



ACT
Government



ACT Gambling and Racing Commission Annual Report 2018-19



ACT Gambling and Racing Commission

Annual Report
2018-19



The ACT Gambling and Racing Commission's 2018-19 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:

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ISSN 2206-897X

Publication No 19/0992

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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

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

Contents

Tables	4
Transmittal Certificate	5
Compliance Statement	6
Organisational Overview and Performance	8
Organisational Overview	8
Performance Analysis	19
Scrutiny	36
Risk Management	44
Internal Audit	45
Fraud Prevention	46
Freedom of Information	47
Community Engagement and Support	48
Aboriginal and Torres Strait Islander Reporting	49
Work Health and Safety	50
Human Resources Management	51
Ecologically Sustainable Development	52
Financial Management Reporting	53
Financial Management Analysis	53
Financial Statements	60
Capital Works	62
Asset Management	62
Capital Works	93
Asset Management	93
Government Contracting	93
Statement of Performance	94
Annual Report Requirements - ACT Gambling and Racing Commission	104
Summary of Complaints	104
Problem Gambling Assistance Fund	104
Whole of Government Annual Reporting	111
Bushfire Risk Management	111
Human Rights	111
Legal Services Directions	111
Territory Records	111
Attachments	112
Annual Report of the ACT Racing Appeals Tribunal	112
List of Abbreviations and Acronyms	114
Glossary of Technical Terms	116
Alphabetical Index	117

Tables

Table 1: Commission Members' Attendance at Meetings – July 2018 to June 2019.....	17
Table 2: Name and role of management committees.....	18
Table 3: Summary of operational performance against targets	19
Table 4: Summary of results for Strategic Objectives and Indicators	20
Table 5: Summary of casino licensing activities 2018-19	27
Table 6: Summary of licence variation activity in 2018-19.....	30
Table 7: Summary of trading scheme figures at 30 June 2019.....	31
Table 8: Summary of race bookmaking activities in 2018-19.....	32
Table 9: Summary of sports bookmaking activities in 2018-19.....	32
Table 10: Summary of lotteries permits issued in 2018-19.....	33
Table 11: Summary of Auditor-General report recommendations relevant to the Commission carried over from 2017-18	36
Table 12: Summary of meetings attended by members and observers during 2018-19.....	45
Table 13: Summary of Community Engagement Activities	48
Table 14: Current Ratio.....	59
Table 15: 2018-19 Contracts with suppliers of goods and services that exceed \$25,000	93
Table 16: Summary of complaints received during 2018-19.....	104
Table 17: Problem Gambling Assistance Fund Receipts 2018-19.....	105
Table 18: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2019	106

Transmittal Certificate



Minister for Business and Regulatory Services
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

We have the pleasure in submitting to you the ACT Gambling and Racing Commission's Annual Report for the financial year ended 30 June 2019.

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

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the ACT Gambling and Racing Commission.

I certify that information in the attached annual 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 2018 to 30 June 2019.

I hereby certify that fraud prevention has been managed in accordance with the *Public Sector Management Standards 2006 (repealed)*, Part 2.3 (see section 113, *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.

Yours sincerely

A handwritten signature in black ink, appearing to read "Paul Baxter".

Paul Baxter
Chairperson
10 September 2019

A handwritten signature in black ink, appearing to read "David Snowden".

David Snowden
Chief Executive Officer
10 September 2019



Gambling & Racing Commission
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 gamblingandracing.act.gov.au



Compliance Statement

The ACT Gambling and Racing Commission's 2018-19 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.

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 2018-19 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 2018-19 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 8-52
- C. Financial Management Reporting, inclusive of all subsections, see pages 53-94

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 2018-19 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 2018-19 Annual Report:

- *Gambling and Racing Control Act 1999*, s46(2) - see page 104
- *Gaming Machine Act 2004*, s54 - see pages 104-109

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 2018-19. Please refer to Bushfire Risk Management section at page 111 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

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

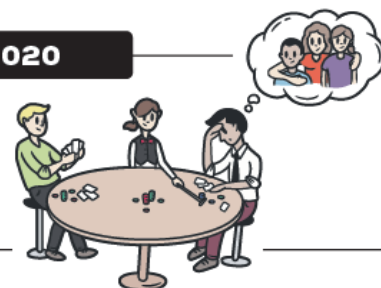
Other gaming
regulators and
jurisdictions

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

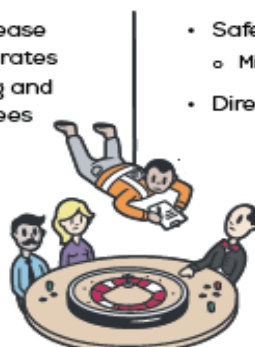
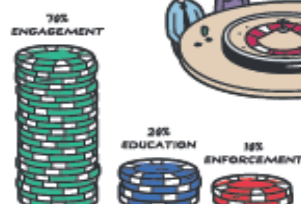


ENGAGE, EDUCATE AND ENFORCE STRATEGY

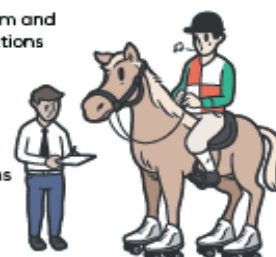
We will increase compliance rates by engaging and educating licensees and the gaming industry.

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

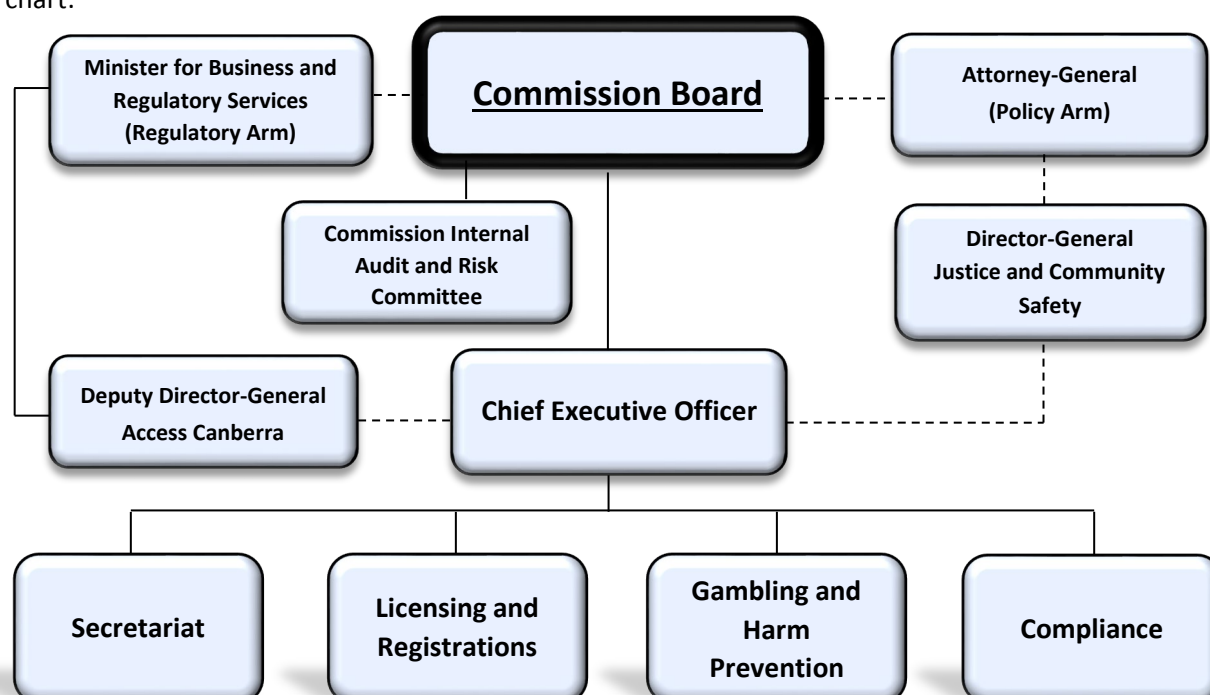


Organisational Structure

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 30 June 2020.

Organisational Chart

The Commission's operational structure as at 30 June 2019 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 Chief Operating Officer of Access Canberra and is a member of the governing board.

Achievements in 2018-19

Gaming Operations

A significant achievement for the Commission during the reporting period was the seamless implementation and ongoing delivery of the *Pathway to 4000* (the Pathway) government initiative. The Pathway was jointly delivered by Access Canberra on behalf of the Commission and the Justice and Community Safety Directorate.

The Pathway seeks to reduce gambling harm and reduce gaming machine licensees' reliance on revenue generated through the use of gaming machines.

As at 30 June 2019, the Territory had reduced the number of gaming machine authorisations to 4001. If the number of gaming machine authorisations in the Territory has not reduced to 4000 by April 2020 as a result of normal gaming machine trading and surrender activity, further authorisations will be mandatorily surrendered.

Compliance

During 2018-19, 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 329 gaming and racing related inspections were conducted and 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 benefit 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 2018-19, eight targeted compliance inspection programs were completed focussing on a range of regularly obligations such as gaming machine community contributions, cash facilities at gaming machine venues, casino operations, totalisator operations, racing events and code of practice reviews.

Harm Prevention

Gambling Harm Awareness Week

Gambling Harm Awareness Week (GHAW) was held from 8 to 14 October 2018. During GHAW the Commission hosted a half day conference on 9 October for the gambling and community services sectors. The theme for the conference was '*talk, share and support*' and this is the shared approach being taken to Gambling Harm Prevention by both the ACT and Victorian Governments. This approach emphasised that gambling harm can affect anyone and that it is not only one person, or one aspect of life that can be impacted. Starting a conversation about the impacts of gambling harm within the community, sharing resources and providing education and support are all activities that underpin the public health approach. The three guest speakers for the event were:

- Associate Professor Samantha Thomas, of Deakin University who presented during the *Talk* session on the importance of a public health approach and ongoing dialogue about gambling harm to raise awareness and eliminate stigma.

- Ms Michelle White, Principal Advisor of the Gambling Group, Department of Internal Affairs New Zealand Government, who presented during the *Share* session on the public health approach they have adopted to guide efforts in raising awareness and minimising the impact of gambling harm.
- Ms Maria Thompson from Relationships Australia Canberra and Region, the ACT's Gambling Counselling and Support Service Provider, who presented with Care Inc. in the *Support* session on the effect of gambling in the community and what their organisations do to support the ACT community.

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

- A joint media release from the Chair of the Commission and the Chair of the Victorian Responsible Gambling Foundation launching GHAW for both jurisdictions.
- Release of the *Draft Strategy for gambling harm prevention in the ACT – A public health approach*;
- A stall at the Mental Health & Wellbeing Expo during the week which was a joint venture with Care Financial Inc, Relationships Australia Canberra and Region and the Commission; and
- An extensive gambling harm awareness communication campaign was rolled out across a variety of mediums including bus advertisements, radio and social media.

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

On 9 October 2018, the Commission released its *Draft Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach* (the Strategy) for comment from key stakeholders. 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 plans.

Information sessions were held with the gambling industry and community sector on 3 and 4 December 2018, with 28 representatives attending. Written submissions were also received from seven organisations from the gambling industry and community services sector. The Strategy has been revised to incorporate feedback, ensuring that the Commission's approach is co-ordinated, collaborative, meaningful and practical.

The finalised *Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach, 2019-20 – 2023/24* will be released in early 2019-20.

Gambler in-Venue Support Program

The Gambler in-Venue Support (GiVS) Program continued in 2018-19. 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

On 2 July 2018, the Commission launched a new website, which featured a suite of videos to inform and educate the community and industry about gambling harm. The aim of the new website was to establish an engaging, functional and modern online presence by transforming the Commission's website into an intuitive and user-friendly and customer focused site. The new website can be displayed at <https://www.gamblingandracing.act.gov.au/home>.

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.

In February 2019 the Commission agreed that the Advisory Committee membership should be expanded from five to seven members including the Chair, and the Terms of Reference were to be reviewed and updated to accommodate this.

A sub-committee of the GRCAC (with additional members invited) was formed during 2018-19 to support the Commission in its planning for GHAW 2018.

Research

The Commission continued with a number of research projects into gambling behaviour and social effects. These research projects provide information on gambling and gambling harm to the Commission and have informed the development of strategies and policies to reduce the risk of gambling harm to the ACT community.

The Commission worked with the Youth Coalition of the ACT through funding of the *At Odds: Young People and Gambling* project. The project developed communication strategies and materials, based on their previous research, to more effectively target and engage young people in order to provide a greater awareness of the signs of gambling harm. The *At Odds* website can be found at <https://atodds.com.au/>.

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 Australian National University's Centre for Gambling Research was engaged in December 2018 by the Commission to conduct the 2019 Survey on Gambling in the ACT. Initial results are anticipated to be released during GHAW 2019.

Previous surveys on gambling in the ACT community have been conducted by telephone 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.

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 2018-19 financial year. Among these include the successful implementation of the reforms introduced by the *Gaming Legislation Amendment Bill 2018*.

Outlook for 2019-20

Strategic and operational issues to be pursued by the Commission in 2019-20 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) and include the following:

Gaming Operations

A number of amendments to the *Gaming Machine Act 2004* and the *Gambling and Racing Control Act 1999* will commence on 1 July 2019. The Commission has begun preparations, in collaboration with the Justice and Community Safety Directorate, to deliver significant changes affecting gaming machine licensees including changes to the community contributions scheme.

The Commission is also reviewing the assessment process for 2018-19 community contributions following feedback on the 2017-18 returns process.

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

With the release of the *Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach, 2019-20 – 2023/24* expected in early 2019-20, the Commission will develop and deliver an annual work plan for 2019-20 which will be guided by the Strategy and reflect the principles and objectives of the public health approach. It is anticipated that the three priority areas will include: (i) Awareness, (ii) Training, and (iii) Research with initiatives and activities involving collaboration with a wide range of stakeholders.

The GiVS program 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 2020.

Innovate, Collaborate and Consult

The Commission will seek to build on the Government's changes to gaming legislation to develop, implement and evaluate interventions to reduce harm caused by gambling. The Commission will do so with the input of everyone in the sector including 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 2019, 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 Chief Operating Officer of 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 2018 to June 2019

	Jul	Aug	Sep	Oct	Nov	Dec	Jan ¹	Feb	Mar	Apr	May	Jun
Paul Baxter	X ²	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Alice Tay	✓	✓	✓	X ³	✓	✓	-	✓	✓	✓	✓	✓
Carmel Franklin	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	X ⁴	✓
Carl Buik	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
David Snowden	✓	✓	X	✓	✓	✓	-	✓	✓	✓	✓	✓

Notes:

1. A meeting was not held in January 2019.
2. Whilst Mr Paul Baxter did not attend the July 2018 Board Meeting, he participated by providing extensive written input and comments on Board papers.
3. Whilst Ms Alice Tay did not attend the Oct 2018 Board Meeting, she participated by providing extensive written input and comments on Board papers.
4. Whilst Ms Carmel Franklin did not attend the May 2019 Board Meeting, she participated by providing extensive written input and comments on Board papers.

Remuneration

During the 2018-19 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
Internal Audit and Risk Committee (Further details are available on page 45)	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.
Gambling and Racing Commission Advisory Committee	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 made up of seven members, one of which is the Executive Branch Manager of the Projects, Governance and Support Branch, Access Canberra. Remaining members are drawn from the gambling and racing industry, support services sector for those experiencing gambling harm and the health sector.

Both these committees report as required into the ACT Gambling and Racing Commission Board. This means that board members have oversight of the workings of these committees.

Contact for further information:	Senior Director, Projects, Governance and Support, 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 2018-19 ACT Budget Statements (https://apps.treasury.act.gov.au/data/assets/pdf_file/0015/1206600/B-Chief-Minister-Treasury-and-Economic-Development-Directorate.pdf) on the ACT Budget 2018-19 website. They are used to monitor and assess the Commission's performance.

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 Problem Gambling Assistance Fund.

In 2018-19, the following indicators were discontinued:

- Initiate or complete research projects; analyse significant research projects conducted elsewhere.
- Initiate or complete projects through the Problem Gambling Assistance Fund.
- Average number of days to issue business authorisation or personal registration.

Accountability Indicators

Table 3: Summary of operational performance against targets

	Original Target 2018 19	Actual Result 2018 19	% Variance from Original Target
Undertake evidence (e.g. research and evaluation) informed activities to prevent and reduce gambling harm, including through the Problem Gambling Assistance Fund*	12	12	0
Percentage of customers satisfied with the Gambling and Racing Commission*	90%	95%	5.6
Percentage of the Canberra community satisfied with the ease of interacting with the Gambling and Racing Commission*	95%	100%	5.3
Compliance rate during targeted campaign inspections*	90%	100%	11.1
Compliance activities: engage, educate, enforce*	Ratio:70:20:10	Ratio:78:22:0	11.4/10/(100)
Average level of helpfulness after issuing a notice or before issuing a license/authorisation*	4.2 out of 5	4.0 out of 5	(4.8)

*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 2014 found that over 15 per cent of adults in Canberra have a close family member who has experienced gambling harm in their lifetime; with 6.1 per cent saying this had been in the last 12 months. Of these, 38.8 per cent of family members said the issue had affected their family and relationship, their mental health and/or their financial security. Reducing this burden 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 are 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.

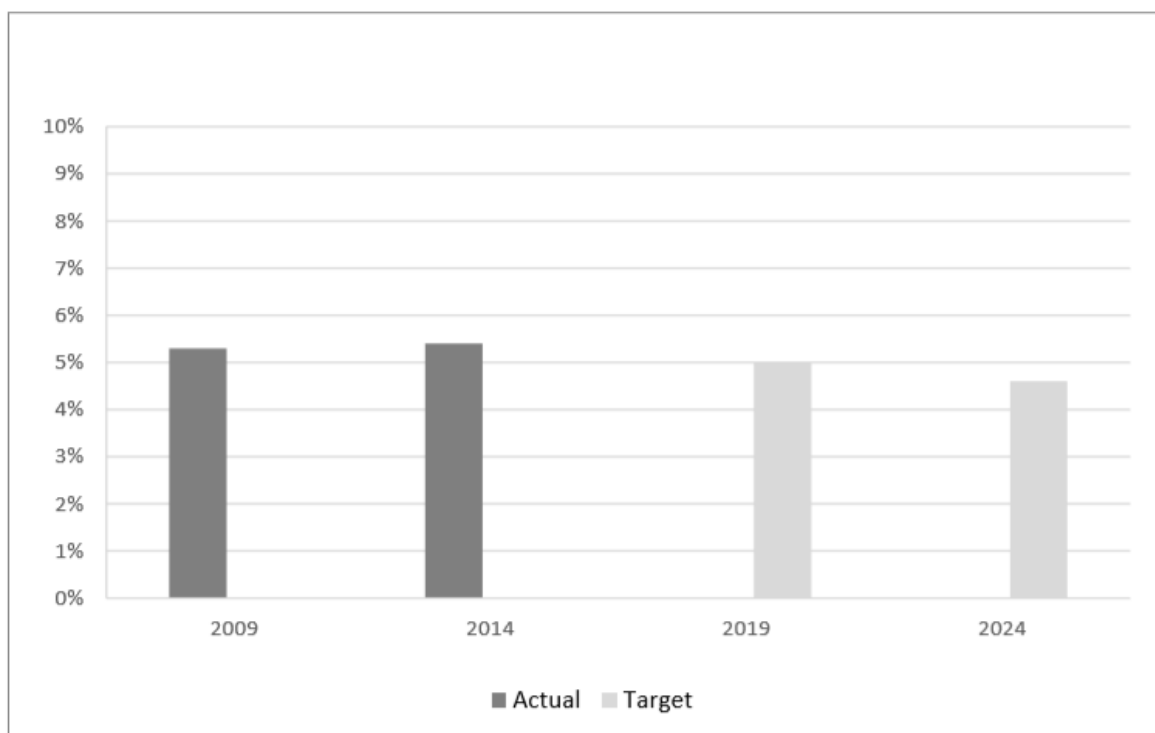
Strategic Indicator 1: Prevent and reduce gambling harm in the ACT.

The Problem Gambling Severity Index (PGSI) is a widely used indicator of the risk of problem gambling for an individual. It ranks risk along a continuum as follows: score of less than 1 – non-problem gambling; 1-2 – low risk gambling; 3-7 – moderate risk problem gambling; and 8 or more – problem gambling.

The 2014 prevalence study uses the PGSI as a proxy measure for gambling harm while other measures are being developed.

The reduction in the proportion of the ACT adult population reporting one or more on the PGSI is an indicator that gambling harm is being reduced at the population level.

Figure 1: Proportion of the ACT adult population reporting one or more on the Problem Gambling Severity Index (PGSI)



Result

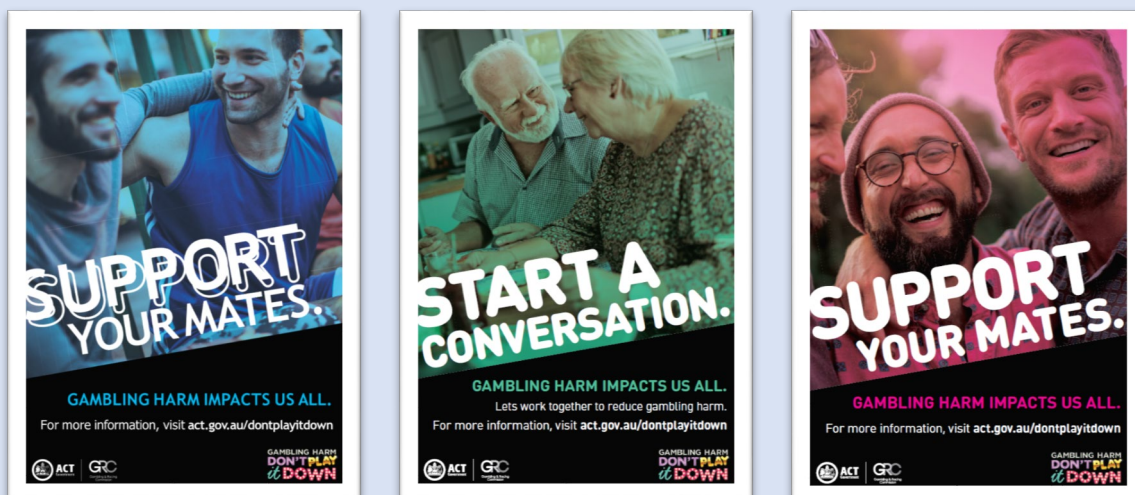
During Gambling Harm Awareness Week 2018, the Commission released its *Draft Strategy for gambling harm prevention in the ACT – A Public Health Approach* (the Draft Strategy). The Draft Strategy provided the next stage in the ACT's implementation of a public health approach to preventing gambling harm 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 Draft Strategy provided the rationale, principles and objectives for adopting a public health approach and the framework for the development of annual plans.

The finalised *Strategy for Gambling Harm Prevention in the ACT – A Public Health Approach, 2019 – 2023* will be released in early 2019-20.

As part of GHAW 2018 several creative materials using the public health approach to gambling harm prevention were developed for the communication campaign. These materials were used extensively in GHAW 2018 and have been used in other campaigns in 2018-19, including spring racing. Hardcopies of these materials were also distributed to the gambling industry and community service sector.

*Communication materials developed for GHAW 2018 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.

It is expected that the initial survey results will be released during GHAW 2019. Survey results will provide an invaluable map of the prevalence of problem gambling, patterns of gambling behaviour and service uses as well as community attitudes regarding gambling, over time in the ACT. 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 and 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.

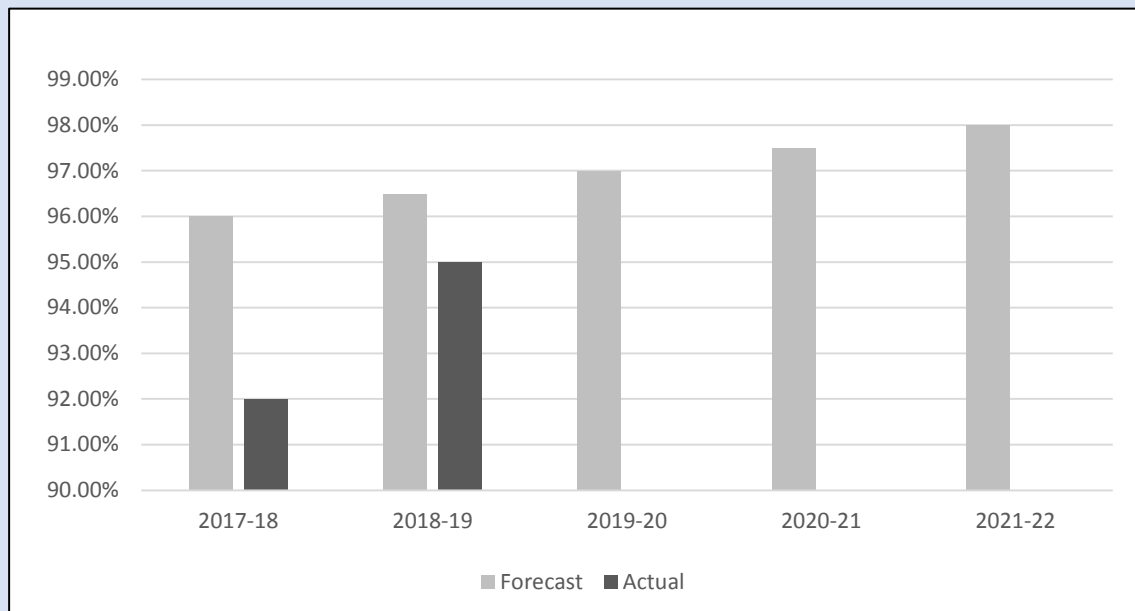
An increased focus on engagement and education activities undertaken with licensees in 2018-19 has had a positive impact on the level of industry compliance, resulting in a reduction in the need to undertake enforcement action during the reporting period. In 2018-19 there were a total of 100 interactions with industry that included 78 engagement activities, 22 education activities and no enforcement actions.

In 2019-20, the Commission will continue 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 95 per cent compared to 92 per cent in 2017-18. The increase reflects the continuing engagement and education approach undertaken by Access Canberra on behalf of the Commission.

Contact for further information:

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 2018-19.

Harm Prevention

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 (the Centre) 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.

In March 2019 the Youth Coalition of the ACT *At Odds Young People and Gambling – Stage 2 Project – Final Report* was submitted to the Commission. The Commission accepted this report in May 2019. The project developed and evaluated an awareness campaign aimed to target young adults in the ACT (aged 18-30) to raise awareness of the indicators and risks of harmful gambling and to help inform and support peers concerned about another person's gambling. The Commission funded this project through the Problem Gambling Assistance Fund.

In December 2018 the Capital Health Network project funded through the Problem Gambling Assistance Fund was finalised. This project titled *The Gambling Harm Assessment, Early Intervention and Referral Project* seeks to increase the early identification of people experiencing gambling harm through the development of clinical assessment and referral pathways accessible by GPs; the integration of gambling harm screening tools in mental health assessments; integrating gambling harm prevention training into training delivered to health care professionals and providing information on problem gambling and access to support to the general public.

ANU Centre for Gambling Research

In December 2018 the ANU Centre for Gambling Research was commissioned to conduct the 2019 Survey of Gambling in the ACT.

Surveys from other jurisdictions were reviewed in developing the specifications for the 2019 Survey on Gambling in the ACT. Furthermore, 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.

A joint information session was held by Access Canberra on behalf of the Commission and the ANU Centre for Gambling Research on the 11 February 2019. This session allowed gambling industry and the community sector representatives an opportunity to ask questions directly of the researchers.

10,000 interviews with randomly selected Canberrans were undertaken between April and June 2019. Participants were asked about their gambling behaviour, attitudes towards gambling and whether others' gambling affects them. It also asked people about negative consequences they might experience from gambling and their used of support and treatment services.

It is expected that initial survey results will be released during GHAW 2019.

Research from other jurisdictions

In addition to sponsoring and funding research projects as part of the Commission's requirement under the *Gambling and Racing Control Act 1999* to monitor and research the social effects of gambling and problem gambling, the Commission also monitors research undertaken by other jurisdictions.

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 2018-19. 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 2018-19, 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>);
- training for Board members of ACT licensed Clubs on the legal responsibilities of a gambling licensee and implementation of a public health approach to gambling harm prevention. Four sessions were delivered by Wisdom Learning and supported by Access Canberra;
- provision of Annual Training for 205 Gambling Contact Officers (GCOs), with 14 sessions delivered by Wisdom Learning in 2018-19. The sessions were developed with the Commission by Wisdom Learning and 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.

In 2019-2020, 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 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 2018-19

Licences Processed		Number
New Employees		65
Renewals		165
Variations		34
Cessations		92
Current Casino Employees		Number
Licensed		170
Unlicensed		60

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, a new roulette wheel and a software update to the multi terminal table game system was given by the Commission during 2018-19.

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, Blackjack, Pontoon, Casino War, Mini Baccarat, American Roulette, Multi Terminal Table Games were given by the Commission during 2018-19. At the end of the reporting period, the Commission was considering further proposed amendments to the rules for Mini Baccarat.

The casino also applied for the declaration of a new authorised game – Ultimate Texas Hold-em. After considering the casino's submission this game was declared, as well as associated rules for the conduct of the game.

The Commission also liaised with the casino to ensure that all necessary approvals were in place to allow the casino to conduct Two-Up on Anzac Day 2019.

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 2018-19 as result of changes in reporting lines, job titles and restructuring of the Canberra Casino.

The control procedures for Mini Baccarat, Blackjack, Pontoon and Casino War 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, General Gaming, Surveillance and Cash Desk Departments.

New control procedures were also approved for the new authorised game of Ultimate Texas Hold-em.

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 2018-19, 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 2018-19, a total of 117 inspections of casino operations were undertaken.

Breaches Detected - Casino

There were 1436 self-reported breaches of the approved rules and procedures in 2018-19. 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.

In addition to the above breaches, during 2018-19 the Commission identified a total of 2 breaches relating to the failure to comply with control procedures as required by section 77 of the Casino Control Act 2006 (the Act). Following an investigation into the matter, a written warning was issued to the casino.

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.

In 2018-19 the Commission did not initiate disciplinary action against the casino licensee.

Gaming Machines

Compliance Inspections of Gaming Machine Licensees

In 2018-19, a total of 170 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 a total of 24 breaches of the legislation during the reporting period. This includes seventeen breaches of the *Gaming Machine Act 2004* and seven breaches of the *Gambling and Racing Control (Code of Practice) Regulation 2002*. The seventeen breaches of the *Gaming Machine Act 2004* were:

- two instances of failing to operate a gaming machine at the correct percentage payout;
- six instances of failing to display an approved gaming machine statement;
- seven instances of failing to display a warning notice;
- one instance of failing to provide the Commission with a copy of audited financial statements within the required period; and
- one instance of failing to lodge a gaming machine tax return within the required period.

The seven breaches of the *Gambling and Racing Control (Code of Practice) Regulation 2002* were:

- two instances of a licensee failing to ensure that staff had undertaken required Responsible Service of Gambling training;
- two instances of a licensee failing to ensure that an appointed gambling contact officer has completed required training;
- one instance of failing to look at the exclusion register within three consecutive trading days of notification of a change;
- one instance of failing to make required information available at the facility; and
- one instance of failing to limit player reward scheme benefits to \$1000.

There were no breaches of the *Gaming Machine Regulation 2004* or *Lotteries Act 1964* detected during inspections of gaming machine venues in 2018-19.

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.

Notification for One-off Increase Maximum Amendment

Two venues applied during the reporting period. The Harmonie German Club in August 2018 and the Gungahlin Club in December 2018. The provision which authorises one-off increases has been removed from the *Gaming Machine Act 2004*.

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 2018-19

Licence Variation Activity		Number
Notifications		
Number of gaming machines converted on application by licensees		1,026
Number of gaming machines replaced on application by licensees		398
One off increase in authorisations		2
Approvals		
Applications to operate a linked-jackpot arrangement		38
Applications to operate a multi-user linked-jackpot arrangement		0
Applications to disburse a linked-jackpot amount		23
Application for gaming area amendment		2
Application for premises relocation		2
Application for increase maximum authorisations (other than one-off)		0

Contact for further information:	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 2992; 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.

The Trading Scheme was suspended from 4 March 2019 to 2 April 2019 as a consequence of the first compulsory surrender phase of the Pathway to 4000.

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 4,001.

As of 30 June 2019, there was a total of:

- 31 licensees;
- 50 licensed venues;
- 4,001 gaming machine authorisations; and
- 3,873 gaming machines in operation.

Table 7: Summary of trading scheme figures at 30 June 2019

LICENCES	
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
AUTHORISATION CERTIFICATES (i.e. Venues)	
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
AUTHORISATIONS (To operate a gaming machine under an Authorisation Certificate)	
Number of Authorisations as at 31 August 2015	5022
Authorisations Forfeited on Confirmation of Trade	95
Authorisations Surrendered	926
Authorisations Cancelled	0
Current Number of Authorisations	4001
GAMING MACHINES	
Gaming Machines as at 31 August 2015	5022
Gaming Machines Forfeited with Trade	1021
Gaming Machines in Quarantine	0
Gaming Machines in Storage	37
Authorisations in Storage (without machine)	0
Authorisations in Quarantine (without machine)	0
Authorisations Without Machines (Unused Authorisations)	91
Current Number of Gaming Machines in Operation	3873

Racing and Wagering

Compliance Inspections of Racing and Wagering Licensees

In 2018-19, the Commission undertook 26 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 2018-19 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 2018-19, the Commission received one betting dispute and this matter is ongoing at the end of the reporting period.

Race Bookmaking Operations

Table 8: Summary of race bookmaking activities in 2018-19

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	1
Total current Race Bookmaking Licences as at 30 June 2019	7
Total current Race Bookmaker's Agents Licences as at 30 June 2019	6

Sports Bookmaking Operations

Table 9: Summary of sports bookmaking activities in 2018-19

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
Total current Sports Bookmaking Licences as at 30 June 2019	1
Total current Sports Bookmaker's Agents Licences as at 30 June 2019	0

Contact for further information:	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 2992; 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 2018-19

Type of Approval	Amount
Trade Promotion Lotteries	2532
Raffles	232
Housie	6
Other	3
Total	2,864

Compliance Inspections of Lottery Providers

The Commission undertakes inspection programs that may include lotteries conducted in the Territory. In 2018-19, in addition to a review of lotteries conducted at gaming machine licensed venues, one further inspection was conducted on a lottery provider.

Breaches Detected - Lotteries

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

Contact for further information:	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 2992; or
	Senior Director, Licensing and Registrations, Access Canberra Phone: (02) 6207 0252.

Other Gaming Activities

Charitable Gaming

During the period under review one application to conduct a charitable fundraising activity under the *Unlawful Gambling Act 2009* was approved.

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 2018-19 the Commission conducted 15 inspections of venues conducting two-up on Anzac Day. No breaches of the *Unlawful Gambling Act 2009* were identified.

Interactive Gaming Regulation

In 2018-19, there were no interactive gaming service providers licensed in the Territory.

Contact for further information:	Senior Director, Fair Trading & Compliance, Access Canberra Phone: (02) 6207 2992; 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 are required to submit their community contributions report to the ACT Gambling and Racing Commission within one month after the end of the financial year (31 July 2019). The Commission will then assess and audit the contributions as reported and provide a report to the Minister by 30 October 2019.

For the 2017-2018 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 ACT Gambling and Racing Commission a copy of those records together with a financial report for the financial year.

The ACT Gambling and Racing 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 2017-18 Report* notes:

- \$12.07 million in contributions were made by clubs out of a total of \$95.3 million in net gaming machine revenue (12.7 per cent); and
- \$4,910 in contributions were made by hotels out of a total of \$145,132 in net gaming machine revenue (3.4 per cent).

Contact for further information:	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 2018-19 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
Recommendation 2 Improve Strategic Indicators Strategic indicators should be improved by: 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	Government response: Agreed in principle. 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>Representative because they relate to whole 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 Quantifiable criterion. Territory entities whose strategic indicators cannot meet the strategic criterion of Quantifiable through supporting quantitative data should use qualitative data that can be assessed and is explained through commentary</p>		
<p>Recommendation 3</p> <p>Improve Accountability Indicators by:</p> <p>b) the ACT Local Hospital Network, Chief Minister, Treasury and Economic Development Directorate, Community Services Directorate,</p>	<p>Agreed in principle.</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>	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>Education Directorate, Environment, Planning and Sustainable Development Directorate, 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>.</p>		
<p>Recommendation 4</p> <p>Procedure for the review, selection and approval of strategic and accountability indicators</p> <p>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:</p> <p>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</p> <p>b) engaging with other Territory entities to identify better practices used in the Territory.</p>	<p>Agreed.</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. 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
Recommendation 5 Interim Arrangements 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.	Agreed. 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

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
Recommendation 2 INTERPRETATIVE GUIDANCE 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>.	Commission Position – Agreed 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.	In Progress. The community contributions scheme has been amended by changes made to the <i>Gaming Machine Act 2004</i> which commenced on 1 July 2019. The Justice and Community Safety Directorate has provided the guidance to gaming machine licensees.
Recommendation 3 GUIDANCE MATERIALS (POLICIES AND PROCEDURES) Access Canberra, in consultation with the ACT Gambling and Racing Commission, should: a) Review and update the policies and procedures it currently uses to regulate clubs' community contributions; and	Government Position – Agreed 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.	Complete.

**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) Implement a regular review process for the policies and procedures.	Further, Access Canberra will implement an annual review of its policies and procedures following endorsement by the Commission.	
Recommendation 4 RECORDS OF BENEFICIARIES AND PURPOSE 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.	Government Position – Noted 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.
Recommendation 5 RISK-BASED APPROACH TO REGULATION 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.	Commission Position – Noted 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. Government Position – Agreed 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	In Progress. Access Canberra will continue with compliance activities under the old scheme for community contributions for 2018/19. The new scheme is close to being finalised. Access Canberra is working with the Justice and Community Safety Directorate to identify areas of risk in the first year. This will also support ongoing risk-based regulation of the scheme.

**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
	<p>strengthening its capacity to take action where the community is most at risk. The principles outlining its approach are 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>	
Recommendation 6 MEMORANDUM OF UNDERSTANDING BETWEEN ACT GAMBLING AND RACING	Government Position – a) Agreed in principle	In Progress a) Access Canberra teams supporting the

**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
<p>COMMISSION AND ACCESS CANBERRA Access Canberra, in conjunction with the ACT Gambling and Racing Commission, should:</p> <p>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;</p> <p>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</p> <p>c. Revise the MOU to include appropriate and practical dispute resolution measures.</p>	<p>The MOU is an overarching governance document, providing for the delivery of services by Access Canberra to the Commission.</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) Agreed</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>c) Agreed</p>	<p>Commission have worked closely with the Commission in terms of the program of work to be achieved for 2019-2020.</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 new clauses for the MOU to include clear dispute resolution procedures.</p>

**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
	Access Canberra will review and revise dispute resolution procedures outlined in the MOU, and put these forward for the consideration of the Commission.	

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 2018-19 reporting period.

Legislative Assembly Committees

There were no recommendations relevant to the Commission during the 2018-19 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 2018-19 reporting period.

Contact for further information:	Senior Director, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 1915.
	Senior Director, Fair Trading and Compliance, Access Canberra, Phone: (02) 6207 2992.
	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.

Contact for further information:	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 2018-19.

Table 12: Summary of meetings attended by members and observers during 2018-19

Name of Member	Position	Meetings Attended
Alice Tay	Chair	3
Carl Buik	Member	3
Ron Leonard	Director/Observer	3
Bei Hu	Assistant 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. At its September 2018 meeting, members reviewed the Committee's Program of Works 2018-19.

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.

Contact for further information:	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.

Contact for further information:	Executive Branch Manager, Projects, Governance and Support, Access Canberra, Phone: (02) 6205 0319.
	Workforce Capability and Governance Division, CMTEDD, Phone: (02) 6207 6502 or psm@act.gov.au .

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 2018-19 annual report of the Chief Minister, Treasury and Economic Development Directorate.

Contact for further information:	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: actfoi@ombudsman.gov.au

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 2018-19 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.

The Commission also connected with stakeholders including the Youth Coalition, Casino Canberra and the Victorian Responsible Gambling Foundation to collaboratively support gambling harm minimisation initiatives.

In October 2018, the Commission lead Gambling Harm Awareness Week, launching a new creative concept and advertising campaign including radio, bus and social media advertising. The Commission also facilitated an event and provided information to industry and community sectors as well as the broader community around the theme of 'Talk, Share, Support'.

Information about gambling harm was also disseminated at local community information and engagement events in October 2018.

In November 2018, the Commission implemented social media advertising during Spring racing season, to inform the community about gambling harm.

Community Engagement Activities

Table 13: Summary of Community Engagement Activities

Project	Summary
Gambling Harm Awareness Week	During Gambling Harm Awareness Week held in October 2018, the Commission held a half day conference which focused on a public health approach to the reduction of gambling harm and was an opportunity to engage with industry and community service providers to build a shared agenda for achieving change. The conference theme ' <i>Talk, Share and Support</i> ' was a shared approach by both the ACT and Victorian Governments to gambling harm.

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.
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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 2018-19, 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.

Contact for further information:	Senior Director, Projects, Governance and Support, Access Canberra, Phone: (02) 6207 1915.
	Senior Director, Fair Trading and Compliance, Access Canberra, Phone: (02) 6207 2992.
	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 2018-19 annual report of the CMTEDD.

Contact for further information:	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 2018-19 annual report of the CMTEDD.

Contact for further information:	Workforce Capability and Governance Division, CMTEDD, Phone 6207 6502 or psm@act.gov.au .
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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 2018-19.

Ecologically Sustainable Development information for the ACT Gambling and Racing Commission can be sourced from the 2018-19 annual report of CMTEDD.

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

Financial Management Analysis

Management Discussion and Analysis for the ACT Gambling and Racing Commission for the Financial Year Ended 30 June 2019

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 2017-18 and 2018-19 and the forward estimates contained in the 2019-20 Statement of Intent.

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 2018-2019 Statement of Intent’.

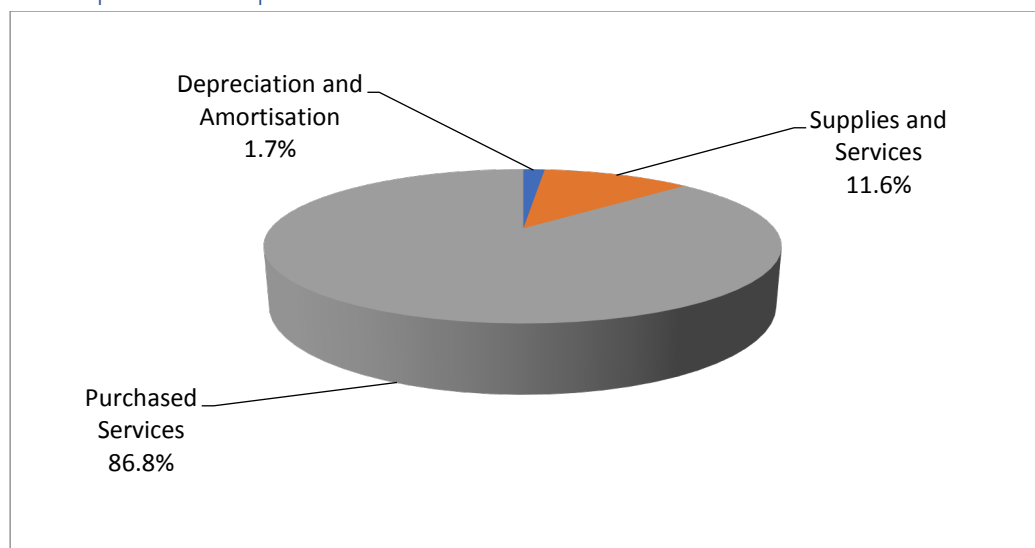
Total Expenditure

1. Components of Expenditure

Figure 1 indicates the components of the Commission’s expenditure for 2018-19 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 purchased services which represents **86.8 per cent** of ordinary activities or **\$5.667 million**.

Figure 1 - Components of Expenditure in 2018-19



2. Comparison to Budget

Total expenditure, not including taxation revenue transferred to Government, of **\$6.531 million** was **\$0.371 million** higher than the 2018-19 budget of **\$6.160 million**. This was mainly due to supplies and services (**\$0.264 million**) as a result of the Commission undertaking projects in addition to the agreement with Access Canberra. These additional projects were also undertaken by Access Canberra, on behalf of the Commission and include '*Managing the design and implementation of the Public Health harm prevention strategy*' and the *implementation of recommendations associated with audit of Community Contributions and subsequent review and amendments of the Gaming Machine ACT 2004*; and amortisation (**\$0.092 million**) due to timing of capitalisation of database development.

3. Comparison to 2017-18 Actual Expenditure

Total expenditure, not including taxation revenue transferred to Government, was **\$0.227 million**, or **3.6 per cent**, higher than the 2017-18 actual result. This is mainly due to an increase in purchased services (**\$0.135 million**) as a result of indexation and supplies and services (**\$0.070 million**) as a result of the Commission undertaking projects in addition to the agreement with Access Canberra. These additional projects were also undertaken by Access Canberra, on behalf of the Commission. Refer to the explanation under "*Comparison to Budget*" in the paragraph above for details of these projects.

4. Future Trends

Expenditure is budgeted to increase in 2019-20 by **\$0.584 million** this is mainly due to increases in:

- supplies and services (**\$0.163 million**) as a result of increased support to reduce gambling harm following increased community contributions payable to the Gambling Harm Prevention and Mitigation Fund; and
- grants and purchase services (**\$0.513 million**) as a result of payments to the Chief Ministers Charitable Fund for charitable and community causes following increased community contributions payable to the Gambling Harm Prevention and Mitigation Fund.

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

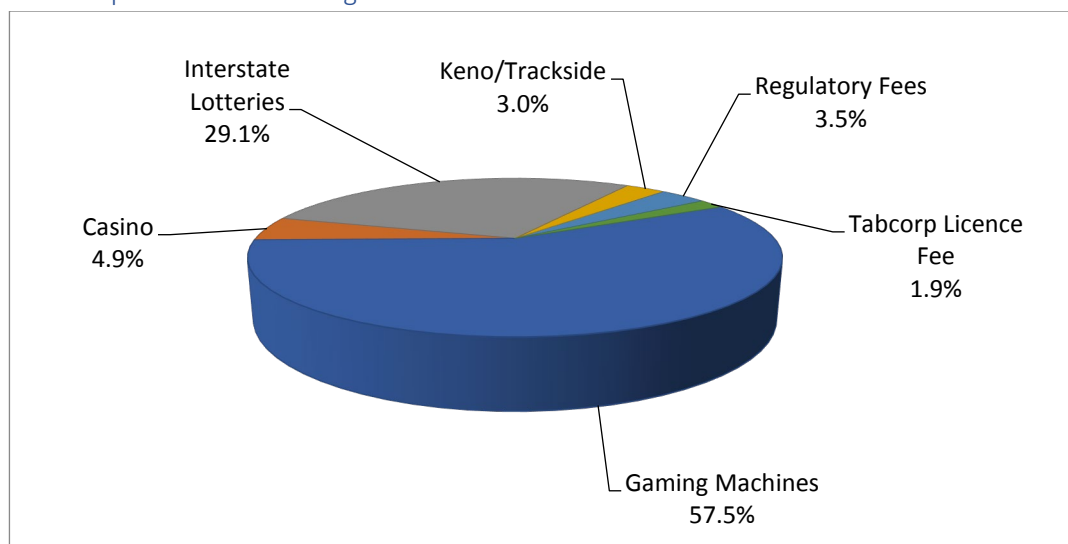
Although the Commission collects and verifies revenue from gambling taxes, levies, fees and fines, all such revenue is immediately transferred to the Territory Banking Account through daily sweeps of the Commission's Taxation Account. Taxes and Levies are received in accordance with the respective legislation 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 2018-19, appropriation payments from Government totalled **\$5.037 million**.

The Commission also receives a Problem Gambling Assistance Fund 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 2018-19, the total amount received by the Commission in the Problem Gambling Assistance Fund was **\$1.350 million**.

Figure 2 below indicates that for the financial year ended 30 June 2019 the Commission received **\$32.428 million** or **57.5 per cent** of its total gambling revenue from gaming machine taxation.

Figure 2 - Components of Gambling Income in 2018-19



2. Comparison to Budget

Revenue

For the year ending 30 June 2019 gambling revenue was **\$56.424 million** which was **\$1.026 million** higher than the 2018-19 budget of **\$55.398 million**. This was mainly due to higher:

- Keno and Trackside revenue (**\$1.515 million**) due to higher gambling activity in this area;
- interstate lotteries revenue (**\$0.906 million**) from higher than expected ticket sales; and
- casino taxation receipts (**\$0.430 million**) due to higher gambling activity.

These increases were partially off-set by lower gaming machine taxation (**\$1.611million**) due to lower gambling activity in 2018-19 and regulatory fees (**\$0.206 million**) as a result of lower activity.

3. Comparison to 2017-18 Actual Income

Revenue

Gambling revenue in 2018-19 was **\$3.220 million**, or **6.1 per cent**, higher than the 2017-18 actual result. This was due to increases in:

- interstate lotteries revenue (**\$2.695million**) due to an increase in ticket sales; and
- keno/trackside (**\$0.572 million**) as a result of higher gambling activity;
- casino taxation receipts (**\$0.096 million**) as a result of higher gambling activity.

The increases were partially off-set by decreases in: gaming machine taxation (**\$0.054 million**) due to lower gambling activity; and regulatory fees (**\$0.089 million**) as a result of lower activity.

4. Future Trends

Based on current revenue projections total gambling revenue for 2019-20 is budgeted to increase by **\$1.500 million** compared to the 2018-19 actual. This is mainly due to expected increases in casino licence fee (**\$0.978 million**) gaming machine taxation receipts (**\$0.932 million**) and regulatory fees (**\$0.266 million**). The increase is expected to be partially offset by decreases in interstate lotteries revenue (**\$0.558 million**) and Keno/trackside (**\$0.079 million**).

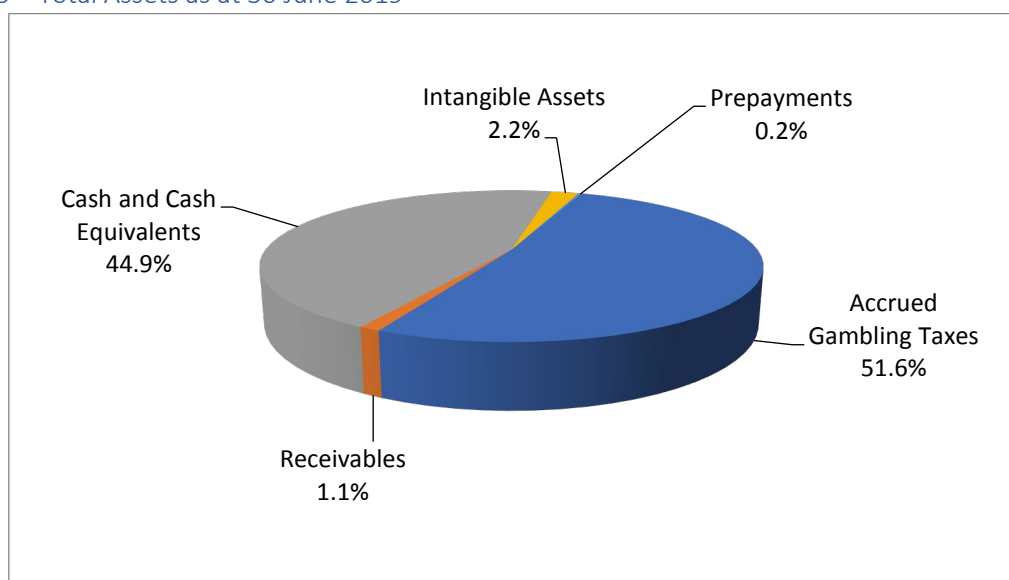
Commission's Financial Position

Total Assets

1. Components of Total Assets

Figure 3 below indicates that for the financial year ended 30 June 2019, **51.6 per cent** of the Commission's assets are accrued gambling tax revenue and **44.9 per cent** are cash and cash equivalents.

Figure 3 – Total Assets as at 30 June 2019



2. Comparison to Budget

The total asset position as at 30 June 2019 of **\$11.232 million** is **\$1.978 million** higher than the 2018-19 budget of **\$9.254 million**. The increase is mainly due to higher accrued gambling taxes (**\$1.953 million**) due to Interstate Lotteries Duty payment for May 2019 not being received as at 30 June 2019.

3. Comparison to 2017-18 Actuals

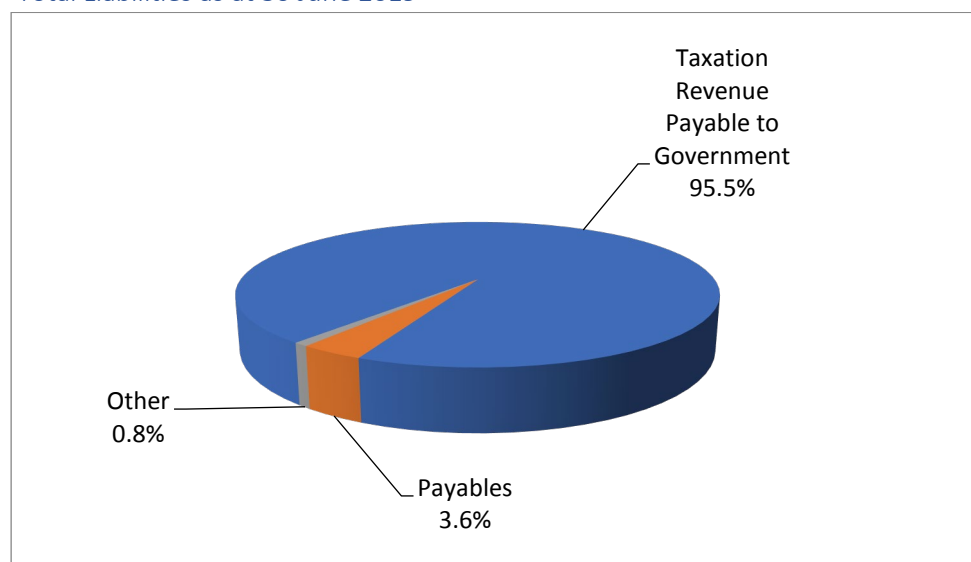
The Commission's total asset position increased **\$1.690 million** from 2017-18 actual result of **\$9.542 million** mainly due to an increase in: accrued gambling taxes (**\$1.582 million**) mainly due to Interstate Lotteries Duty payment for May 2019 not being received as at 30 June 2019; and cash and cash equivalents (**\$0.190 million**) as a result of positive cash flows generated from operating activities. The increases were partially off-set by a decrease in intangible assets (**\$0.109 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 2019 relate to taxation revenue payable to Government (**95.5 per cent**).

Figure 4 – Total Liabilities as at 30 June 2019



2. Comparison to Budget

The Commission's liabilities for the year ended 30 June 2019 of **\$6.064 million** is **\$2.163 million** higher than the 2018-19 budget of **\$3.901 million**. This is due to higher taxation revenue payable to Government (**\$1.953 million**) which is mainly due to Interstate Lotteries Duty and payables (**\$0.210 million**) as a result of a number of invoices not being received until after the reporting period.

3. Comparison to 2017-18 Actuals

Total liabilities increased **\$1.686 million** from 2017-18 actual results of **\$4.378 million** mainly due to higher taxation revenue payable to Government (**\$1.595 million**) as a result of Interstate Lotteries Duty for May 2019 not being received during 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

Description	Prior Year Actual 2017-18 \$'000s	Current Year Budget 2018-19 \$'000s	Current Year Actual 2018-19 \$'000s	Forward Year Budget 2019-20 \$'000s	Forward Year Budget 2020-21 \$'000s	Forward Year Budget 2021-22 \$'000s
Current Assets	9,190	9,254	11,232	9,913	10,099	10,285
Current Liabilities	4,378	3,901	6,064	4,371	4,374	4,377
Current Ratio	2.10:1	2.37:1	1.85:1	2.27:1	2.31:1	2.39:1

The Commission's current ratio for the financial year ended 30 June 2019 is **1.85 to 1** which is lower than the budgeted current ratio of **2.37 to 1**. The lower ratio reflects increased taxation revenue payable to Government (**\$1.953 million**) as a result of Interstate Lotteries Duty for May 2019 not being received during the reporting period.

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

Financial Statements



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

Sensitive: Auditor-General

A19/23

Mr Paul Baxter
Chair
Governing Board
ACT Gambling and Racing Commission
Level 3-5, Cosmopolitan Building
21 Bowes Place
Woden ACT 2606

Dear Mr Baxter

**INDEPENDENT AUDITOR'S REPORT
ACT GAMBLING AND RACING COMMISSION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

The ACT Audit Office has completed the audit of the financial statements of the ACT Gambling and Racing Commission for the year ended 30 June 2019.

I have attached the audited financial statements and independent auditor's report.

I have provided a copy of the audited financial statements and independent auditor's report to the Attorney-General, Mr Gordon Ramsay MLA.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ajay Sharma'.

Ajay Sharma
Assistant Auditor-General, Financial Audit
16 August 2019

c.c. Mr David Snowden, Chief Executive Officer
Ms Margaret McKay, Senior Director
Mr Ron Leonard, Director

Level 4, 11 Moore Street Canberra City ACT 2601 PO Box 275 Civic Square ACT 2608
T 02 6207 0833 F 02 6207 0826 E actauditorgeneral@act.gov.au W www.audit.act.gov.au

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 (the Commission) for the year ended 30 June 2019 which comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, the Commission's financial position as at 30 June 2019, 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* (the 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 communicate 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
16 August 2019



ACT Gambling and Racing Commission
Financial Statements
For the Year Ended 30 June 2019

Statement of Responsibility

In my opinion, the financial statements are in agreement with the ACT Gambling and Racing Commission's accounts and records and fairly reflect the financial operations of the ACT Gambling and Racing Commission for the year ended 30 June 2019 and the financial position of the ACT Gambling and Racing Commission on that date.

A handwritten signature in black ink, appearing to read "Paul Baxter".

Paul Baxter
Chairperson
ACT Gambling and Racing Commission
13 August 2019



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

GRCBoard@act.gov.au
 gamblingandracing.act.gov.au





ACT Gambling and Racing Commission
Financial Statements
For the Year Ended 30 June 2019

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 accounts and records and fairly reflect the financial operations of the ACT Gambling and Racing Commission for the year ended 30 June 2019 and the financial position of the ACT Gambling and Racing Commission on that date.

A handwritten signature in black ink, appearing to read "David Snowden".

David Snowden
Chief Executive Officer
ACT Gambling and Racing Commission
13 August 2019



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

 GRCBoard@act.gov.au
 gamblingandracing.act.gov.au



ACT GAMBLING AND RACING COMMISSION

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2019**

ACT Gambling and Racing Commission
Operating Statement
For the Year Ended 30 June 2019

	Note No.	Actual 2019 \$'000	Original Budget 2019 \$'000	Actual 2018 \$'000
Income				
<i>Revenue</i>				
Controlled Recurrent Payments	3	5,037	5,037	4,913
Taxation and Levies Collected on Behalf of the Territory	4	53,353	55,398	50,044
Regulatory Fees	5	3,071	-	3,160
Interest		120	107	117
Resources Received Free of Charge		13	25	74
Other Revenue	6	1,350	1,171	1,352
Total Revenue		62,944	61,738	59,660
<i>Gains</i>				
Other Gains		-	-	4
Total Gains		-	-	4
Total Income		62,944	61,738	59,664
Expenses				
Employee Expenses		-	131	-
Superannuation Expenses		-	13	-
Supplies and Services	7	755	1,171	685
Purchased Services	8	5,667	4,828	5,532
Amortisation		109	17	87
Taxation and Levies Revenue Transferred to Government		56,424	55,398	53,203
Total Expenses		62,955	61,558	59,507
Operating (Deficit)/Surplus		(11)	180	157

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 2019

	Note	Actual	Original	Actual
	No.	2019	Budget	2018
		\$'000	\$'000	\$'000
Current Assets				
Cash and Cash Equivalents	10	5,041	4,945	4,851
Receivables	11	5,924	4,175	4,330
Prepayments		24	9	9
Total Current Assets		10,989	8,916	9,190
Non-Current Assets				
Plant and Equipment		-	10	-
Intangible Assets	12	243	328	352
Total Non-Current Assets		243	338	352
Total Assets		11,232	9,254	9,542
Current Liabilities				
Payables	13	6,013	3,850	4,329
Other Liabilities		51	51	49
Total Current Liabilities		6,064	3,901	4,378
Total Liabilities		6,064	3,901	4,378
Net Assets		5,168	5,353	5,164
Equity				
Accumulated Funds		5,168	5,353	5,164
Total Equity		5,168	5,353	5,164

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 2019

For the Year Ended 30 June 2019

	Accumulated Funds Actual 2019 \$'000	Total Equity Actual 2019 \$'000	Original Budget 2019 \$'000
Balance at 1 July 2018	5,164	5,164	5,158
Comprehensive Income			
Operating (Deficit)/Surplus	(11)	(11)	180
Total Comprehensive Income	(11)	(11)	180
Capital Injections	15	15	15
Balance at 30 June 2019	5,168	5,168	5,353

For the Year Ended 30 June 2018

	Accumulated Funds Actual 2018 \$'000	Total Equity Actual 2018 \$'000
Balance at 1 July 2017	5,007	5,007
Comprehensive Income		
Operating Surplus	157	157
Total Comprehensive Income	157	157
Balance at 30 June 2018	5,164	5,164

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

ACT Gambling and Racing Commission
Cash Flow Statement
For the Year Ended 30 June 2019

	Note No.	Actual 2019 \$'000	Original Budget 2019 \$'000	Actual 2018 \$'000
Cash Flows from Operating Activities				
Receipts				
Controlled Recurrent Payments		5,037	5,037	4,913
Taxation and Levies Collected on Behalf of the Territory		51,756	52,106	49,661
Regulatory Fees		3,071	3,292	3,159
Other Receipts		1,561	1,397	1,593
Total Receipts from Operating Activities		61,425	61,832	59,326
Payments				
Employee		-	131	-
Superannuation		-	13	-
Supplies and Services		763	1,148	482
Purchased Services		5,557	4,843	5,532
Taxation and Levies Revenue Transferred to Government		54,828	55,398	52,843
Goods and Services Tax Paid to Suppliers		102	119	122
Total Payments from Operating Activities		61,250	61,652	58,979
Net Cash Inflows from Operating Activities	18	175	180	347
Cash Flows from Investing Activities				
Payments				
Payments for Intangibles		-	10	198
Total Payments from Investing Activities		-	10	198
Net Cash (Outflows) from Investing Activities		-	(10)	(198)
Cash Flows from Financing Activities				
Receipts				
Capital Injections		15	15	-
Total Receipts from Financing Activities		15	15	-
Net Cash inflows from Financing Activities		15	15	-
Net Increase in Cash and Cash Equivalents				
		190	185	149
Cash and Cash Equivalents at the Beginning of the Reporting Period		4,851	4,760	4,702
Cash and Cash Equivalents at the End of the Reporting Period	18	5,041	4,945	4,851

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

ACT Gambling and Racing Commission
Statement of Appropriation
For the Year Ended 30 June 2019

	Original Budget 2019 \$'000	Total Appropriated 2019 \$'000	Appropriation Drawn 2019 \$'000	Appropriation Drawn 2018 \$'000
Controlled Recurrent Payments	5,037	5,037	5,037	4,913
Capital Injections	15	15	15	0
Total Controlled Appropriation	5,052	5,052	5,052	4,913

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

Column Heading Explanations

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

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

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

ACT Gambling and Racing Commission

Note Index of the Financial Statements

For the Year Ended 30 June 2019

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 - Impact of Accounting Standards Issued But Yet to be Applied

Income Notes

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

Expense Notes

Note	7	Supplies and Services
Note	8	Purchased Services
Note	9	Auditor's Remuneration

Asset Notes

Note	10	Cash and Cash Equivalents
Note	11	Receivables
Note	12	Intangible Assets

Liability Notes

Note	13	Payables
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Other Notes

Note	14	Financial Instruments
Note	15	Related Party Disclosures
Note	16	Commitments
Note	17	Contingent Liabilities
Note	18	Cash Flow Reconciliation
Note	19	Budgetary Reporting

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

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 - Impact of Accounting Standards Issued But Yet to be Applied

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 3. Controlled Recurrent Payments

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

	2019	2018
	\$'000	\$'000
Revenue from the ACT Government		
Controlled Recurrent Payments	5,037	4,913
Total Controlled Recurrent Payments	5,037	4,913

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	32,428	32,482
Interstate Lotteries ¹	16,432	13,737
Casino	2,781	2,685
Keno and Trackside Levy ²	1,712	1,140
Total Taxation Collected on Behalf of the Territory	53,353	50,044

1. The increase in Interstate Lotteries Taxation is due to increased ticket sales in 2018-19.
2. The increase in the Keno and Trackside Levy is due to increased gambling activity in 2018-19.

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

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.

	2019	2018
	\$'000	\$'000
Regulatory Fees		
Gaming Machines	225	238
Lotteries	1,743	1,843
Casino	19	14
Totalisator	1,069	1,050
Sports Bookmaking	15	15
Total Regulatory Fees	3,071	3,160

Note 6. Other Revenue

Other Revenue arises from the core activities of the ACT Gambling and Racing Commission. Revenue to the Problem Gambling Assistance Fund consist of a levy on gaming machine licensees and voluntary contributions from Casino Canberra and Tabcorp ACT Ltd.

	2019	2018
	\$'000	\$'000
Revenue from Non-ACT Government Entities		
Problem Gambling Assistance Fund	1,350	1,352
Total Other Revenue from Non-ACT Government Entities	1,350	1,352
Total Other Revenue	1,350	1,352

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 7. Supplies and Services

	2019 \$'000	2018 \$'000
Legal Fees ¹	13	74
Commission Members Remuneration	142	128
Payment from the Problem Gambling Assistance Fund	171	221
Other ²	429	262
Total Supplies and Services	755	685

1. The decrease in Legal Fees in 2018-19 is due to decreased engagement of ACT Government Solicitors Office services during the reporting period.
2. The increase in Other Supplies and Services is due to the Commission undertaking projects in addition to the funds provided to Access Canberra for the provision of services for the administration of gaming laws including the control, supervision and regulation of gaming and racing in the ACT. These additional projects include '*Managing the design and implementation of the Public Health harm prevention strategy*'; and '*updating of the Commission's communication material including the enhancement of the Commission website*'.

Note 8. Purchased Services

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

Problem Gambling Support Services	824	824
Purchase Service - Access Canberra ¹	4,843	4,708
Total Purchased Services	5,667	5,532

1. The Commission has entered into an agreement 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.

Note 9. 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	50	48
Total Audit Fees	50	48

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 10. Cash and Cash Equivalents

The ACT Gambling and Racing Commission holds four bank accounts with the Westpac Bank as part of the whole-of-government banking arrangements that earned an average floating interest rate of 2.33% (2017-18 2.35%).

	2019	2018
	\$'000	\$'000
Cash at Bank	5,041	4,851
Total Cash and Cash Equivalents	5,041	4,851

Note 11. Receivables

Gaming Machine Taxation	2,834	2,870
Interstate Lotteries Duty ¹	2,753	1,142
Casino Taxation	208	201
Sub-Total (Gambling Taxes)	5,795	4,213
Problem Gambling Assistance Fund Levy	124	118
Net GST Receivable/(Payable)	5	(1)
(Sub-Total) Other Receivables	129	117
Total Receivables	5,924	4,330

1. The increase in Interstate Lotteries Duty is due to the revenue amount for May 2019 is yet to be received as at 30 June 2019.

No receivables were overdue or impaired as at 30 June 2019 or as at 30 June 2018.

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 2019

Note 12. Intangible Assets

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

	2019	2018
	\$'000	\$'000
<i>Externally Purchased Software</i>		
Computer Software at Cost	907	907
Less: Accumulated Amortisation	(664)	(555)
<i>Total Externally Purchased Software</i>	<u>243</u>	<u>352</u>
Total Intangible Assets	<u><u>243</u></u>	<u><u>352</u></u>

Reconciliation of Intangible Assets

The following table shows the movement of each class of Intangible Assets in 2019 and 2018.

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

2018	Externally Purchased Software \$'000	Total \$'000
Carrying Amount at the Beginning of the Reporting Period	241	241
Additions	198	198
Amortisation	(87)	(87)
Carrying Amount at the End of the Reporting Period	<u>352</u>	<u>352</u>

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 13. Payables

	2019	2018
	\$'000	\$'000
Trade Payables	80	-
Accrued Expenses	140	131
Sub-Total	220	131
Taxation and Levies Revenue Payable to Government ¹	5,793	4,198
Total Payables	6,013	4,329

1. The increase in Taxation and Levies Payable to Government is mainly due Interstate Lotteries Duty for May 2019 not being received as at 30 June 2019. 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 2019 and 30 June 2018.

Classification of ACT Government/Non-ACT Government Payables

Payables with ACT Government Entities

Trade Payables	32	-
Accrued Expenses	-	47
Taxation and Levies Revenue Payable to Government	5,793	4,198
Total Payables with ACT Government Entities	5,825	4,245

Payables with Non-ACT Government Entities

Trade Payables	48	-
Accrued Expenses	140	84
Total Payables with Non-ACT Government Entities	188	84

Total Payables	6,013	4,329
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ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 14. 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 Bank.

The majority of the Commission's receivables are taxes payable by gaming licensees and lotteries duty payable by NSW Government. The Commission reviews outstanding receivables on a monthly basis with the option of prosecution or disciplinary action being taken against debtors with overdue or unpaid amounts. 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.

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

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.

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

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 2019

Note 14. Financial Instruments – Continued

Carrying Amount and Fair Value of Financial Assets and Liabilities

	Note No	Carrying Amount 2019 \$'000	Fair Value Amount 2019 \$'000	Carrying Amount 2018 \$'000	Fair Value Amount 2018 \$'000
Financial Assets					
Cash and Cash Equivalents	10	5,041	5,041	4,851	4,851
Receivables - Other Trade Receivables	11	-	-	-	-
Total Financial Assets		5,041	5,041	4,851	4,851
Financial Liabilities					
Payables	13	220	220	131	131
Total Financial Liabilities		220	220	131	131

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 2019

Note 14. 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		
Financial Instruments								
Financial Assets								
Cash and Cash Equivalents	10	2.33%	5,041	-	-	-	-	5,041
Total Financial Assets			5,041	-	-	-	-	5,041
Financial Liabilities								
Payables	13	-	-	-	-	-	220	220
Total Financial Liabilities			-	-	-	-	220	220
Net Financial Assets			5,041	-	-	-	(220)	4,821

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 14. 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 2018. 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.

2018	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		
Financial Instruments								
Financial Assets								
Cash and Cash Equivalents	10	2.35%	4,851	-	-	-	-	4,851
Receivables	11	-	-	-	-	-	-	-
Total Financial Assets			4,851	-	-	-	-	4,851
Financial Liabilities								
Payables	13	-	-	-	-	-	131	131
Total Financial Liabilities			-	-	-	-	131	131
Net Financial Assets			4,851	-	-	-	(131)	4,720

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 14. Financial Instruments - Continued

Carrying Amount of Each Category of Financial Liability	2019 \$'000	2018 \$'000
Financial Liabilities		
Financial Liabilities Measured at Amortised Cost	220	131

Note 15. 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 2018-19 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 employees of Chief Minister, Treasury and Economic Development Directorate (CMTEDD) and are compensated by CMTEDD.

Compensation by the Commission to KMP is set out below:

	2019 \$'000	2018 \$'000
Board Member fees	141	128
Total Compensation by the Commission to KMP	141	128

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 15. 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 statement 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 16. Commitments

Other Commitments

Other commitments consist of a contract with Relationships Australia Canberra and Region Inc. for the provision of Problem Gambling Support Services and a memorandum of understanding (MOU) 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. These amounts are reported as GST exclusive:

	2019	2018
	\$'000	\$'000
Within one year	5,845	5,612
Later than one year but not later than five years	-	4,870
Total Other Commitments¹	5,845	10,482

1. The decrease in Other Commitments relates to the Commission contract with Relationships Australia Canberra and Region Inc. and the MOU with Access Canberra expiring on 30 June 2020. (2017-18 Commitments includes two years of the MOU with Access Canberra and one year commitment with Relationship Australia however, 2018-19 Commitments includes one year of the MOU amount with Access Canberra and one year commitment with Relationship Australia as a result of one year contract extension following a procurement process).

Note 17. 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 \$2,350,637 (2017-18 \$2,350,386).

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 18. Cash Flow Reconciliation

(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement to the Equivalent Items in the Balance Sheet

	2019	2018
	\$'000	\$'000
Total Cash and Cash Equivalents Disclosed in the Balance Sheet	5,041	4,851
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement	5,041	4,851

(b) Reconciliation of the Operating (Deficit)/Surplus to the Net Cash Outflows from Operating

Operating (Deficit)/Surplus	(11)	157
Add/(Less) Non-Cash Items		
Depreciation and Amortisation	109	87
Cash Before Changes in Operating Assets and Liabilities	98	244
Changes in Operating Assets and Liabilities		
(Increase) in Receivables	(1,593)	(383)
Increase in Payables	88	128
Increase in Taxation Revenue Payable	1,596	359
(Decrease) in Other Liabilities	(14)	(1)
Net Changes in Operating Assets and Liabilities	77	103
Net Cash Inflows from Operating Activities	175	347

ACT Gambling and Racing Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2019

Note 19. 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 (-) 10% of the budget for the financial statement line item.

Operating Statement - No variances that met the criteria above were identified in the Operating Statement

Balance Sheet Line Items	Actual 2019 \$'000	Original Budget ^a 2019 \$'000	Variance \$'000	Variance %	Variance Explanation
Receivables	5,924	4,175	1,749	42	Note 1
Intangible Assets	243	328	(85)	(26)	Note 2
Payables	6,013	3,850	2,163	56	Note 3

- a. Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2018-19 Statement of Intent). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

Notes

- Receivables were higher than anticipated due to the revenue of Interstate Lotteries Duty for May 2019 yet to be received as at 30 June 2019.
- Intangible Assets were lower than anticipated due to annual amortisation being higher than budgeted.
- Payables were higher than expected due to an increase in Taxation and Levies Revenue Payable to Government as a result of Interstate Lotteries Duty for May 2019 not being received as at 30 June 2019. All taxes and levies received by the Commission are transferred on a daily basis to the ACT Government.

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

Cash Flow Statement - no variances that met the criteria above were identified in the Cash Flow Statement.

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 2019

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 Cash Flow Statement 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 to comply with Australian Accounting Standards as required by the FMA. These financial statements have been prepared in accordance with:

- i. Australian Accounting Standards; 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 Reporting Entity

The Commission is an individual reporting entity.

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 2019

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 2018-19 financial statements have been prepared on a going concern basis as the ongoing functions, activities and funding of the Commission are set out in the 2019-20 Statement of Intent.

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 2019

Significant Accounting Policies – Income

Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement.

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

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.

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

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>Depreciation/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.

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 10 – 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 2019

Significant Accounting Policies – Assets - Continued

Note 11 – 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 impairment 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 12 – 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 2019

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 13 – 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.

ACT Gambling and Racing Commission
Appendix C - Impact of Accounting Standards Issued But Yet to be Applied
Forming Part of Note 2 of The Financial Statements
For The Year Ended 30 June 2019

Accounting Standards Issued but yet to be Applied

Additional new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Commission does not intend to adopt these standards and interpretations early. None of these standards are expected to have a material impact.

Capital Works

The Commission had no projects included in the Capital Works Program for 2018-19.

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 \$243,000.

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: 2018-19 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
23630.210	Provision of the ACT Gambling Counselling and Support Service Services	Open tender	community-based services	No	Relationships Australia Canberra and Region	\$4,522,260	June 2014	30 June 2019
GS00107.210	Provision of the ACT Gambling Counselling and Support Services	Single select	community-based services	No	Relationships Australia Canberra and Region	\$975,195	June 2019	27 June 2020
No Number	Research into Gambling	Single select	consultancy	No	ANU Centre for Gambling Research	\$1,100,000	April 2009	16 April 2024

Contact for further information:	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 

Sensitive: Auditor-General

A19/23

Mr Paul Baxter
Chair
Governing Board
ACT Gambling and Racing Commission
Level 3-5, Cosmopolitan Building
21 Bowes Place
Woden ACT 2606

Dear Mr Baxter

**INDEPENDENT LIMITED ASSURANCE REPORT
ACT GAMBLING AND RACING COMMISSION
STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019**

The ACT Audit Office has completed the limited assurance engagement on the statement of performance of the ACT Gambling and Racing Commission for the year ended 30 June 2019.

I have attached the statement of performance and the independent limited assurance report.

I have provided a copy of the statement of performance and independent limited assurance report to the Attorney-General, Mr Gordon Ramsay MLA.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ajay Sharma'.

Ajay Sharma
Assistant Auditor-General, Financial Audit
23 August 2019

c.c. Mr David Snowden, Chief Executive Officer
Ms Margaret McKay, Senior Director
Mr Ron Leonard, Director

Level 4, 11 Moore Street Canberra City ACT 2601 PO Box 275 Civic Square ACT 2608
T 02 6207 0833 F 02 6207 0826 E actauditorgeneral@act.gov.au W www.audit.act.gov.au

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 (the Commission) for the year ended 30 June 2019.

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 2019 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
23 August 2019

ACT GAMBLING AND RACING COMMISSION

STATEMENT OF PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019



ACT Gambling and Racing Commission
Statement of Performance
For the Year Ended 30 June 2019

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 2019 and also fairly reflects the judgements exercised in preparing it.

A handwritten signature in black ink, appearing to read "Paul Baxter".

Paul Baxter
Chairperson
ACT Gambling and Racing Commission
13 August 2019



Gambling & Racing Commission
GPO Box 158, Canberra City ACT 2601
 GRCBoard@act.gov.au
 gamblingandracing.act.gov.au



**ACT Gambling and Racing Commission
Statement of Performance
For the Year Ended 30 June 2019**

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 2019

Output Class 1: Gambling Regulation and Harm Minimisation

Output 1.1: Gambling Regulation and Harm Minimisation

	Original Target 2018-19	Actual Result 2018-19	Variance from Original Target %	Reasons for Material Variance
Total cost¹	\$6,160,000	\$6,531,000	6.0	Note 1
Controlled Recurrent Payments	\$5,037,000	\$5,037,000	0	-
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	12	12	0	-
b Percentage of customers satisfied with the Gambling and Racing Commission	90%	95%	5.6	Note 2
c Percentage of the Canberra community satisfied with the ease of interacting with the Gambling and Racing Commission	95%	100%	5.3	Note 3
d Compliance rate during targeted campaign inspections	90%	100%	11.1	Note 4
e Compliance activities: engage, educate, enforce	70:20:10	78:22:0	11.4/10/(100)	Note 5
f Average level of helpfulness after issuing a notice or before issuing a license/authorisation	4.2 out of 5	4.0 out of 5	(4.8)	-

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 2019

Reasons for Material Variance

1. The result reflects an increase in supplies and services expenditure as a result of the Commission undertaking projects in addition to the memorandum of understanding. These additional projects were also undertaken by Access Canberra, on behalf of the Commission and include '*Managing the design and implementation of the Public Health harm prevention strategy*' and the '*Implementation of recommendations associated with audit of Community Contributions and subsequent review and amendments of the Gaming Machine ACT 2004*'.
2. The result reflects a greater level of client awareness, attitudes, behaviours and customer satisfaction of/with the Commission's corporate identity, channels and services.
3. The result reflects a greater level of satisfaction with the ease of interacting with the Commission.
4. The result reflects a greater level of voluntary compliance through ongoing engagement and education with licensees.
5. An increased focus on engagement and education activities impacted the level of compliance resulting in a reduction in the need to undertake enforcement action in the 2018-19 financial year.

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:
 - released its draft strategy "*Gambling Harm Prevention in the ACT – A Public Health Approach*" for consultation in October 2018;
 - completed the project *Gambling Harm Awareness Week 2018*. In 2018, the Commission facilitated Gambling Harm Awareness Week in the ACT. The week included a half day conference for industry and community sector with the theme Talk, Share, Support;
 - held a series of information sessions for industry and community sector on the Draft Strategy for "*Gambling Harm Prevention in the ACT*" in December 2018;
 - commissioned the ANU Centre for Gambling Research to undertake the ACT Gambling Survey 2019 (formally the Gambling Prevalence Survey) in December 2018. The research will provide updated information about gambling activity to enable prioritising of harm prevention and reduction initiatives;
 - completed a project with the Capital Health Network "*The Gambling Harm Assessment, Early Intervention and Referral*" in December 2018. The project sought to increase the early identification of people experiencing gambling harm through the development of clinical assessment and referral pathways accessible by GPs;

**ACT Gambling and Racing Commission
Statement of Performance
For the Year Ended 30 June 2019**

Explanation of Accountability Indicators - Continued

- Held a question and answer session for industry and community sectors in February 2019 on the ACT Gambling Survey. The session provided information on the 5 yearly surveys, outlined how the survey was to operate, and what the surveys were trying to achieve.
 - Delivered four training sessions for club board members. The training focus was to raise awareness of gambling harm and their obligations as board members, regarding patrons experiencing harm or at risk of experiencing harm in their venues.
 - Delivered 12 Gambling Contact Officer (GCO) annual training sessions over the reporting period. These sessions are Professional Development training for GCO's.
 - Held an information session for Government on indicators of gambling harm presented by Prof Delfabbro in March 2019. The information session provided an overview of the research behind the development of the indicators of gambling harm and strategies to support risk identification to government and industry;
 - Completed the Young People and Gambling project with the Youth Coalition of the ACT aimed to target young adults in the ACT (aged 18-30) in March 2019. This campaign worked to raise awareness of the indicators and risks of harmful gambling and to help inform and support peers concerned about another person's gambling;
 - Delivered Gambling Harm Awareness Training for non-gambling specific community sector workers in May 2019. This training aimed to assist community sector workers in the identification and provision of appropriate support for clients experiencing gambling harm; and
 - Completed a tender process for the provision of the Gambling Counselling Support Service in June 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.
- 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.

**ACT Gambling and Racing Commission
Statement of Performance
For the Year Ended 30 June 2019**

Explanation of Accountability Indicators - Continued

- e Compliance activities: engage, educate, enforce
 - This is a ratio for the engagement and education functions that are separate from the Commission exercising its enforcement powers against an industry, business or individual. Increasing efforts to educate and inform individuals, business and industries about their responsibilities and legal requirements leads to increased compliance rates, a reduction in complaints and the need for enforcement responses.
- f Average level of helpfulness after issuing a notice or before issuing a license/authorisation
 - This is an independent survey randomly selected industry groups that have had a regulatory interface with the Commission to identify the helpfulness 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 2018-19, all complaints were resolved to the satisfaction of the Commission.

Table 16: Summary of complaints received during 2018-19

Gambling Provider	Received	Substantiated	Not Substantiated	Ongoing	Incapable of Determination	Withdrawn
Casino						0
Gaming Machines	8	0	4	0	3	1
Lotteries	5	1	2	0	2	0
Racing and Wagering	3	1	1	0	1	0
Unlawful Games	1	0	1	0	0	0
Total	20	4	9	0	6	1

Of the seven ongoing complaints reported in 2017-18, one was substantiated, five were unable to be determined and one was referred to another agency.

Problem Gambling Assistance Fund

Under the *Gaming Machine Act 2004*, the Commission administers the Problem Gambling Assistance 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.

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.

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: Problem Gambling Assistance Fund Receipts 2018-19

Licensee	Amount \$	Licensee	Amount \$
Ainslie Group		Harmonie German Club	4,566
– Ainslie Football and Social Club	39,745	Hellenic Club Group	
– Gungahlin Lakes Golf & Community Club	68,661	– Hellenic Club in the City	9,514
Austrian Australian Club ¹	1,153	– Hellenic Club of Canberra	91,421
Belconnen Bowling Club ¹	863	Italo Australian Club	20
Belconnen Soccer Group		Magpies Group	
– Belconnen Soccer Club - Hawker	11,069	– Magpies Sports Club	4,635
– Belconnen Soccer Club - McKellar	16,944	Mawson Club	34,985
Canberra Bowling Club ¹	243	Murrumbidgee Country Club ¹	453
Canberra Deakin Football Club	10,006	National Press Club	0
Canberra Highland Society & Burns Club	27,546	Spanish Australian Club ¹	148
Canberra Irish Club Limited	3,404	Tuggeranong Rugby Union Group	
Canberra Labor Group		– Chisholm Sports Club	36,496
– Canberra Labor Club	114,030	– Lanyon Valley Rugby Union & Amateur Sports Club	33,594
– City Labor Club	24,713	– Town Centre Sports Club	52,061
– Ginninderra Labor Club	31,867	– Tuggeranong Valley Rugby Union & Amateur Sports Club	58,787
– Weston Creek Labor Club	12,170	Yowani Country Club ¹	1,361
RUC at Turner	4,715	Sub Total – Clubs	1,257,561
Canberra Racing Club ¹	0		
Canberra Raiders Group			
– Raiders Gungahlin	55,866		
– Raiders Belconnen	49,484	Civic Pub	543
– Raiders Weston	31,867	Kambah Inn	418
Canberra Services Club		Kingston Hotel	452
– Canberra Club (Manuka)	0	Mercure Canberra	112
– Canberra Club (Barton)	385	Statesman Hotel Motel	334
Canberra Southern Cross Group		Sub Total – Hotels/Taverns	1,859
– Southern Cross Club	100,941		
– Southern Cross Club - Jamison	32,795	Casino Canberra	47,862
– Southern Cross Club – Tuggeranong	63,409	Tabcorp	48,819
– Southern Cross Club - Yacht Club	0	Sub Total – Others	96,681
Canberra Tradesmen's Union Club	134,345		
Eastlake Group		TOTAL²	1,356,101
– Calwell Club	29,772		
– Eastlake Football Club	29,302		
– Sports Club Kaleen	11,088		
– Eastlakes Gungahlin	22,833		

Notes:

1. Problem Gambling Assistance Fund Levy paid annually
2. Total Income to the Problem Gambling Assistance Fund does not include bank interest of \$45,354

Table 18: Problem Gambling Assistance Fund – Projects and Funding as at 30 June 2019

Project Name	Outcomes	Status	Funds Committed (excl GST)	Funds Spent in 2018 19 (excl GST)	Recipient of Funds
ACT Gambling Counselling and Support Service	<ul style="list-style-type: none"> • Access to professional gambling counselling and support for people experiencing problems with gambling, including families and friends. • Access to professional financial counselling. • Gambling providers and other help services in the ACT have access to support in assisting gamblers believed to have problems with their gambling. • Harm from problem gambling is reduced as a result of a proactive approach to community education and early intervention 	Ongoing - Relationships Australia began delivering the service on 1 July 2014. Care Inc is subcontracted to provide financial counselling.	\$4,130,693 (over 5 years)	\$824,404	Relationships Australia for the provision of gambling counselling and support services.
			Year 1 – \$809,606		
			Year 2 – \$828,327		
			Year 3 – \$824,404		
			Year 4 – \$824,404		
		In 2018-2019, the Service conducted 419 gambling appointments; 103 family and friends counselling appointments and 778 financial counselling appointments. Valid enquiries to the 1800 858 858 included 77 gamblers and 12 family and friends; valid counselling calls with 93 gamblers and 42 family and friends.	Year 5 – \$824,404		
		The service accepted the Commission's offer of two one-year extensions to the Services Agreement which is now due to conclude on 30 June 2019.	12 months - \$886,541		
			Monthly option rate for up to 12 months - \$74,643		
		A Single Select Source procurement process was undertaken, and the Service and Commission signed a contract for 12 months with the possibility for up to 12 extensions of one month on the 27 June 2019.			

Project Name	Outcomes	Status	Funds Committed (excl GST)	Funds Spent in 2018 19 (excl GST)	Recipient of Funds
Training for Non-Gambling Specific Community Sector Workers	Community sector workers in the ACT have increased skills to assist their clients who may have problems with gambling.	AGCSS is now responsible for organising, promotion and delivery of this training from 2017/18.	\$70,000	\$8,395	Bell MHT Pty Ltd
Introductory Level Course: Reducing Gambling Harm Workshop		This training package was updated to reflect a public health approach to gambling harm prevention. The first training session was delivered in June 2018.		\$452	Relationships Australia
Acquisition and Introduction of Exclusion Capability in the ACT	<p>This project delivers an effective venue exclusion scheme in the ACT by:</p> <ul style="list-style-type: none"> • improving access to exclusion information by gambling venues; • streamlining the exclusion process; and • providing immediate access to statistical data about the uptake and use of this harm minimisation measure. 	<p>The database became operational in late June 2014. All licensees are using the database.</p> <p>In 2016, the database was expanded to include the recording of gambling incidents.</p>	\$440,000	\$12,367	Support Agreement to developer Hammond Street
Research Project: Client Cohort Longitudinal Study	This research project aimed to document histories of how individuals reached problem gambling treatment services and will then follow clients through the period of receiving help and for a minimum of two years after their treatment has ended. The project was designed to address a number of gaps in the existing knowledge base related to how people	Due to recruitment targets for Year three of the project not being met, it has been agreed that the project will not be continued. A final report analysing the data collected though the project is to be provided to the Commission.	\$786,109	\$0	N/A

Project Name	Outcomes	Status	Funds Committed (excl GST)	Funds Spent in 2018 19 (excl GST)	Recipient of Funds
	interact with help services and their experiences after treatment. The project was jointly funded by the PGAF and the NSW Office of Liquor, Gambling and Racing.	Summation Report received in June 2019.			
Youth Coalition of ACT 'Young People and Gambling' Part Two	Part Two of this project builds upon the work of Part 1 and is focused on rolling out communication materials designed on the result of the information and findings of the At Odds Project Part 1. This involves improvements and evaluation of the At Odds website and social media platforms, and development of short films, digital stories, and other communication material designed to most effectively engage young people.	Deed of Grant for Part 2 of the At Odds Project was signed 2 March 2018. Completed. Final report received in April 2019.	\$99,974	\$34,974	Youth Coalition of ACT
Gambling Help Online	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 2019.	\$55,000	\$7,445	ACT contribution to national MOU
Gambling Research Australia	Gambling Research Australia is a partnership between the Commonwealth, State and Territory Governments for the establishment and funding of national gambling research projects	The most recent 5 year program ceased in June 2014. A new 3 year MOU was signed in the 2017/18 financial year.	\$8585	\$4,908	ACT contribution to national MOU
Capital Health Network	Education and training through events for GPs and NPs on Chronic Disease Management that will include education on	The Project is continuing, with the final report expected August 2018.	\$55,000	\$5,000	Capital Health Network Ltd

Project Name	Outcomes	Status	Funds Committed (excl GST)	Funds Spent in 2018 19 (excl GST)	Recipient of Funds
	addressing lifestyle issues with patients and impacts of lifestyle issues on mental health.	Completed. Final report received in December 2018.			
Gambling Harm Awareness Week 2018	Gambling Harm Awareness Week provides an opportunity for the ACT Gambling and Racing Commission to raise community awareness about range and extent of gambling harm in the ACT.	Gambling Harm Awareness Week 2018 ran from 8 - 14 October. A half day conference for industry and community sector was held on the 9 October with the theme Talk, Share and Support. An extensive communications campaign was rolled out across a variety of mediums and the release of the Draft Strategy for gambling harm prevention in the ACT – A public health approach occurred.	\$60,000	\$45,975	University of Canberra Ann Harding Conference Centre (\$5,211) Airfares for NZ Guest Speaker (\$1,158) Nation Creative (\$7,480) Gotransit Media (\$9,091) Omnicom Media Group (\$17,153) CAPA Pty Ltd (\$5,500) Mental Health Community Coalition (109) Cultural Facilities Corporation (\$273)
Gambling Contact Officer Training	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 - 14 sessions were completed with 205 participants in 2018-19.	\$78,398	\$55,785	Wisdom Learning
Club Board Member Training	This project has been developed for club board members to raise awareness of gambling harm and their obligations regarding patrons experiencing harm or at risk of experiencing harm in their venues.	Ongoing - Four sessions have been completed in 2018-19 with 58 club board members	\$20,000	\$1,500	Wisdom Learning
TOTAL			\$5,991,175	\$1,001,205	

Contact for further information:	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

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 2018-19 annual report of the Justice and Community Safety Directorate.

Legal Services Directions

See the 2018-19 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

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

On 10 July 2018, the Attorney-General re-appointed Mr John Kalokerinos as President of the Tribunal for a term of three years. Mr Andrew Satsia was re-appointed as Deputy President for the same term. Ms Noor Blumer and Ms Pam Burton were re-appointed as members.

In August 2018, the Attorney-General appointed two new members to the Tribunal, Ms Kay Barralet, and Mr Paul Barrett.

As at 30 June 2019, the members of the Tribunal are:

- Mr John Kalokerinos (President)
- Mr Andrew Satsia (Deputy President)
- Ms Noor Blumer
- Ms Pam Burton
- Ms Kay Barralet
- Mr Paul Barrett

Mr Desmond Gleeson is an Assessor of the Tribunal, appointed to assist and advise the Tribunal.

Rules of the Tribunal

On 14 December 2018, the President made a new set of Rules of the Tribunal, in substitution for the previous rules which were made in 2007. The new rules update and further clarify the provisions governing hearings of the Tribunal.

Vale Grant Lalor

The Racing Appeals Tribunal noted with sadness the death of former ACT Magistrate Grant Lalor who passed away on 26 February 2019. Mr Lalor served as member and President of the Tribunal from 2004 until 2011.

Appeals lodged with the Tribunal

Mathew Cahill v The Canberra Racing Club Inc.

On 24 January 2019, the Tribunal, constituted by the President, Mr John Kalokerinos and Members Ms Noor Blumer and Ms Kay Barralet heard the matter of *Mathew Cahill v The Canberra Racing Club Inc.* The Tribunal was assisted in this matter by the Assessor, Mr Desmond Gleeson.

On 30 December 2018, Mr Mathew Cahill received a six-week suspension of his licence to ride handed down by the stewards of the Canberra Racing Club, after having been found guilty of breaching rules 135(b) and (d) of the Australian Racing Rules, relating to the obligation of the rider of a horse shall take all reasonable and permissible measures throughout the race to ensure that his horse is given full opportunity to win or obtain the best possible place in the field.

On 2 January 2019, Mr Cahill lodged an appeal against the decision and the penalty. Mr Cahill also sought a stay of the decision pending the outcome of his appeal. The Tribunal upheld Mr Cahill's appeal and dismissed the finding of guilt. Mr Cahill's licence to ride was restored and his appeal bond returned.

Blaire McDougall v The Canberra Racing Club Inc.

On 13 June 2019, the Tribunal, constituted by the President, Mr John Kalokerinos, the Deputy President Mr Andrew Satsia and Member Ms Noor Blumer, heard the matter of *Blaire McDougall v The Canberra Racing Club Inc.*

The appeal related to a breach of the Australian Racing Rules by Mr McDougall on 24 May 2019. Upon weighing in after his race, Mr McDougall was found to be 600 grams under the weight allotted to his mount. Following an inquiry, the stewards of the Canberra Racing Club found Mr McDougall guilty of breaching Australian Racing Rule 209(2), relating to the weight required to be carried by a horse in a race.

As a result, Mr McDougall's mount was disqualified from its second placing in the race, and his licence to ride was suspended for 10 days by the stewards. The stewards' inquiry noted that there was no explanation for the weight loss and acknowledged that there appeared to be no malicious intent by Mr McDougall or those associated with him.

On 28 May 2019, Mr McDougall lodged an appeal against the penalty imposed. Mr McDougall also sought a stay of decision pending the outcome of his appeal. The Tribunal accepted that neither party could offer an explanation for the loss of weight, and that therefore the offence was of a lesser seriousness than one in which the rider deliberately shed weight to gain advantage, or as a result of demonstrated negligence.

The Tribunal considered all relevant circumstances including the appellant's good record, his experience, the significance of the race, the seriousness of the offence, and the amount of weight which exceeded that allowed.

The Tribunal also considered a range of previous decisions regarding similar underweight cases tendered by both parties, and noted that no appellate-level decisions on such cases were found or tendered for consideration. After taking all circumstances into account, the Tribunal found that suspension was appropriate penalty in this case, but for a lesser period, and substituted the original suspension with a suspension of 5 days.

Contact for further information:	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
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
PGAF	Problem Gambling Assistance Fund
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

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

A

ACT Government Solicitor's Office, 79
ACT Public Service Code of Ethics, 17
ACT Remuneration Tribunal, 18
Applications, 29, 30
Auditor-General, 4, 17, 36, 39

B

Betting, 32
Board, 15, 16, 17, 18, 25, 45, 83, 92, 93, 104, 109
Bookmaking, 32
Breaches, 28, 29, 32, 33

C

Capital Works, 3, 62, 93
Casino Canberra, 48, 55, 74, 104, 105
Casino Control Act 2006, 27, 28
Chief Executive, 5, 10, 15, 16, 17, 41, 42, 83
Chief Minister, 2, 7, 10, 36, 37, 44, 46, 47, 52, 54, 83, 111, 114
Clubs, 25, 31, 35, 36, 39, 40, 105
Community Contributions, 35, 39, 54, 101
Complaints, 3, 16, 104
Consumer Protection, 17
Corruption, 46
Counselling, 12, 16, 93, 102, 106, 114

D

Deputy Director-General, 10
Disciplinary Action, 28
Disputes, 32

E

Ecologically Sustainable Development, 3, 52
Economic Development, 10, 36, 37, 44, 46, 47, 52, 83, 114
Exclusion Database, 77

F

Fees, 55, 66, 69, 71, 74, 75, 89
Financial Management Act, 15, 87, 88, 100, 114
Financial Report, 36
Fraud Prevention, 3, 46
Funding, 4, 106

G

Gambling and Racing Control (Code of Practice) Regulation 2002, 29, 32
Gambling Counselling and Support Services, 93
Gambling Help Online, 108
Gambling Research Australia, 24, 108, 114
Gaming Machine, 6, 14, 24, 29, 30, 31, 35, 39, 54, 73, 74, 76, 77, 101, 104, 116
Gaming Machine Act 2004, 6, 14, 24, 29, 35, 39, 104, 116
Gaming Machine Revenue, 104
Gaming Regulation, 34
Government Contracting, 3, 93

H

Harm Minimisation, 19, 66, 100
Hotels, 31, 105

I

Inspections, 28, 29, 32, 33
Instruments, 71, 79, 80, 81, 82, 83
Interactive Gaming, 34
Internal Audit, 3, 18, 44, 45

K

Keno, 56, 73, 116

L

Licence, 29, 30, 32
Licensees, 29, 31, 32, 35
Lotteries, 29, 33, 57, 58, 59, 73, 74, 76, 78, 86, 104, 116
Lotteries Act 1964, 29, 33, 116

M

Membership of the Commission, 15

O

Objectives, 4, 20, 53, 71, 72, 99
Ombudsman, 43, 47

P

Policies, 71, 72, 79, 87, 89, 90, 91
Problem Gambling, 3, 4, 19, 20, 21, 24, 55, 74, 75, 76, 84, 100, 101, 104, 105, 106, 115
Problem Gambling Assistance Fund, 3, 4, 19, 24, 55, 74, 75, 76, 100, 101, 104, 105, 106, 115

R

Race Bookmaker, 32
Racing Appeals Tribunal, 3, 112
Racing Club, 105, 113
Raffles, 33
Regulation, 19, 29, 32, 34, 39, 66, 93, 100
Research, 13, 14, 22, 24, 25, 93, 101, 107, 114
Responsible Gambling, 12, 48
Risk Management, 3, 7, 44, 111

S

Sports Bookmaking, 32, 74
Statement of Intent, 10, 41, 44, 53, 70, 86, 88
Statement of Performance, 3, 19, 36, 94, 99, 100, 101, 102, 103

T

Taverns, 31, 105
Taxes, 55, 58, 73, 76, 89
Trade Promotion Lotteries, 33
Training, 14, 25, 102, 107, 109
Transmittal Certificate, 3, 5, 6

W

Wagering, 32, 104
Work Health and Safety, 3, 50

The background is a solid blue color. In the top left corner, there are overlapping green and lime green curved shapes. In the bottom left corner, there is a white curved shape. In the bottom right corner, there are overlapping green and blue rectangular shapes.

gamblingandracing.act.gov.au