



AOTEAROA
GAMING
TRUST

Annual Report

SUMMARY 2023





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Whakataukī

Tē tōia, tē haumatia

Nothing can be achieved without a plan, a workforce, and a way of doing things.

This whakataukī speaks to the way AGT goes about the business of operating a Class 4 society. We plan, we value our staff, and we operate with a social conscience.

Introduction

Aotearoa Gaming Trust (AGT) is a New Zealand wide gaming machine operation that generates and distributes funding for community organisations.

Our gaming operation is predicated on strong venue partnerships, up-to-date gaming rooms, and exemplary compliance practises.

Since AGTs inception in 1998 approximately \$362.5 million has been distributed to communities around New Zealand.

At AGT we are rightfully proud of the contribution we have made and continue to make to communities across New Zealand.

The Board of Trustees are careful stewards of community funding and, alongside the grants committee, take great care to distribute to a wide variety of organisations with a strong community focus.



**AOTEAROA
GAMING
TRUST**

Directory

As at 31 December, 2023

Principal business:

Administration of gaming machines

Distribution of funds to charitable organisations

Date of establishment:

16 January 1998

Incorporation number:

880363

Head office:

98 Glasgow St.

PO Box 858

Dunedin

Telephone: 03 471 8850

Email: info@agt.nz

Website: www.agt.nz

Trustees:

Evan Moore (Chair)

Doug McCaulay (Deputy Chair)

Karen Shea

Peter Haslemore

Chief Executive:

Karen Shea

Solicitors:

Wilkinson Rodgers

Bankers:

Bank of New Zealand

Auditors:

Audit Professionals Limited

Board of Trustees



Evan More LLB, B Divinity
Chair

Evan was born and raised in the Maniototo and completed his law degree at the University of Otago. He worked as a general lawyer with his primary areas of expertise being residential conveyancing, general family law, wills, trusts and estate administration. He is now retired and living in Central Otago.

Evan is currently a member of the national Class4 (C4) Governance Group. The group is focused on improving strategic perspectives and governance for the C4 sector.



Doug McCaulay CMIInstD
Deputy Chair

Doug brings a wealth of experience to the board. His areas of expertise include security, training, and the hospitality sector. He has a particular interest in, and experience of, risk management at governance level. Doug's knowledge and understanding of the financial management of C4 societies brings valuable input to the Board of AGT. Doug holds a number of board positions.



Karen Shea CMIInstD
Chief Executive

Karen has spent over 30 years in the C4 sector. Firstly, working for the regulator and then, as one of the founders of AGT. Karen is on the Executive of the Gaming Machine Association of New Zealand (GMANZ) and is a Chartered Member of the Institute of Directors.

Not only is Karen one of the most experienced Chief Executives and Trustees in the C4 sector she has a wide-ranging knowledge of the charity sector. She is a strong advocate for a socially responsible and community focused approach to operating gaming machines.



Peter Haslemore
Trustee

Peter has had a lengthy career as a public servant working for a variety of different organisations including the Department of Internal Affairs. More recently he worked in the public health sector. Peter has significant not-for-profit experience and is active in the community organisations, with a focus on sport and surf lifesaving in particular.



Case Study

Leukaemia & Blood Cancer New Zealand

Leukaemia & Blood Cancer New Zealand (LBC) is the national charity dedicated to supporting patients and their families living with blood cancers (leukaemia, lymphoma, myeloma, and serious blood conditions).

LBC has been supporting New Zealanders affected by blood cancers since 1977. LBC's work is only possible through fundraising events and the generous support they receive from individuals, companies, trusts, and grants. AGT has supported LBC since 2005. LBC works closely with the AGT grants team to develop applications for grants for their operational costs such as the Support Services Team salaries.

Anna Deason, Grants Manager at LBC NZ says *"We are very grateful for the ongoing financial support we have received from AGT. This ensures our Support Services Team are out on the road throughout the country, dedicated to improving the lives of those impacted by blood cancer. From organising counselling for children, or by lending a listening ear, the team are at the heart of LBC's mission to care."*

The ongoing partnership with AGT stands as a testament to the resilience and commitment of both organisations. This support enables the organisation to extend its reach, provide essential services, and make a meaningful impact in the lives of individuals navigating the challenges of blood cancers throughout New Zealand.



CHAIR AND CHIEF EXECUTIVE'S REPORT

On reflection, 2023 work streams continued to be impacted by the ongoing uncertainty surrounding the regulatory changes. The Judicial Review wasn't delivered until 21 December 2023 and the end result was no change to the regulations. AGT will continue to provide support and education tools to our venue operators to ensure they have all the information and assistance necessary to run compliant venues and socially responsible gaming operations.

Despite the circumstances, we are pleased to report that Aotearoa Gaming Trust (AGT) has increased our harm minimisation efforts and continued to work on community relationships in order to meet our strategic social responsibility goals. As a result, we continue to actively minimise

opportunity for any harmful impacts of gambling while at the same time having the best possible impacts on the communities we fund.

Internationally New Zealand is one of the few countries without restrictions on the providers of online gambling. We do expect that the new government, will in time, exercise their political mandate and that this will influence the gambling environment across New Zealand. While the C4 sector in New Zealand is already heavily regulated and transparent it is currently an anomaly that the online gambling sector is unregulated. This is an area where we expect to see change in 2024.

In 2023 AGT welcomed two new area representatives, Steve Cleave (upper South Island) and Ciaran O'Kelly (lower North Island).



These appointments will allow us to expand our reach and improve our levels of customer service in these areas. At the same time, our on-going attention to fleet improvement and technology-based solutions to the business challenges we are all facing, underpins our determination and commitment to provide the best possible service to our Venues. The fact that AGT has continued to improve the average gaming machine income per week across 2023 is evidence that these initiatives are working.

The gambling regulators have been visiting venues recently to assess how staff have been implementing the new regulations. A number of AGT venues were visited. Overall, AGT venues were showing a good understanding of the new regulations, and a willingness to comply.

It is pleasing to report that grant recipient numbers increased from 1123 in 2022 to over 1160 in 2023 resulting in community groups across New Zealand receiving in excess of \$12.8 million an increase of approximately \$875,000 on 2022.

The Board of Trustees would like to express their gratitude to our venue operators for the work they do at the venue and within their local communities to ensure a safe entertainment experience for gambling customers.

AGT, as a socially responsible operator, will continue to fund a broad base of organisations supporting local communities. We fund community groups, amateur sport, education, health, and the arts.

The Board would like to express its thanks to the staff for their work and continued support of AGT and its objectives throughout 2023.

Nāku noa, nā

Evan More

Chairperson

Karen Shea

Chief Executive/Trustee

Report of the Independent Auditor on the Summary Financial Statements

to the Trustees of Aotearoa Gaming Trust

Our Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2023, the summary statement of financial performance and summary statement of cash flows for the 53 weeks then ended, and related notes, are derived from the audited financial statements of Aotearoa Gaming Trust for the 53 weeks ended 31 December 2023. In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in the notes to the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required for the full financial statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 20 February 2024.

Trustees' Responsibilities for the Summary Financial Statements

The Trustees' are responsible for the preparation and presentation of the summary financial statements in accordance with PBE FRS-43: Summary Financial Statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Our firm performs agreed upon procedures for the Trust in connection with prospective financial information. This work has not impaired our independence as auditors of the Trust.

Restriction on Distribution or Use

This report is made solely to the Trustees as a body. Our audit work has been undertaken so that we might state to them those matters which we are required to state to them in an audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees, as a body, for this report, or for the opinions we have formed.

Audit Professionals Limited

Chartered Accountants
20 February 2024

Dunedin



AOTEAROA GAMING TRUST

Summary Statements for the 53 weeks ended
31 December 2023

AOTEAROA GAMING TRUST SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE 53 WEEKS ENDED 31 DECEMBER 2023

	31-Dec 2023 \$	25-Dec 2022 \$
REVENUE		
Gaming Revenue	32,035,678	29,642,698
Other income	1,932	324
Net gain on disposal of property, plant and equipment	-	16,160
OPERATING REVENUE	32,037,610	29,659,182
EXPENDITURE		
Administration & Employee Costs	2,233,995	2,054,134
Depreciation, Amortisation & Loss on Disposal	2,411,326	2,334,463
Direct Operational Costs	9,758,156	8,907,336
Venue Payments	5,095,411	4,690,642
OPERATING EXPENDITURE	19,498,888	17,986,575
SURPLUS AVAILABLE FOR DISTRIBUTION	12,538,722	11,672,607
DISTRIBUTIONS TO THE COMMUNITY	12,495,204	11,465,203
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	43,518	207,404

SUMMARY STATEMENT OF CHANGES IN NET ASSETS / EQUITY FOR THE 53 WEEKS ENDED 31 DECEMBER 2023

	31-Dec 2023 \$	25-Dec 2022 \$
EQUITY AT THE BEGINNING OF THE PERIOD	5,758,514	5,551,110
CHANGE IN EQUITY - SURPLUS FOR THE PERIOD	43,518	207,404
EQUITY AT THE END OF THE PERIOD	5,802,032	5,758,514

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

AOTEAROA GAMING TRUST

SUMMARY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	31-Dec 2023 \$	25-Dec 2022 \$
ASSETS		
Current Assets	2,015,660	1,987,150
Non-Current Assets	5,593,097	5,407,005
TOTAL ASSETS	7,608,757	7,394,155
LIABILITIES		
Current liabilities	1,806,725	1,635,641
Non current liabilities	-	-
TOTAL LIABILITIES	1,806,725	1,635,641
NET ASSETS	5,802,032	5,758,514
EQUITY		
Accumulated Funds	5,802,032	5,758,514
TOTAL EQUITY	5,802,032	5,758,514

SUMMARY CASH FLOW STATEMENT

FOR THE 53 WEEKS ENDED 31 DECEMBER 2023

	31-Dec 2023 \$	25-Dec 2022 \$
NET CASHFLOW FROM OPERATING ACTIVITIES	2,450,503	2,596,512
NET CASHFLOW TO INVESTING ACTIVITIES	(2,680,393)	(2,489,245)
NET CASHFLOW FROM FINANCING ACTIVITIES	-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(229,890)	107,267
CASH AND CASH EQUIVALENTS AT END OF PERIOD	910,268	1,140,158

For and on behalf of the Trustees:



Evan Moore



Karen Shea

20 February 2024

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

AOTEAROA GAMING TRUST

SUMMARY NOTES TO THE FINANCIAL STATEMENTS

1. Aotearoa Gaming Trust (the "Trust") is a charitable trust registered in New Zealand under the Charitable Trusts Act 1957. The Trust is involved in the gaming industry, and its principal trading activities are the ownership and operation of gaming machines, and the distribution of surpluses arising from these activities to community groups either within the region from which the surpluses originated, or to organisations which provide services nationally in accordance with the standards and practices set out by the Gambling Act 2003 and the associated regulations.

2. The full financial statements of the Trust have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with PBE Standards as appropriate for Tier 2 not-for-profit public benefit entities. The functional and presentation currency for the Trust is New Zealand Dollars. Note that the 2023 period is 53 weeks and the 2022 comparative period is 52 weeks.

3. The summary financial statements have been extracted from the full financial statements. The financial statements of Aotearoa Gaming Trust include the Statement of Comprehensive Revenue and Expense, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows. The summary financial statements do not include all the disclosures contained in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.

4. A copy of the financial statements may be obtained on request from the Trust's office (Telephone 0800 424 274), PO Box 858, Dunedin.

5. The Trust maintains an interest register in which the Trustees record all parties and transactions which they have an interest. At the time of discussion and approval of the grants the relevant trustee noted their involvement and excluded themselves from the decision making process. During the period the Trust made grant distributions to and purchased goods and services from the following organisations that were on the Trustee's register of interests:

Related Party	Nature of Relationship	2023	2022
Andersons Bay Basketball Club	Karen Shea and other staff have family attending	800	-
Auckland Football Federation	Doug McCaulay is an independent board member	39,099	-
Belfast Bowling Club	Staff member is a member	10,000	4,024
Fire in Ice Outrigger Canoe Club Inc.	Peter Haslemore is a member of the club	14,885	15,000
Island Park Golf Club	Steve Bennet is a member	-	5,500
Trinity (Kavanagh) College	Karen Shea and other staff have family attending	10,000	13,523
Otago Boys High School	Staff have family attending	10,000	15,644
Otakou Golf Course	Evan Moore is a member of the club	20,000	-
Golf Otago Inc	Staff member is a member	15,000	12,300
St Clair Golf Club	Staff member is a member	25,000	6,937
City Choir Dunedin	Steve Bennett has a family member attending	13,500	3,000
Ida Valley Poll Trust	Associated to Fiona Jakobs	-	9,937
Volley Ball Otago	Staff member is a member	-	4,288
Parafed Otago	Cam Wilson is treasurer	11,600	-
Royal New Zealand Returned and Services Inc.	Jocelyn Faul is on the board of directors	150,000	-
Blackstone Hill Cemetery	Associated to Fiona Jakobs	1,500	-
Burnside Rugby Club	Staff member is a member	16,800	-
Total		\$338,184	\$90,153

Salaries and other short term employee benefits of \$561,660 for 4 full-time equivalent employees (2022: \$517,021, 4 FTE) were paid to key management personnel during the period.

There were no amounts paid in 2023 for termination, post- employment or other long term benefits. Trustees fees of \$71,385 (2022: \$65,205) were paid to four trustees during the period.

- 6.** The Trust has no capital commitments (Dec 2022: \$0) relating to equipment purchases.
- 7.** The annual full financial statements of Aotearoa Gaming Trust have been audited by Audit Professionals Limited who have issued an unmodified audit opinion in respect to the financial statements on 20 February 2024.
- 8.** The Trustees authorised the publication of the full financial statement on 20th February 2024 and these Summary Financial Statements on 20 February 2024.
- 9.** These Summary Financial Statements are in compliance with PBE FRS-43 Summary Financial Statements.
- 10.** There are no events subsequent to 31 December 2023 that require disclosure in the summary financial statements.



AOTEAROA GAMING TRUST

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