include components of Commission expenditure excluding taxation revenue transferred to Government.

**ACT Gambling and Racing Commission**  
**Statement of Performance**  
**For the Year Ended 30 June 2020**

**Reasons for Material Variance**

1. The result reflects an increase in other expenses associated with:
  - a. waivers and Act of Grace Payments as a result the ACT Government's economic survival package resulting from the Covid-19 health emergency; and
  - b. an increase in the Diversification and Sustainability Support Fund expense due to a change in legislation from 1 July 2019 that requires gaming machine licensees, that is a club, to pay the Commission an amount for each gaming machine authorisation held. These funds are then passed onto the Diversification and Sustainability Support Fund, which is managed by the Justice and Community Safety Directorate
2. The result reflects funds provided to the Commission for Act of Grace payments made to Casino Canberra and five small/medium club gaming machine licensees for refunds of taxation payments made in January and February that did not fall within the Government's economic survival package resulting from the Covid-19 health emergency.
3. The result reflects one additional activity aimed at preventing and reducing gambling harm, undertaken through the Gambling Harm Prevention and Mitigation Fund.
4. The result reflects a greater level of client awareness, attitudes, behaviours and customer satisfaction of/with the Commission's corporate identity, channels and services.
5. The result reflects a greater level of satisfaction with the ease of interacting with the Commission.
6. The result reflects that two gaming venues that were assessed against a predetermined set of criteria for targeted inspection campaigns were found to be non-compliant during the first visit and remained non-compliant following a subsequent audit.
7. The result reflects that the randomly selected industry groups were all compliant.

**Explanation of Accountability Indicators**

- a Undertake evidence (e.g. research and evaluation) informed activities to prevent and reduce gambling harm, including through the Problem Gambling Assistance Fund.
  - The Commission has:
    - Public release of the *Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach 2019/20-2023/24* (the Strategy). The Strategy was published and released in October 2019;
    - Completed Gambling Harm Awareness Week 2019. The ACT Gambling and Racing Commission (the Commission) organised the 2019 Gambling Harm Awareness Week. The week included a full day conference for industry and community sector with the theme '*Together we can reduce gambling harm*';

**ACT Gambling and Racing Commission**  
**Statement of Performance**  
**For the Year Ended 30 June 2020**

**Explanation of Accountability Indicators - Continued**

- Publicly released on 22 October 2019 the findings from the 2019 ACT Gambling Survey to raise the profile of gambling harm as a public health issue and increase gambling harm literacy among key stakeholders;
- Released in October 2019 a series of Responsible Service of Gambling informational videos to help industry staff better understand the role and responsibilities of Gambling Contact Officers;
- Organised and staffed gambling harm information stalls at all major ACT university and CIT orientation weeks. Throughout February 2020 members of the Commission's Gambling and Harm Prevention team ran stalls at five major tertiary institutions in Canberra to educate and promote awareness of gambling harm;
- Staffed a stall at the Mental Health expo – 10<sup>th</sup> October 2019 to provide information on gambling harm to attendees;
- Administered the Gambling Contact Officer Annual Training sessions and refresh of training content in September 2019;
- Funded an industry organised morning tea with presentation by Janine Robinson, Director for the Centre for the Advancement of Best Practices for the Responsible Gambling Council, on ways to prevent problem gambling and ways to identify and share prevention strategies (4 November 2019);
- Engaged Dr Nicki Dowling to undertake a gap analysis of gambling harm and problem gambling support services and treatment approaches in Australia (4 July 2019);
- Delivered a presentation on Gambling Harm at the 2019 National Association for Gambling Studies (NAGS; 3-6 December 2019) entitled 'Embracing the New: The intersection of Gambling Regulation and Technology in the ACT';
- Completed procurement for continued provision of the ACT Gambling Counselling Support Services (AGCSS) on 22 May 2020;
- Delivered a presentation on Gambling in the ACT, and, the Regulatory role of GRC at Gambling and the Law, a seminar organised and advertised by Legal Aid (30 October 2019); and
- Funded and assisted the organisation of a full day Gambling Harm workshop focused on gambling harm prevention and awareness for allied health services and non-gambling-specific support services in the ACT, held on 7 November 2019.

**b Percentage of customers satisfied with the Gambling and Racing Commission**

- This is an independent annual survey of licensees which measures client's awareness, attitudes, behaviour and customer satisfaction of/with the Commission's corporate identity, channels and services.



**ACT Gambling and Racing Commission  
Statement of Performance  
For the Year Ended 30 June 2020**

**Explanation of Accountability Indicators - Continued**

- c Percentage of the Canberra community satisfied with the ease of interacting with the Gambling and Racing Commission
  - This is an independent annual survey of the satisfaction with ease of interacting with the Commission, which measures the awareness, attitudes, behaviour and customer satisfaction of/with the Commission's corporate identity, channels and services.
  
- d Compliance rate during targeted campaign inspections
  - This is a rate of compliance assessed against a predetermined set of criteria for targeted inspection campaigns. Following the completion of the campaign compliance rates are again assessed to determine the percentage shift in compliance.
  
- e Average level of helpfulness after issuing a notice or before issuing a licence/authorisation
  - This is an independent survey randomly selected industry groups that have had a regulatory interface with the Commission to identify the helpfulness of the Commission in achieving compliance.

# Annual Report Requirements - ACT Gambling and Racing Commission

## Summary of Complaints

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. Access Canberra on behalf of 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 2019-20, all complaints were resolved to the satisfaction of the Commission.

Table 16: Summary of complaints received during 2019-20

Gambling Provider	Received	Substantiated	Not Substantiated	Ongoing	Incapable of Determination	Withdrawn
Casino	1	0	1	0	0	0
Gaming Machines	8	3	3	1	1	0
Lotteries	11	5	6	0	0	0
Racing and Wagering	1	1	0	0	0	0
Unlawful Games	1	0	0	0	1	0
<b>Total</b>	<b>22</b>	<b>9</b>	<b>10</b>	<b>1</b>	<b>2</b>	<b>0</b>

## Gambling Harm Prevention and Mitigation Fund

Under the *Gaming Machine Act 2004*, the Commission administers the Gambling Harm Prevention and Mitigation Fund (the Fund). The Fund supports projects and research into gambling harm and its wider effects within the community.

Revenue for the Fund is sourced from a 0.75 per cent levy on gaming machine licensees' Gross Gaming Machine Revenue and contributions from Tabcorp and Casino Canberra Limited. A further 0.4 per cent of gaming machine licensees Net Gaming Machine Revenue is paid into the Fund as a mandatory minimum community contribution.

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. Expenditure from the 0.4 per cent of net gaming machine revenue paid into the fund as a mandatory minimum community contribution for the above purposes may only be made with the approval of the Minister.

In making decisions on projects under the Fund, the Commission's Board ensures that approved expenditure meets a range of short-term and long-term goals as well as representing a cross-section of applied and research projects. This ensures that some immediate benefits are achieved, and that work is undertaken to inform or improve knowledge about gambling issues.

Table 17: Gambling Harm Prevention and Mitigation Fund Receipts 2019-20

Licensee	Amount \$	Licensee	Amount \$
Ainslie Group		Eastlake Group	0
– Ainslie Football and Social Club	34,258	– Calwell Club	29,941
– Gungahlin Lakes Golf & Community Club	60,881	– Eastlake Football Club	28,901
Austrian Australian Club <sup>1</sup>	460	– Sports Club Kaleen	10,384
Belconnen Bowling Club <sup>1</sup>	135	– Eastlakes Gungahlin	20,358
Belconnen Soccer Group		Harmonie German Club	4,901
– Belconnen Soccer Club - Hawker	7,969	Hellenic Club Group	
– Belconnen Soccer Club - McKellar	14,361	– Hellenic Club in the City	8,962
Canberra Bowling Club <sup>1</sup>	1,313	– Hellenic Club of Canberra	77,373
Canberra Deakin Football Club	6,779	Magpies Sports Club	5,139
Canberra Highland Society & Burns Club	29,475	Mawson Club	37,529
Canberra Irish Club Limited	3,449	Murrumbidgee Country Club <sup>1</sup>	705
Canberra Labor Group		Spanish Australian Club <sup>1</sup>	69
– Canberra Labor Club	94,532	Tuggeranong Rugby Union Group	
– City Labor Club	23,734	– Chisholm Sports Club	36,610
– Ginninderra Labor Club	29,331	– Lanyon Valley Rugby Union & Amateur Sports Club	32,670
– Weston Creek Labor Club	10,405	– Town Centre Sports Club	48,315
RUC at Turner	5,131	– Tuggeranong Valley Rugby Union & Amateur Sports Club	49,568
Canberra Raiders Group		Yowani Country Club <sup>1</sup>	1,431
– Raiders Gungahlin	65,183	<b>Sub Total – Clubs</b>	<b>1,157,111</b>
– Raiders Belconnen	47,871		
– Raiders Weston	30,850	Civic Pub	804
Canberra Services Club		Kambah Inn	434
– Canberra Club (Manuka)	0	Kingston Hotel	748
– Canberra Club (Barton)	537	Mercure Canberra	4
Canberra Southern Cross Group		Statesman Hotel Motel	106
– Southern Cross Club	90,642	<b>Sub Total – Hotels/Taverns</b>	<b>2,096</b>
– Southern Cross Club - Jamison	33,334		
– Southern Cross Club – Tuggeranong	52,235	Casino Canberra	35,152
Canberra Tradesmen's Union Club	121,390	Tabcorp	49,280
		<b>Sub Total – Others</b>	<b>84,432</b>
		<b>TOTAL<sup>2</sup></b>	<b>1,243,639</b>

**Notes:**

1. Gambling Harm Prevention and Mitigation Fund Levy paid annually
2. Total Income to the Gambling Harm Prevention and Mitigation Fund does not include bank interest of \$35,949

Table 18: Gambling Harm Prevention and Mitigation Fund – Projects and Funding as at 30 June 2020

Project Name	Outcomes	Status	Funds Spent in 2019-20 (excl GST)	Recipient of Funds
<b>ACT Gambling Counselling and Support Service</b>	<ul style="list-style-type: none"> <li>• Access to professional gambling counselling and support for people experiencing problems with gambling, including families and friends.</li> <li>• Access to professional financial counselling.</li> <li>• Gambling providers and other help services in the ACT have access to support in assisting gamblers believed to have problems with their gambling.</li> <li>• Harm from problem gambling is reduced as a result of a proactive approach to community education and early intervention</li> </ul>	<p>Relationships Australia Canberra and Region delivered the Gambling Counselling Support Service in the 2019-2020 financial year. Relationships Australia Canberra and Region will continue to provide this service in 2020-2021.</p> <p>In 2019-2020, the Service conducted 482 gambling counselling appointments; 111 family and friends counselling appointments and 999 financial counselling appointments. Valid enquiries to the 1800 858 858 included 85 gamblers and 10 family and friends; valid counselling calls with 62 gamblers and 28 family and friends.</p>	\$886,541	Relationships Australia Canberra and Region

Project Name	Outcomes	Status	Funds Spent in 2019-20 (excl GST)	Recipient of Funds
<b>Environmental Scan and Gap Analysis</b>	Informed the Statement of Requirements for the procurement of the ACT Gambling Support Service.	Complete. Report was provided on 4 July 2019.	\$16,000	Dowling Consulting
<b>Training for Non-Gambling Specific Community Sector Workers</b>	Community sector workers in the ACT have increased skills to assist their clients who may have problems with gambling.	The Gambling Counselling Support Service was responsible for organising, promotion and delivery of this training in 2019/20.	\$2,100	Bell MHT Pty Ltd
<b>Introductory Level Course: Reducing Gambling Harm Workshop</b>			\$263	Relationships Australia Canberra and Region
<b>ACT Gamblers Exclusion Database</b>	The ACT Gamblers Exclusion Database enables an effective scheme to exclude individuals from gambling venues in the ACT by: <ul style="list-style-type: none"> <li>• Providing gambling venues with accessible exclusion information.</li> <li>• Allowing gambling venues to log information for improved harm prevention and early intervention.</li> <li>• Providing immediate access to statistical data about the use of database.</li> </ul>	All licensees have access to the database, which has been operational since June 2014. In 2016 the database expanded to include functionality for recording and tracking incidents and notable events.	\$6,282	Hammond Street Developments

Project Name	Outcomes	Status	Funds Spent in 2019-20 (excl GST)	Recipient of Funds
<b>Research Project: 2019 Gambling in the ACT Survey</b>	The survey, based on interviews with 10,000 randomly selected Canberrans, provides updated data about the prevalence and nature of gambling in the ACT and help seeking activities. This data informs activities and initiatives.	Complete. The 2019 Survey on Gambling in the ACT was released on 22 October 2019. Independent academic review undertaken.	\$180,900	Access Canberra
			\$1,003	Dr Maria Bellringer
<b>Gambling Help Online</b>	Residents of the ACT have 24/7 access to online problem gambling counselling and support.	Ongoing - The Commission is party to an MOU for the continuation of the service through 2017-2018. This was extended by agreement to June 2020.	\$7,824	Department of Customer Service ACT contribution to national MOU
<b>Gambling Research Australia</b>	Gambling Research Australia is a partnership between the Commonwealth, State and Territory Governments for the establishment and funding of national gambling research projects	A 3 year MOU was signed in 2017-18.	\$5,092	Office of Finance and Services ACT contribution to national MOU
<b>Gambling Harm Awareness Week 2019</b>	Gambling Harm Awareness Week provides an opportunity for the ACT Gambling and Racing Commission to raise community awareness about range and extent	Gambling Harm Awareness Week 2019 ran from 21 - 27 October, featuring: <ul style="list-style-type: none"> <li>a conference for gambling industry, community services sector, public service</li> </ul>	\$4,000	ClubsACT
			\$8,924	Smoke creative
			\$6,500	CAPA PTY LTD
			\$50,283	Omnicom Media Group Australia

Project Name	Outcomes	Status	Funds Spent in 2019-20 (excl GST)	Recipient of Funds
	of gambling harm in the ACT.	and academics on 22 October 2019 with over 100 participants <ul style="list-style-type: none"> <li>• An extensive communication campaign across a variety of mediums</li> <li>• release of the Strategy for gambling harm prevention in the ACT – A public health approach and</li> <li>• release of the 2019 ACT Gambling Survey findings</li> <li>• Clubs ACT breakfast seminar</li> </ul>	\$2,748	Chief Minister, Treasury and Economic Development Directorate
			\$280	KKP Enterprises
			\$5,809	UCX LTD
<b>Gambling Contact Officer Training</b>	This project is for the professional development training for Gambling Contact Officers which was developed and delivered by the Commission in partnership with Wisdom Learning.	Ongoing - 9 sessions were completed with 119 participants in 2019-20.	\$34,702	Wisdom Learning
<b>TOTAL</b>			<b>1,219,251</b>	

<b>Contact for further information:</b>	Senior Director, Fair Trading and Compliance, Access Canberra, Phone: (02) 6207 2992.
	Senior Director, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 1915.
	Director, Finance and Budgets, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 0378.

# Whole of Government Annual Reporting

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## Bushfire Risk Management

The Commission has nothing to report under this division given that it is not required to prepare or approve bushfire operational plans for properties within Bushfire Prone Areas.

## Human Rights

On 1 July 2016 all the Commission's staff were integrated into Access Canberra, CMTEDD. Reporting under this division is incorporated into the reporting made by CMTEDD and can be sourced from the 2019-20 annual report of the Justice and Community Safety Directorate.

## Legal Services Directions

See the 2019-20 annual report of the Justice and Community Safety Directorate for reporting made by the Commission under this division.

## Territory Records

See the annual report of Chief Minister, Treasury and Economic, Development Directorate for reporting made by the Commission under this division.



# Attachments

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## Annual Report of the ACT Racing Appeals Tribunal

The Racing Appeals Tribunal (the Tribunal) is established by Part 5 of the *Racing Act 1999* (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 purpose of betting in the ACT. The functions of the Tribunal are contained in section 39 of the Act.

### Contact

Registrar of the Racing Appeals Tribunal  
Senior Director, Projects, Governance and Support  
Access Canberra  
Phone: (02) 6207 1915

### Members

As at 30 June 2020, and at all times during the reporting period, the members of the Tribunal were:

- Mr John Kalokerinos (President)
- Mr Andrew Satsia (Deputy President)
- Ms Noor Blumer
- Ms Kay Barralet
- Mr Paul Barrett
- Ms Pam Burton
- Mr Desmond Gleeson (ACT Racing Assessor)

### Appeals lodged with the Tribunal

#### ***Joseph & Jones Racing v Canberra Racing Club Inc***

On 30 July 2019, the ACT Racing Appeals Tribunal (the Tribunal), constituted by the President, Mr John Kalokerinos, the Deputy President Mr Andrew Satsia and Member Mr Paul Barrett, heard the matter of *Joseph & Jones Racing v Canberra Racing Club Inc*.

Joseph & Jones Racing (the partnership) appealed from a decision following an inquiry held on 23 May and 26 June 2019 by the Stewards of the Canberra Racing Club, into the death of a four year old horse named *I Am Rocky* on 24 February 2019, in the care of the partnership comprising Ms Barbara Joseph, Mr Paul Jones and Mr Matthew Jones. A necropsy report revealed that the horse died from a colitis-related illness.

The partnership pleaded guilty to two charges under the Australian Rules of Racing. The first charge was under rule 103(4)(b) which provides: *“The trainer of a horse must lodge a stable return immediately upon a horse joining a trainer’s stable.”*

The penalty applied for the breach of rule 103 was a fine of \$200. The second charge was under rule 231(1)(b)(iii), which provides that *“A person must not, if the person is in charge of a horse – fail at any time to provide veterinary treatment to the horse where such treatment is necessary for the*

horse.” The penalty applied for the breach of rule 231 was a suspension of the partnership’s training licence for four months.

The partnership lodged an appeal with the Tribunal against the severity of the penalty for the second charge. A request for a stay of decision pending the outcome of the appeal was granted.

The parties made joint submissions to the Tribunal that the four-month suspension of the partnership’s licence be confirmed, but that the final three months suspension of the licence of Ms Barbara Joseph be stayed on the basis of her significant record and her lesser culpability compared to the other members of the partnership. The Tribunal made orders accordingly.

The Tribunal noted that it was the first breach of rule 231 for the members of the partnership, including Ms Joseph with a 45 year career as a trainer, and that the partners had pleaded guilty and expressed contrition. The Tribunal also noted the partnership’s standing in the racing community, its admirable charity work, its financial circumstances, the number of staff reliant on the partnership and the potential significant financial hardship and job losses that could result from suspension.

However, the Tribunal found that the relevant conduct required a significant penalty to be imposed and that a suspension rather than a fine was warranted. Rule 231(1)(b)(iii) reflects the fundamental responsibility of trainers to arrange necessary veterinary treatment for horses in their care. The Tribunal found that the penalty to be imposed in this matter needed to reinforce the message that high standards of animal welfare are required by the racing industry and are expected by the broader community.

<b>Contact for further information:</b>	Senior Director, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 1915
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## List of Abbreviations and Acronyms

ACAT	ACT Civil & Administrative Tribunal
ACCC	Australian Competition and Consumer Commission
ACT	Australian Capital Territory
ACTPS	ACT Public Service
AGCSS	ACT Gambling Counselling and Support Service
ANAO	Australian National Audit Office
ANU	Australian National University
AS	Australian Standard
CMTEDD	Chief Minister, Treasury and Economic Development Directorate
FMA	Financial Management Act 1996
FTE	Full Time Equivalent
GCO	Gambling Contact Officer
GHAW	Gambling Harm Awareness Week
GiVS	Gambler in-Venue Support
GRA	Gambling Research Australia
GRC	Gambling and Racing Commission
CRP	Controlled Recurrent Payments
GHP&MF	Gambling Harm Prevention and Mitigation Fund
GRCAC	Gambling and Racing Commission Advisory Committee
GST	Goods and Services Tax
HR	Human Resources
IT	Information Technology
ISO	International Organisation for Standardisation
MoU	Memorandum of Understanding
NSW	New South Wales

NZS	New Zealand Standard
PGSI	Problem Gambling Severity Index
PNG	Papua New Guinea
RED	Respect, Equity and Diversity
RUC	Rugby Union Club
TRO	Territory Records Office

## Glossary of Technical Terms

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Class B gaming machine	A gaming machine that consists of the game of draw poker or games derived from it, what requires player interaction or intervention
Class C gaming machine	A gaming machine that consists of games other than those typically played in casinos
Commission	ACT Gambling and Racing Commission
Community contribution	expenditure by gaming machine licensees on eligible community contributions under the <i>Gaming Machine Act 2004</i>
Compliance inspections	inspections undertaken to identify a licensee's compliance with current gaming legislation
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 <i>Lotteries Act 1964</i>
Race bookmaking	means the carrying on (whether regularly or on one or more occasions) of the business of receiving or negotiating bets on races
Sports bookmaking	means the carrying on (whether regularly or on one or more occasions) of the business of receiving or negotiating sports bets

# Alphabetical Index

---

- ACT Public Service Code of Ethics, 18
- ACT Remuneration Tribunal, 19
- Applications, 30
- Auditor-General, 18, 36, 39
  
- Betting, 32
- Board, 16, 17, 18, 19, 45, 110
- Bookmaking, 32
- Breaches, 29, 30, 32, 33
  
- Capital Works, 3
- Casino Canberra, 48, 110, 111
- Casino Control Act 2006, 28, 29
- Chief Executive, 11, 16, 17, 18, 42
- Chief Minister, 2, 7, 10, 36, 37, 44, 46, 47, 53, 116, 119
- Clubs, 31, 35, 36, 39, 40, 111
- Community Contributions, 35, 39
- Complaints, 3, 17, 110
- Consumer Protection, 18
- Corruption, 46
- Counselling, 17, 112, 119
  
- Deputy Director-General, 10
- Disciplinary Action, 29
- Disputes, 32
  
- Ecologically Sustainable Development, 3, 53
- Economic Development, 10, 36, 37, 44, 46, 47, 53, 119
  
- Financial Management Act, 16, 119
- Financial Report, 36
- Fraud Prevention, 3, 46
- Funding, 112
  
- Gambling and Racing Control (Code of Practice) Regulation 2002, 29, 32
- Gambling Research Australia, 25, 114, 119
- Gaming Machine, 6, 25, 29, 30, 31, 35, 39, 110, 121
- Gaming Machine Act 2004, 6, 25, 29, 39, 110, 121
- Gaming Machine Revenue, 110
- Gaming Regulation, 34
  
- Government Contracting, 3
  
- Harm Minimisation, 20
- Hotels, 31, 111
  
- Inspections, 29, 32, 33
- Interactive Gaming, 34
- Internal Audit, 3, 19, 44, 45
  
- Keno, 121
  
- Licence, 30, 32
- Licensees, 29, 30, 31, 32, 35
- Lotteries, 29, 33, 110, 121
- Lotteries Act 1964, 29, 33, 121
  
- Membership of the Commission, 16
  
- Objectives, 21, 54
- Ombudsman, 43, 47
  
- Problem Gambling, 3, 21, 120
- Problem Gambling Assistance Fund, 3, 20, 110, 111, 112
  
- Race Bookmaker, 32
- Racing Appeals Tribunal, 3, 117
- Raffles, 33
- Regulation, 20, 29, 32, 34, 39
- Research, 14, 15, 25, 26, 100, 119
- Responsible Gambling, 48
- Risk Management, 3, 7, 44, 116
  
- Sports Bookmaking, 32
- Statement of Intent, 10, 42, 44
- Statement of Performance, 3, 20, 36
  
- Taverns, 31, 111
- Trade Promotion Lotteries, 33
- Training, 15, 26
- Transmittal Certificate, 3, 5, 6
  
- Wagering, 32, 110
- Work Health and Safety, 3, 51



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