



ACT Gambling and Racing Commission

Statement of Intent

2012-13



ACT
Government

AUSTRALIAN CAPITAL TERRITORY

BUDGET 2012-13

STATEMENT OF INTENT

Preface

The ACT Gambling and Racing Commission is a Territory Authority established under the *Gambling and Racing Control Act 1999*.

The attached 2012-13 Statement of Intent, which has been prepared in accordance with Section 61 of the *Financial Management Act 1996*, contains the following information:

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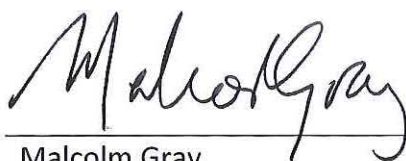
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The responsible Minister, Ms Joy Burch MLA, was consulted during the preparation of the Statement of Intent.

The Statement of Intent, which focuses on the 2012-13 Budget year, has been developed in the context of a four year forward planning horizon to be incorporated, as far as practicable, into the ACT Gambling and Racing Commission's strategic and business planning processes.

The ACT Gambling and Racing Commission 2012-13 Statement of Intent has been agreed between:



Malcolm Gray
Chairperson on behalf of the
ACT Gambling and Racing Commission



and Andrew Barr MLA
Treasurer

Date: 10 May 2012

Date: 30 May 2012

PART 1 OBJECTIVES

Corporate Objectives

The major corporate objectives of the ACT Gambling and Racing Commission (the Commission) relevant to the Statement of Intent are:

- a) subject to the *Gambling and Racing Control Act 1999* (the Act), to operate as a customer service oriented entity along business-like lines;
- b) to use benchmarking to operate at least as efficiently as alternative service providers and to provide quality, value for money services in all aspects of the Commission's operations;
- c) to use financial practices and maintain accounts and records which satisfy the requirements of the *Financial Management Act 1996*, including the associated ACT Accounting Policy Papers, modelled on the requirements of the Australian Equivalents to International Financial Reporting Standards which fairly present the Commission's financial position, operational and cash flow results for planning and reporting purposes;
- d) to adopt high standard operating practices to safeguard the environment, health and safety of staff; and
- e) to provide a productive and satisfying working environment for staff and a commitment to high standards of human resource management based on the principles of equal employment opportunity.

Business Objectives

The core business objectives of the Commission are summarised under Section 6 (2) of the Act. The main focus of the Commission is on the regulation and monitoring of all gambling activities in the ACT, namely:

- casino, gaming machines and lotteries;
- racing and wagering; and
- interactive gambling.

Regulation and monitoring incorporates the following undertakings:

- ensuring appropriate advice on gambling policy and legislation is provided to the Government;
- ensuring the suitability of people working in the gambling industry through appropriate approvals and licensing of persons to perform particular functions;
- ensuring the appropriate conduct of gambling through the licensing and inspection of venues and operators and the issuing of relevant permits for trade promotion lotteries and raffles; and
- ensuring that all revenues (fees and taxes) from gambling are correctly paid to the Government.

In performing its functions, the Commission must promote the public interest by protecting consumers and reducing the risks and costs of problem gambling to individuals and the community.

The Commission also has additional functions relating to the conduct of research on the social effects of gambling and problem gambling, as well as community education relating to gambling activity.

The following specific objectives relate to the Commission's main areas of activity:

Gaming Machines

In addition to ensuring that gaming machine operations are free from criminal influence, the Commission's principal objective in regulating the operations of gaming machines in the ACT is to ensure that licensees comply with the requirements of the legislation. This ensures that gaming machines are operated fairly and in accordance with approved standards. A strategy of regular, detailed audits, and a random audit program are used to assess the compliance of gaming machine licensees. The Commission undertakes a detailed assessment in accordance with the legislation of any application for a new gaming machine licence or an amendment to an existing licence. This includes applications for additional machines.

The Commission verifies that all gaming machine tax revenue is correctly paid within the required timeframes. Comprehensive desk and physical audits of gaming machine licensee returns and operations are undertaken monthly to check accuracy of financial reports.

The Commission has legislative responsibility for administering the Problem Gambling Assistance Fund. This includes verifying that the levy from gaming machine operators is correctly paid within the required timeframes and that expenditure is in accordance with the statutory requirements.

Additionally, the Commission analyses and reports annually to the Minister on the extent to which gaming machine licensees are making community contributions required under the legislation.

Casino

The Commission's primary objective for the regulation of casino operations is to ensure that they are free from criminal influence. In order to achieve this, the Commission ensures that casino gaming activity is conducted fairly and that the casino operator complies with all legislative requirements. This includes adherence to the rules of the games and all control procedures. The Commission conducts regular and random audits of casino activities to ensure that all statutory requirements are met and that Government revenue is correctly paid within the required timeframes. Proposed amendments to the approved rules of games or control procedures are thoroughly investigated prior to their implementation.

Other Gaming

The Commission regulates the conduct of other gaming activities such as pool betting schemes, ACTTAB, Keno and minor lotteries including raffles, trade promotion lotteries and Housie. As with major gaming activity, the Commission ensures that all legislative requirements are met and that the required fees and charges are paid when due. A strategy of compliance audit programs is used to ensure that games are conducted fairly and in accordance with legislation. A program of random audits is used to assess compliance by operators with predetermined rules, guidelines and the payment of prizes.

Racing and Wagering

The Commission licenses and regulates the activities of race and sports bookmakers pursuant to the provisions of the *Race and Sports Bookmaking Act 2001*. The Commission has statutory responsibilities associated with the resolution of betting disputes. The Commission also has the statutory responsibility for issuing approvals to use ACT race field information and for collecting race field information charges from approved licensed wagering operators and on-forwarding those monies to industry. The Commission provides secretariat and administrative support for the Racing Appeals Tribunal, an independent authority established under the *Racing Act 1999* to hear and determine appeals from persons aggrieved by decisions of controlling bodies responsible for the conduct of racing. Bookmaker licences are issued strictly in accordance with the suitability requirements of the relevant legislation, following close scrutiny and analysis of information provided by applicants and other law enforcement agencies together with the results of associated investigations. Similarly, proposed amendments to the rules governing the conduct and operations of sports bookmakers are rigorously assessed for consistency with relevant legislative requirements prior to approval by the Commission.

Interactive Gambling

The Commission is responsible for administration and regulation of any interactive gambling operations licensed in the Territory and for the review of associated policy and legislation. This activity is undertaken in the context of Commonwealth legislation that provides significant restrictions on the conduct of interactive gambling in Australia.

The Commission is also responsible for monitoring technological developments that may be used in connection with the provision of interactive gambling services. Such developments may include:

- communication/carrier technologies;
- electronic commerce technologies;
- computer and network security technologies;
- personnel, physical and environmental security; and
- hardware and software solutions.

Research and Education

The Commission is required by the *Gambling and Racing Control Act 1999* to monitor

and research the social effects of gambling and problem gambling in the ACT and to provide education services.

PART 2 NATURE AND SCOPE OF ACTIVITIES TO BE CARRIED OUT

General Activities

During 2012-13, the Commission will continue to give priority to maintaining its relationships with gambling regulators and law enforcement agencies both nationally and internationally to ensure that it remains at the forefront of gambling regulation and that any harm that may arise from the conduct of gambling activities is minimised. A key business activity in achieving this will be the Commission's ongoing participation in national forums examining issues associated with gambling regulation and responsible gambling. These forums include the Australasian Casino and Gaming Regulators' Chief Executive Officers Group, the Regulators' Responsible Gambling Working Party, Australian Lottery Regulators' Working Party, Gaming Machine National Standards Working Party and Gambling Research Australia.

Involvement in these forums ensures that the Commission is kept abreast of initiatives being developed both nationally and internationally to enhance gaming regulation and promote responsible gambling. These forums also enable the Commission to benchmark its own regulatory practices and operations in striving for best practice.

During 2012-13, the Commission will continue its involvement in inter-jurisdictional forums concerned with cross border racing and wagering issues. The Commission will provide ongoing advice to Government and other agencies on developments in this area including any appropriate measures that may need to be taken to ensure that the integrity of the local industry is maintained.

The Commission will continue its ongoing research agreement with the Australian National University Centre for Gambling Research with the initiation of new research to be conducted by the Centre in 2012-13. In addition, the Commission will continue to financially contribute to research projects of national relevance undertaken by Gambling Research Australia (an initiative of the former Ministerial Council on Gambling).

The Commission will continue to fund the Problem Gambling Support Service, currently undertaken by Mission Australia, and will monitor contract performance by the service provider. Additional funding projects under the Problem Gambling Assistance Fund will also be continued by the Commission.

The Commission's program of legislative review of ACT gaming laws will continue in 2012-13.

The following specific tasks relating to the Commission's core activities will also be undertaken:

Gaming Machines

An active audit and inspection program will continue to be conducted to ensure licensee compliance with all legislative requirements, including:

- club eligibility and control;

- licensing of machine technicians and attendants;
- approval of gaming machine suppliers;
- acquisition and disposal of machines; and
- the level of community contributions made by licensees.

Additionally, the Commission will continue to undertake detailed audits to ensure that gaming machine licensees pay the appropriate level of tax and Problem Gambling Assistance Fund levies in a timely manner.

Casino

In regulating the operations of the casino, the Commission will continue to monitor gaming activity to ensure that staff and patrons adhere to the rules of games.

In addition, through a detailed audit compliance program, the following activities will be conducted or undertaken in accordance with approved procedures:

- verification of tax payments;
- issue of casino employee licences to relevant staff;
- approval of purchase and use of gaming equipment; and
- monitoring of the handling and recording of cash and chip transactions.

Authorised officers will continue to update and revise the audit compliance plan to ensure that key risk areas are adequately monitored and that any adverse or illegal activity is detected and addressed at an early stage.

Other Gaming

As well as monitoring the ACT's revenue sharing arrangements relating to the sale of interstate lottery products in the ACT, the Commission will undertake a wide range of minor lottery related approval and compliance activities relating to raffles, Housie and trade promotion lotteries.

The Commission will ensure that each approved lottery complies with relevant conditions to ensure that the lottery is conducted properly and that subscribers' interests and those of the Government are adequately protected. An audit program of lottery activities will continue to monitor compliance in this area.

Information or complaints relating to alleged illegal gaming will be investigated as appropriate.

Racing and Wagering

The Commission will continue to monitor activity during 2012-13 with associated licensing and probity functions in accordance with the provisions of the *Race and Sports Bookmaking Act 2001*. The Commission will also resolve and issue written directions in relation to betting disputes.

The Commission will continue to monitor the application of all racing and wagering statutes, in conjunction with relevant stakeholders, to ensure that arrangements establishing and regulating the three codes of racing in the ACT are appropriate to rapidly evolving cross-border betting arrangements.

Research and Education

The Commission will ensure that research projects undertaken continue to provide relevant and reliable information to assist policy decision making.

The Commission will continue to maintain, develop and promote the designated problem gambling website aimed at providing help and assistance to problem gamblers, their family and friends.

The Commission's ongoing community consultation with regard to research and education and legislative reviews will continue through its Gambling Advisory Reference Group as well as specific periods of stakeholder consultation as required.

Risks

In relation to the delivery of the Commission's objectives, the following risks and their mitigation have been identified. In broad terms, the Commission has a comprehensive Risk Management Plan which is regularly reviewed and updated and is followed by all staff in undertaking their duties and activities.

Corporate Objectives

The main risks in relation to meeting the Commission's corporate objectives are that the Commission does not operate in an efficient business-like manner and that the various accounting standards and policies are not followed. A further risk exists in relation to staff management including the provision of a safe working environment.

These risks are minimised by conducting extensive staff training and awareness programs, monitoring and supervising activity and carefully checking that all accounting and financial systems are being correctly administered.

External and internal audits are conducted on the Commission's operations with the Auditor-General undertaking a detailed financial and performance review annually.

Business Objectives

The main risks in relation to meeting the Commission's business objectives are that gaming activity occurs in breach of the ACT gaming laws without being detected and that all taxes, levies and fees are not paid in a timely manner.

These risks are mitigated by extensive staff training and conducting comprehensive regular and random audits on all licensees to ensure compliance with the legislation. Taxes and levies for gaming machines and taxes for the casino are collected and verified each month with action being taken for any non-compliance.

The Commission's audit program is regularly reviewed and revised to ensure that it reflects the current level of risk in relation to non-compliance of legislative requirements.

In addition, the Commission undertakes an education program for licensees to ensure that they are fully aware of their compliance responsibilities and obligations.

PART 3 PERFORMANCE MEASURES AND TARGETS

Significant variations to the budgeted financial statements are included at Attachment 1.

There are no significant variations to the performance measures at Attachment 2.

Part 3A 2012-13 to 2015-16 Key Performance Indicators

The Commission's key non-financial performance indicators are identified at Attachment 3.

The Commission's key financial performance measures are identified at Attachment 4.

Part 3B Review of Performance against 2011-12 objectives

The Commission's review of performance against 2011-12 objectives is identified at Attachment 2.

PART 4 EMPLOYMENT PROFILE

The Commission undertakes to satisfy the requirements of the *Public Sector Management Act 1994*, the relevant Enterprise Bargaining Agreement and all other relevant industrial relations legislation, Awards and conditions.

The organisational structure of the Commission is outlined at Attachment 5.

The Commission's planned position for the 2011-12 year end is 27.8 full-time equivalent employees (FTE), and the estimated staffing level for 2012-13 is 32.8 FTE. This increase is due to the planned recruitment of staff into positions that have recently become vacant. The employment profile of the Commission is outlined at Attachment 6.

The Commission undertakes to provide periodical reports against the attached employment profile in a form reasonably requested from time to time which may include age, gender, duration of employment, and membership of equal employment opportunity (EEO) classifications.

During 2012-13, the Commission will continue to institute and monitor best practice occupational health and safety policies and programs to decrease workers' compensation costs by reducing the average cost, number and average duration of claims.

PART 5 FINANCIAL ARRANGEMENTS

The budgeted operating revenues of the Commission's financial plan are received as an appropriation based on the Commission's budgeted expenditure for the period. This expenditure includes employee and supplies and services expenses.

Budgeted Financial Statements

Budgeted financial statements for the 2012-13 Budget year, as well as forward estimates for the three financial years commencing 2013-14, are at Attachment 1 to the Statement of Intent. These general purpose financial statements have been prepared in accordance with the ACT's Model Financial Statements and include:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity;
- d) Cash Flow Statement; and
- e) Notes to the Financial Statements as appropriate, including variations in the 2012-13 Budget from both the 2011-12 estimated outcome and published 2012-13 Statement of Financial performance forward estimate, of greater than 10 per cent

PART 6 MONITORING AND REPORTING

The Commission shall satisfy the requirements of the Chief Minister's Annual Report Directions. The Commission's Annual Report will, in effect, among other things, report against the requirements of the Statement of Intent.

The *Financial Management Act 1996* authorises the Treasurer to obtain financial and other statements from the Commission for a stated period including annual, quarterly and monthly reporting.

Quarterly Reporting

To enable consolidated whole of government reporting requirements to be met on a quarterly basis, the Commission will ensure the availability to the Treasurer, through the Treasury Directorate (by the eighth working day of each quarter), information, in the prescribed form and required detail, in respect of the previous quarter:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity;
- d) Cash Flow Statement;
- e) Operating Statement material variance explanations against seasonal budget provided by the Commission (by the eighth working day of each quarter);
- f) Status Report to supplement performance reporting to the Assembly and provide stakeholders with a summary on progress against budget highlights, significant initiatives and major projects (by the tenth working day of each quarter); and
- g) Management Discussion and Analysis of Commission results to date, forecast results and related issues that may impact on the financial condition of the Commission (by the tenth working day of each quarter).

Monthly Reporting

In addition to the quarterly information required as identified above, on a monthly basis the Commission will ensure the availability to the Treasurer, through the Treasury Directorate (by the eighth working day of each month) the financial statements, in the prescribed form and required detail, in respect of the previous calendar month.

Annual Reporting

As part of preparations for end of year reporting, the Treasury Directorate will advise of the dates when the following documents are required at the Treasury Directorate and at the Auditor-General's Office:

- certified financial statements;
- management discussion and analysis;
- a full and accurate set of audited financial records for the preceding financial year in the form requested; and
- consolidation packs relating to the annual financial statements, draft and final.

Any changes arising between draft and final audit documents are to be advised to the Treasury Directorate as they occur or are identified.

ATTACHMENT 1 – FINANCIAL STATEMENTS

ACT Gambling and Racing Commission Operating Statement

2011-12 Budget \$'000		2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	Var %	2013-14 Estimate \$'000	2014-15 Estimate \$'000	2015-16 Estimate \$'000
Income							
Revenue							
4,297	Government Payment for Outputs	4,278	4,408	3	4,454	4,513	4,567
56,316	Taxes, Fees and Fines	55,113	54,744	-1	56,149	57,592	59,071
131	Interest	131	127	-3	144	162	181
1,139	Other Revenue	1,139	1,162	2	1,189	1,217	1,246
25	Resources Received Free of Charge	25	25	-	25	25	25
61,908	Total Revenue	60,686	60,466	..	61,961	63,509	65,090
Gains							
147	Other Gains	147	150	2	154	158	162
147	Total Gains	147	150	2	154	158	162
62,055	Total Income	60,833	60,616	..	62,115	63,667	65,252
Expenses							
2,768	Employee Expenses	2,853	2,887	1	2,921	2,959	2,997
414	Superannuation Expenses	381	396	4	389	381	368
2,177	Supplies and Services	2,177	2,212	2	2,257	2,314	2,372
84	Depreciation and Amortisation	74	84	14	84	84	84
2	Borrowing Costs	2	2	-	2	2	2
56,314	Transfer Expenses	55,113	54,744	-1	56,149	57,592	59,071
61,759	Total Ordinary Expenses	60,600	60,325	..	61,802	63,332	64,894
296	Operating Result	233	291	25	313	335	358
296	Total Comprehensive Income	233	291	25	313	335	358

ACT Gambling and Racing Commission Balance Sheet

Budget as at 30/6/12 \$'000		Est. Outcome as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Var %	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000	Planned as at 30/6/16 \$'000
	Current Assets						
2,722	Cash and Cash Equivalents	3,308	3,728	13	4,167	4,628	5,112
3,918	Receivables	4,329	4,334	..	4,339	4,344	4,349
1	Other Current Assets	12	12	-	12	12	12
6,641	Total Current Assets	7,649	8,074	6	8,518	8,984	9,473
	Non Current Assets						
47	Property, Plant and Equipment	37	37	-	47	47	57
253	Intangibles	298	226	-24	154	82	10
300	Total Non Current Assets	335	263	-21	201	129	67
6,941	TOTAL ASSETS	7,984	8,337	4	8,719	9,113	9,540
	Current Liabilities						
3,838	Payables	4,267	4,270	..	4,273	4,276	4,279
8	Finance Leases	10	25	150	10	25	10
768	Employee Benefits	919	931	1	943	955	967
141	Other Liabilities	119	119	-	119	119	119
4,755	Total Current Liabilities	5,315	5,345	1	5,345	5,375	5,375
	Non Current Liabilities						
23	Finance Leases	20	0	-100	20	0	20
176	Employee Benefits	99	151	53	200	249	298
199	Total Non Current Liabilities	119	151	27	220	249	318
4,954	TOTAL LIABILITIES	5,434	5,496	1	5,565	5,624	5,693
1,987	NET ASSETS	2,550	2,841	11	3,154	3,489	3,847
	REPRESENTED BY FUNDS EMPLOYED						
1,982	Accumulated Funds	2,548	2,839	11	3,152	3,487	3,845
5	Reserves	2	2	-	2	2	2
1,987	TOTAL FUNDS EMPLOYED	2,550	2,841	11	3,154	3,489	3,847

ACT Gambling and Racing Commission **Statement of Changes in Equity**

Budget		Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/12		as at 30/6/12	as at 30/6/13	Var	as at 30/6/14	as at 30/6/15	as at 30/6/16
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Opening Equity							
1,686	Opening Accumulated Funds	2,315	2,548	10	2,839	3,152	3,487
5	Opening Asset Revaluation Reserve	2	2	-	2	2	2
1,691	Balance at the Start of the Reporting Period	2,317	2,550	10	2,841	3,154	3,489
Comprehensive Income							
296	Operating Result for the Period	233	291	25	313	335	358
296	Total Comprehensive Income	233	291	25	313	335	358
0	Total Movement in Reserves	0	0	-	0	0	0
Closing Equity							
1,982	Closing Accumulated Funds	2,548	2,839	11	3,152	3,487	3,845
5	Closing Asset Revaluation Reserve	2	2	-	2	2	2
1,987	Balance at the End of the Reporting Period	2,550	2,841	11	3,154	3,489	3,847

ACT Gambling and Racing Commission

Cash Flow Statement

2011-12 Budget \$'000		2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	Var %	2013-14 Estimate \$'000	2014-15 Estimate \$'000	2015-16 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
	Receipts						
4,297	Cash from Government for Outputs	4,278	4,408	3	4,454	4,513	4,567
56,316	Taxes, Fees and Fines	55,113	54,744	-1	56,149	57,592	59,071
131	Interest Received	131	127	-3	144	162	181
1,402	Other Receipts	1,402	1,431	2	1,462	1,494	1,527
62,146	Operating Receipts	60,924	60,710	..	62,209	63,761	65,346
	Payments						
2,699	Related to Employees	2,713	2,823	4	2,860	2,898	2,936
413	Related to Superannuation	380	396	4	389	381	368
2,155	Related to Supplies and Services	2,155	2,189	2	2,234	2,291	2,349
2	Borrowing Costs	2	2	-	2	2	2
116	Other	116	119	3	119	119	119
56,316	Territory Receipts to Government	55,113	54,744	-1	56,149	57,592	59,071
61,701	Operating Payments	60,479	60,273	..	61,753	63,283	64,845
445	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	445	437	-2	456	478	501
CASH FLOWS FROM INVESTING ACTIVITIES							
	Payments						
10	Purchase of Property, Plant and Equipment and Capital Works	10	10	-	10	10	10
0	Purchase of Land and Intangibles	38	0	-100	0	0	0
10	Investing Payments	48	10	-79	10	10	10
-10	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-48	-10	79	-10	-10	-10
CASH FLOWS FROM FINANCING ACTIVITIES							
	Payments						
7	Repayment of Finance Leases	7	7	-	7	7	7
7	Financing Payments	7	7	-	7	7	7
-7	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	-7	-7	-	-7	-7	-7
428	NET INCREASE / (DECREASE) IN CASH HELD	390	420	8	439	461	484
2,294	CASH AT THE BEGINNING OF REPORTING PERIOD	2,918	3,308	13	3,728	4,167	4,628
2,722	CASH AT THE END OF REPORTING PERIOD	3,308	3,728	13	4,167	4,628	5,112

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- taxes, fees and fines:
 - the decrease of \$1.203 million in the 2011-12 estimated outcome from the original budget is due to a decrease in interstate lotteries (\$1.713 million), sports bookmaking (\$0.320 million) and ACTTAB revenue (\$0.011 million), offset by an increase in activity for gaming machines (\$0.841 million); and
 - the decrease of \$0.369 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to a decrease in activity for interstate lotteries (\$0.449 million) and gaming machines (\$0.075 million), partially offset by an increase in casino revenue (\$0.067 million) and regulatory fees (\$0.085 million).
- transfer expenses: variations are due to the reasons noted above under taxes, fees and fines.

Balance Sheet

- cash and cash equivalents:
 - the increase of \$0.586 million in the 2011-12 estimated outcome from the original budget is mainly due to flow-on effects from the 2010-11 audited outcome; and
 - the increase of \$0.420 million in the 2012-13 Budget from the 2011-12 estimated outcome is due to anticipated positive cash flows from operating activities.
- receivables: the increase of \$0.411 million in the 2011-12 estimated outcome from the original budget is mainly due to an estimated increase in gaming taxation receivables.
- payables: the increase of \$0.429 million in the 2011-12 estimated outcome from the original budget is mainly due to an increase in gaming taxation receivables collected on behalf of the Territory.
- current employee benefits: the increase of \$0.151 million in the 2011-12 estimated outcome from the original budget is mainly due to the movement of long service leave liability from non current to current, revised wage parameters and the impact of the discount rate on the long service leave liability.

Statement of Changes in Equity

Variations in the statement are explained in the notes above.

Cash Flow Statement

Variations in the statement are explained in the notes above.

ATTACHMENT 2 – NON-FINANCIAL AND FINANCIAL PERFORMANCE MEASURES

Objective	Activity	Measured by	Expected Outcome 2011-2012	Target 2012-2013
1. Effectively regulate gambling and racing activity for statutory compliance	Compliance audit of operator activity to detect compliance with legal framework	Number of compliance audits as follows: Casino 100 Gaming Machines 250 Bookmakers 50 Minor Lotteries 60	Number of compliance audits as follows: Casino 100 Gaming Machines 250 Bookmakers 50 Minor Lotteries 60	Number of compliance audits as follows: Casino 100 Gaming Machines 250 Bookmakers 50 Minor Lotteries 60
2. Ensure compliance with statutory payments of taxes and fees	Revenue audit of operator activity to ensure correct payment of taxes and fees received	Number of revenue audits as follows: Casino 12 Gaming Machines 12 Bookmakers 12	Number of revenue audits as follows: Casino 12 Gaming Machines 12 Bookmakers 12	Number of revenue audits as follows: Casino 12 Gaming Machines 12 Bookmakers 12
3. Keep informed about problem gambling issues and harm minimisation strategies ¹	Initiate or complete research projects; analyse significant research projects conducted elsewhere	Number of research projects initiated, completed or analysed	N/A	Initiate, complete or analyse at least 5 research projects
4. Undertake measures designed to reduce the negative impact of problem gambling ¹	Initiate or complete projects through the Problem Gambling Assistance Fund	Number of Projects initiated or completed	N/A	Initiate or complete at least 3 projects
5. Review gaming legislation and policies and implement changes	Critical examination of gaming laws and gaming policy issues	Provision of reports or briefs to Commission or Minister, implementation of reviews or policy issues considered	Completion of at least 1 report, brief or review	Completion of 1 report, brief or review
6. Coordinate research and education projects	Assessment and oversight of relevant projects	Number of projects successfully established or completed	Completion of at least 1 project	N/A
7. Keep informed about developments in gaming and regulatory practices ¹	Attend relevant meetings and conferences	Number of meetings and conferences attended	N/A	Attend at least two meetings or conferences
8. Effectively manage Commission resources	Ensure that all Commission resources are effectively utilised	Comparing actual outcome with 2011-2012 budget	Achieve or improve the 2011-12 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus	Achieve or improve the 2012-13 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus

Note:

1. New accountability indicators to commence from 2012-13. These indicators have been included to better reflect the functions and activities of the Gambling and Racing Commission to develop and implement research based strategies to reduce the negative impact of problem gambling.

ATTACHMENT 3 – KEY NON-FINANCIAL PERFORMANCE INDICATORS

Objective	Activity	Target 2012-13		Target 2013-14		Target 2014-15		Target 2015-16	
1. Effectively regulate gambling and racing activity for statutory compliance	Compliance audit of operator activity to detect compliance with legal framework	Casino	100	Casino	100	Casino	100	Casino	100
		Gaming Machines	250	Gaming Machines	250	Gaming Machines	250	Gaming Machines	250
		Bookmakers	50	Bookmakers	50	Bookmakers	50	Bookmakers	50
		Minor Lotteries	60	Minor Lotteries	60	Minor Lotteries	60	Minor Lotteries	60
2. Ensure compliance with statutory payments of taxes and fees	Revenue audit of operator activity to ensure correct payment of taxes and fees received	Casino	12	Casino	12	Casino	12	Casino	12
		Gaming Machines	12	Gaming Machines	12	Gaming Machines	12	Gaming Machines	12
		Bookmakers	12	Bookmakers	12	Bookmakers	12	Bookmakers	12
3. Keep informed about problem gambling issues and harm minimisation strategies ¹	Initiate or complete research projects; analyse significant research projects conducted elsewhere	Initiate, complete or analyse at least 5 research projects		Initiate, complete or analyse at least 5 research projects		Initiate, complete or analyse at least 5 research projects		Initiate, complete or analyse at least 5 research projects	
4. Undertake measures designed to reduce the negative impact of problem gambling ¹	Initiate or complete projects through the Problem Gambling Assistance Fund	Initiate or complete at least 3 projects		Initiate or complete at least 3 projects.		Initiate or complete at least 3 projects		Initiate or complete at least 3 projects	
5. Review gaming legislation and policies and implement changes	Critical examination of gaming laws and gaming policy issues	Completion of 1 report, brief or review		Completion of 1 report, brief or review		Completion of 1 report, brief or review		Completion of 1 report, brief or review	
6. Keep informed about developments in gaming and regulatory practices ¹	Attend relevant meetings and conferences	Attend at least two meetings or conferences		Attend at least two meetings or conferences		Attend at least two meetings or conferences		Attend at least two meetings or conferences	
7. Effectively manage Commission resources	Ensure that all Commission resources are effectively utilised	Achieve or improve the 2012-13 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus		Achieve or improve the 2013-14 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus		Achieve or improve the 2014-15 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus		Achieve or improve the 2015-16 budgeted operating result subject to Government budget decisions relating to the Commission's resourcing and operating surplus	

Note:

1. New accountability indicators to commence from 2012-13. These indicators have been included to better reflect the functions and activities of the Gambling and Racing Commission to develop and implement research based strategies to reduce the negative impact of problem gambling.

ATTACHMENT 4 – KEY FINANCIAL PERFORMANCE MEASURES

	2010-11 Actual	2011-12 Projected	2012-13 Budget	2013-14 Budget	2014-15 Budget	2015-16 Budget
Profitability						
Return on Assets ¹	15.66%	2.89%	3.59%	3.69%	3.78%	3.86%
Return on Equity ¹	51.37%	9.21%	10.31%	9.99%	9.66%	9.35%
Financial Management						
Current Ratio	1.38:1	1.44:1	1.51:1	1.59:1	1.67:1	1.76:1
Cash Position	0.38:1	0.41:1	0.45:1	0.48:1	0.51:1	0.54:1
Financial Stability						
Debt Ratio	0.70:1	0.68:1	0.66:1	0.64:1	0.62:1	0.60:1
Debt Management						
Interest Cover Ratio ¹	620:1	118:1	147:1	158:1	169:1	180:1

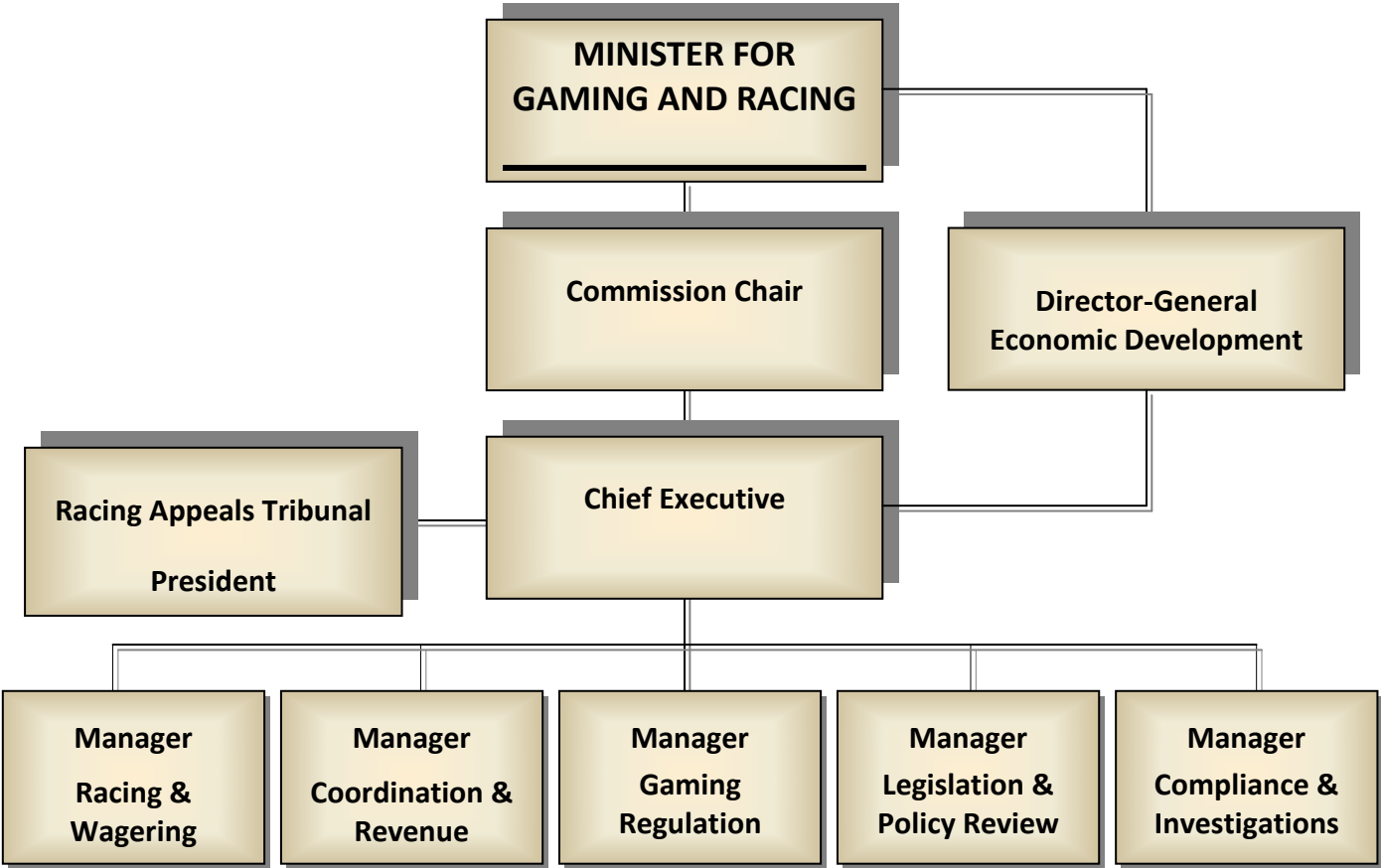
Notes:

1. The decrease in the 2011-12 projected from the 2010-11 actual is mainly due to a higher than expected operating result in 2010-11.

- Return on Assets = EBIT / average total assets for period
- Return on Equity = EBIT / equity
- Current Ratio = current assets / current liabilities
- Cash Position = (cash + current investments) / total assets
- Debt Ratio = total liabilities / year end total assets
- Interest Cover Ratio = EBIT / annual interest Payments

ATTACHMENT 5 – ORGANISATIONAL CHART

ACT GAMBLING AND RACING COMMISSION



ATTACHMENT 6 – STRATEGIC HUMAN RESOURCE PLAN

The ACT Gambling and Racing Commission's estimated staffing profile at the end of the 2011-12 financial year is 27.8 FTE. Break-up of positions is as follows:

Level	Function	Male	Female
SES	Chief Executive	1	0
SOG A	Section Manager	1	0
SOG B	Section Manager	4	0.6
SOG C	Assistant Section Manager	2	1
ASO 6	Authorised Officer	3	2.4
ASO 5	Authorised Officer	3	2.2
ASO 4	Authorised Officer	2	5.6
Total		16	11.8

The ACT Gambling and Racing Commission estimated staffing profile planned for the 2012-13 financial year is 32.8 FTE. Break-up of positions is as follows:

Level	Function	Male	Female
SES	Chief Executive	1	0
SOG A	Section Manager	1	0
SOG B	Section Manager	4	0.8
SOG C	Assistant Section Manager	2	2
ASO 6	Authorised Officer	3	3
ASO 5	Authorised Officer	4	3
ASO 4	Authorised Officer	2	7
Total		17	15.8