

*Trust House Foundation
Accounts*

2022-23



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Trust House Foundation
Statement of profit or loss
For the year ended 31 March 2023

Statement of profit or loss
For the year ended 31 March 2023

	Note	2023 \$	2022 \$
Income			
Revenue from contracts with customers	4	11,138,571	10,293,465
Gain on sale of fixed assets		<u>511</u>	<u>10,000</u>
Total Income		<u>11,139,082</u>	<u>10,303,465</u>
Operating expenses	5	6,176,104	5,910,915
Finance costs		(30,874)	(21,620)
Finance income		<u>30,785</u>	<u>1,872</u>
Net finance (expense)		<u>(89)</u>	<u>(19,748)</u>
Net surplus before charitable distributions		<u>4,962,889</u>	<u>4,372,802</u>
Charitable distributions	6	<u>(4,717,319)</u>	<u>(4,268,245)</u>
Net profit		<u>245,570</u>	<u>104,557</u>

Statement of comprehensive income
For the year ended 31 March 2023

	Note	2023 \$	2022 \$
Net profit for the year		245,570	104,557
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>245,570</u>	<u>104,557</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements



Trust House Foundation
Statement of changes in equity
For the year ended 31 March 2023

Statement of changes in equity
For the year ended 31 March 2023

	2023 \$	2022 \$
Equity at start of year	1,754,453	1,649,896
Total comprehensive income	<u>245,570</u>	<u>104,557</u>
Equity at end of year	<u>2,000,023</u>	<u>1,754,453</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements



Trust House Foundation
Statement of financial position
As at 31 March 2023

Statement of financial position

As at 31 March 2023

	Notes	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	9	2,690,995	2,312,708
Prepayments		<u>104,646</u>	<u>87,442</u>
Total current assets		<u>2,795,641</u>	<u>2,400,150</u>
Non-current assets			
Plant and equipment	7	1,137,153	1,186,178
Intangible assets	8	<u>106,015</u>	<u>94,208</u>
Total non-current assets		<u>1,243,168</u>	<u>1,280,386</u>
Total assets		<u>4,038,809</u>	<u>3,680,536</u>
Current liabilities			
Trade and other payables	12	1,044,078	545,924
Borrowings	10	150,000	150,000
Charitable distribution allocated		<u>844,708</u>	<u>930,159</u>
Total current liabilities		<u>2,038,786</u>	<u>1,626,083</u>
Non-current liabilities			
Borrowings	10	-	300,000
Total non-current liabilities		-	<u>300,000</u>
Equity			
Retained earnings	18	<u>2,000,023</u>	<u>1,754,453</u>
Total equity		<u>2,000,023</u>	<u>1,754,453</u>
Total liabilities and equity		<u>4,038,809</u>	<u>3,680,536</u>

For and on behalf of the Board


Trustee
21/6/2023


Lucy Griffiths
Deputy Chair

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements



Trust House Foundation
Statement of cash flows
For the year ended 31 March 2023

Statement of cash flows

For the year ended 31 March 2023

	2023	2022
Notes	\$	\$
Cash flows from operating activities		
Cash was provided from:		
Gaming machine revenue	11,138,571	10,293,465
Interest received	<u>30,785</u>	<u>1,872</u>
	<u>11,169,356</u>	<u>10,295,337</u>
Cash was applied to:		
Payments to suppliers	5,552,392	5,392,919
Charitable distributions	4,802,770	4,003,829
Interest paid	30,874	21,620
GST (net)	<u>10,589</u>	<u>(31,558)</u>
	<u>(10,396,625)</u>	<u>(9,386,810)</u>
Net cash inflows from operating activities	13 <u>772,731</u>	<u>908,527</u>
Cash flows from investing activities		
Cash was provided from:		
Sale of fixed assets	511	10,000
	511	10,000
Cash was applied to:		
Purchase of fixed assets	75,941	196,455
Purchase of intangible assets	<u>19,014</u>	<u>32,240</u>
	<u>(94,955)</u>	<u>(228,695)</u>
Net cash (outflow) from investing activities	<u>(94,444)</u>	<u>(218,695)</u>
Cash flows from financing activities		
Cash was provided from:		
Cash was applied to:		
Repayments of borrowings	<u>(300,000)</u>	<u>(150,000)</u>
	<u>(300,000)</u>	<u>(150,000)</u>
Net cash inflow / (outflow) from financing activities	<u>(300,000)</u>	<u>(150,000)</u>
Net increase/(decrease) in cash held	378,287	539,832
Opening cash balance	<u>2,312,708</u>	<u>1,772,876</u>
Closing cash balance	<u>2,690,995</u>	<u>2,312,708</u>
Closing cash is made up of:	<u>2,690,995</u>	<u>2,312,708</u>
Cash and cash equivalents	9 <u>2,690,995</u>	<u>2,312,708</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements



Statement of Accounting Policies

1 REPORTING ENTITY

The Foundation is a Charitable Trust incorporated and domiciled in New Zealand. The address of its registered office is 4 Queen Street, Masterton.

These financial statements have been prepared in accordance with the Trust Deed of the Trust House Foundation and the Gambling Act 2003.

Trust House Foundation runs a number of class IV gaming venues and distributes profits by way of charitable donations.

2 BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements of the Foundation comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

Under the Accounting Standards Framework, the Foundation has determined that it is a 'tier two' entity, as the Foundation has expenses less than \$30 million, however the foundation has elected to report under 'tier one' reporting standards.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). For the purposes of complying with NZ GAAP the entity is a for-profit entity.

The financial statements of Trust House Foundation are for the year ended 31 March 2023. The financial statements were approved by the Trustees on 21 June 2023.

Changes in accounting policy and disclosures

There have been no changes to NZIFRS standards applied in these financial statements.

(b) Measurement base

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in New Zealand dollars, which is the Foundation's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

(d) Measurement uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The Foundation does not believe there are significant risks in relation to these estimates or assumptions.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods in these financial statements.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below for receivables and trade and other payables.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

A financial instrument is recognised if the Foundation becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Foundation's contractual rights to the cash flows from the financial assets expire or if the Foundation transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Foundation commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Foundation's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Foundation's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Receivables

Trade and other receivables are stated at their cost less impairment losses.

Trade and other payables

Trade and other payables are initially measured at fair value.

Charitable distributions allocated

Charitable distributions allocated are recognised when grants are approved.

Charitable distributions allocated are initially measured at fair value.

Plant and equipment

Recognition and measurement

Plant and equipment consists of gaming machines and other related equipment. Plant and equipment is shown at cost, less accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated on a straight-line basis on all plant and equipment assets at a rate which will write off the cost of the assets to their estimated residual value over their useful lives. The depreciation rates for plant and equipment is 25% per annum as recommended by the Department for Internal Affairs that regulates Class IV Gaming.

Intangible assets

Intangible assets comprise of software acquired by the Foundation. Intangible assets acquired by the Foundation which have finite lives are measured at cost less accumulated amortisation and accumulated impairment losses. The amortisation rate for intangible assets is 25%, calculated on a straight-line basis, as recommended by the Department of Internal Affairs that regulates Class IV gaming.

Impairment

The carrying amounts of the Foundation's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of profit or loss.



3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Foundation has leases with variable payments in relation to payments to the venue operators where Class IV gaming is conducted. As the leases have variable payments, no right of use asset nor lease liability is recognised in the Statement of Financial Position. The lease is expensed as incurred and shown as site rentals in the operating expenses. The site rental payments are for leasing the gaming room area and for services provided by the venue operator. The Foundation has elected to classify all of the site rental payments as a lease under the practical expedient available in NZ IFRS 16.

Revenue

Gaming machine income

Revenue from gaming operations is measured at the fair value of the consideration received or receivable. Revenue is recognised when recovery of the consideration is probable.

Tax

The Trust House Foundation is exempt from Income Tax.

Goods and services tax

These accounts are prepared on a GST exclusive basis with the exception of Trade Creditors and Capital Payables, which are stated on a GST inclusive basis. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Receivable or Trade and other payables (as appropriate). The net GST paid or received from the IRD including the GST relating to investing and financial activities, is classified as an operating cash flow in the Cash Flow Statement.

Charitable donations

Charitable donations are recognised when approval is given.

Borrowings

Long term debt is recognized initially at fair value, net of transaction costs incurred.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Interest on qualifying assets is capitalised to the asset.



4 REVENUE

	2023 \$	2022 \$
Revenue from contracts with customers	11,138,571	10,293,465
Revenue from other sources	511	10,000
Total revenue	<u>11,139,082</u>	<u>10,303,465</u>

Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines in the lower North Island:

	Revenue recognised at a point in time \$	Revenue recognised over time \$	Total \$
2023			
Gaming operations:			
Gross machine profits	11,138,571	-	11,138,571
Total	<u>11,138,571</u>	<u>-</u>	<u>11,138,571</u>

	Revenue recognised at a point in time \$	Revenue recognised over time \$	Total \$
2022			
Gaming operations:			
Gross machine profits	10,293,465	-	10,293,465
Total	<u>10,293,465</u>	<u>-</u>	<u>10,293,465</u>

The performance obligation for gaming operations is satisfied at a point in time as payment is made at the time the service is rendered. There are no variable considerations, right of return, refunds, warranties or other related obligations.

There are no services provided where revenue is recognised over time.



5 OPERATING EXPENSES

	2023 \$	2022 \$
Details of operating expenses are:		
Administration and financial	521,691	565,916
Audit Fees	17,000	15,537
Other services provided by auditor		
-Prospective financial statements review*	4,734	4,210
Gaming machine licenses	139,321	141,103
Depreciation	496,476	560,145
Amortisation of intangible assets	57,625	64,091
EMS Monitoring	114,538	112,202
Loss on disposal of assets	17,771	-
Loss on disposal of intangible assets	3,448	3,223
Service maintenance & insurance expenses	207,968	217,495
Gaming machine duty	2,561,871	2,367,497
Problem gambling levy	129,111	92,332
Site rentals	1,780,249	1,646,954
Trustees fees and expenses	124,301	120,210
	<u>6,176,104</u>	<u>5,910,915</u>

6 CHARITABLE DISTRIBUTIONS

	2023 \$	2022 \$
Charitable distributions approved	5,046,550	4,584,509
Add back - distributions not uplifted	(267,899)	(149,848)
- distributions refunded	(61,332)	(166,416)
	<u>4,717,319</u>	<u>4,268,245</u>

Refer to Note 19 for a full list of grants approved.

Net grants approved of \$4,717,319 represents 42.35% of total revenue.



7 PLANT AND EQUIPMENT

**Furniture
and plant
\$**

Cost

Balance as at 1 April 2021	4,444,827
Additions	210,042
Disposals	<u>(31,314)</u>
Balance as at 31 March 2022	<u>4,623,555</u>

Balance at 1 April 2022	4,623,555
Additions	465,223
Disposals	<u>(397,263)</u>
Balance as at 31 March 2023	<u>4,691,515</u>

Depreciation and impairment losses

Balance as at 1 April 2021	2,908,546
Depreciation for the year	560,145
Disposals	<u>(31,314)</u>
Balance as at 31 March 2022	<u>3,437,377</u>

Balance as at 1 April 2022	3,437,377
Depreciation for the year	496,476
Disposals	<u>(379,491)</u>
Balance as at 31 March 2023	<u>3,554,362</u>

Carrying amounts

As at 31 March 2022	<u>1,186,178</u>
As at 31 March 2023	<u>1,137,153</u>



8 INTANGIBLE ASSETS

	Gaming software \$
Cost	
Balance as at 1 April 2021	378,350
Additions	26,490
Disposals	<u>(4,995)</u>
Balance at 31 March 2022	<u>399,845</u>
 Balance as at 1 April 2022	 399,845
Additions	72,880
Disposals	<u>(32,495)</u>
Balance at 31 March 2023	<u>440,230</u>
 Amortisation and impairment losses	
Balance as at 1 April 2021	243,318
Amortisation charge for the year	64,091
Disposals	<u>(1,772)</u>
Balance at 31 March 2022	<u>305,637</u>
 Balance as at 1 April 2022	 305,637
Amortisation for the year	57,625
Disposals	<u>(29,047)</u>
Balance at 31 March 2023	<u>334,215</u>
 Carrying amounts	
As at 31 March 2022	<u>94,208</u>
As at 31 March 2023	<u>106,015</u>



9 CASH AND CASH EQUIVALENTS

These comprise of deposits held on call at banks.

10 BORROWINGS

	2023 \$	2022 \$
Current liabilities		
Loan from related parties	<u>150,000</u>	<u>150,000</u>
	<u>150,000</u>	<u>150,000</u>
Non-current liabilities		
Loans from related parties	<u>-</u>	<u>300,000</u>
	<u>-</u>	<u>300,000</u>

Terms and debt repayment schedule

	Nominal interest rate	Year of maturity	Face value 2023 \$	Carrying amount 2023 \$
Summary of terms				
Loan from Trust House Limited	8.12%	2025	<u>150,000</u>	<u>150,000</u>
Total interest-bearing liabilities			<u>150,000</u>	<u>150,000</u>

The loan from Trust House Limited is payable in monthly instalments over 4 years. The interest rate charged is the rate Trust House Limited pays on its floating rate borrowings with the BNZ. The loan is not secured.



11 FINANCIAL INSTRUMENTS

Classification and fair value

The carrying amount of financial instruments approximates their fair value.

Liquidity risk

Exposure to liquidity risk arises in the normal course of the Foundation's business.

Liquidity risk represents the Foundation's ability to meet its contractual obligations. The Foundation evaluates its liquidity requirements on an ongoing basis. In general, the Foundation generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls.

The following table sets out the contractual cash flows for all financial liabilities.

Other risks

The Foundation is not exposed to other substantial risk in relation to credit risk, market risk or interest rate risk.

2023	12 months or less	1 - 2 years	2 - 5 years	More than 5 years	Contractual cash flows	Carrying amount liabilities
Trade and other payables	568,496	-	-	-	568,496	568,496
Charitable distributions payable	844,708	-	-	-	844,708	844,708
Borrowings	156,613	-	-	-	156,613	156,613
Total	<u>1,569,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,569,817</u>	<u>1,569,817</u>
2022	12 months or less	1 - 2 years	2 - 5 years	More than 5 years	Contractual cash flows	Carrying amount liabilities
Trade and other payables	141,167	-	-	-	141,167	141,167
Charitable distributions payable	930,159	-	-	-	930,159	930,159
Borrowings	173,802	164,472	155,082	-	493,356	450,000
Total	<u>1,245,128</u>	<u>164,472</u>	<u>155,082</u>	<u>-</u>	<u>1,564,682</u>	<u>1,521,326</u>



12 TRADE AND OTHER PAYABLES

	2023 \$	2022 \$
Gaming machine duty payable	287,596	214,425
Problem gambling levy	17,860	9,617
Goods and services tax payable	170,126	180,715
Audit fees payable	17,000	14,537
Trade creditors	83,486	101,767
Capital payables	414,144	24,863
Intangible payables	53,866	-
	<u>1,044,078</u>	<u>545,924</u>

13 RECONCILIATION OF NET SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 \$	2022 \$
Net profit/(loss) for year	245,570	104,557
Add non-cash items		
Depreciation	496,476	560,145
Amortisation	<u>57,625</u>	<u>64,091</u>
	554,101	624,236
Add/(less) movement in working capital items		
(Increase) in debtors and prepayments	(17,204)	(10,859)
(decrease)/Increase in charitable distribution payable	(85,451)	264,416
Increase/(decrease) in payables and accruals	<u>55,007</u>	<u>(67,046)</u>
	(47,648)	186,511
Add/(less) investing activities		
Loss on sale of intangible assets	3,448	3,223
Loss/(Profit) on sale of plant and equipment	<u>17,260</u>	<u>(10,000)</u>
	20,708	(6,777)
Net cash inflow from operating activities	<u>772,731</u>	<u>908,527</u>

14 LEASES

The Foundation does not have any term commitment in relation to leases. It did however pay, in a manner prescribed by the Department of Internal Affairs, site rentals for the gaming in the Trust House Limited, Rimutaka Licensing Trust and other independent venue operators premises where its gaming machines are located. Details of these payments are in Notes 5 and 16.

The payments for site rentals are entirely variable and the maximum payment is the lessor of 1.28% of Gaming Turnover (before payouts) or 16% of Gross Machine Profits (revenue) for each venue. Lease payments will therefore vary in direct proportion to revenue. These payments are the maximum allowed under the Class IV gaming regulations. These lease payments are presented in operating activities in the statement of cash flows.

15 CONTINGENT LIABILITIES AND COMMITMENTS

The Trust House Foundation has no contingent liabilities or commitments as at 31 March 2023 (2022: Nil).



16 RELATED PARTY TRANSACTIONS

Parent and ultimate controlling party

The Foundation is considered to be a controlled entity of Trust House Limited. The ultimate controlling party is the Masterton Community Trust.

(a) Trust House Limited

(i) The Trust House Foundation is an Independent Charitable Trust. Three Trustees of the Trust House Foundation are also Directors of Trust House Limited.

(ii) Trust House Limited is also responsible for administering the Foundation. Site rental payments between this Foundation and Trust House Limited are carried out on a commercial and arms-length basis.

(iii) The Trust House Foundation paid \$400,000 for management fees to Trust House Limited in 2022/23 (2021/22: \$438,145).

(iv) In 2022/23 the Trust House Foundation paid site rentals of \$1,373,641 to Trust House Limited (2021/22: \$1,191,098).

(v) In March 2021 Trust House Foundation borrowed \$600,000 from Trust House Limited. The funds were primarily used to purchase gaming machines and equipment for a new venue that the Foundation gained. For detailed terms and conditions of the loan please refer to Note 10.

(vi) As at 31 March 2023, Trust House Foundation owed Trust House Limited \$179,456 (2021/22: \$508,493).

(b) Rimutaka Licensing Trust / Rimutaka Trust

(i) One Trustee from the Rimutaka Licensing Trust is also a Trustee of the Trust House Foundation.

(ii) In 2022/23 the Trust House Foundation paid site rentals of \$99,267 to the Rimutaka Licensing Trust (2021/22: \$78,726).

(iii) As at 31 March 2023, the Trust House Foundation owed the Rimutaka Licensing Trust \$2,452 (2021/22: \$195).

(c) Masterton Community Trust

(i) Four Trustees from the Masterton Community Trust are also Trustees of the Trust House Foundation.

(d) Transactions with key management personnel

The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

Lucy Griffiths, a Trustee of Trust House Foundation, is the spouse of a major shareholder in Technology Solutions which provides technology services and hardware to Trust House Foundation. During the year Trust House Foundation paid Technology Solutions \$5,275 (2021/22: \$33,973). The amount outstanding at year end was nil (2022: \$24,863).



16 RELATED PARTY TRANSACTIONS (continued)

Key management personnel compensation

The Trustees of the Foundation are not remunerated for their work on the Trust House Foundation board, they are remunerated for their work on regional net proceeds committees and the amount of fees paid for this are shown below.

	2023	2022
	\$	\$
Mena Antonio	6,790	15,480
Litea Ah-Hoi (resigned October 2022)	13,400	15,480
Tom Jones	8,000	8,000
Jaistone Finau (from October 2022)	10,740	6,000
Karl Taucher	8,000	8,000
Lucy Griffiths	14,690	6,000
Jock Kershaw (resigned April 2022)	3,500	6,000
Bert Lincoln	8,000	8,000
Rebecca Johnson (resigned November 2022)	6,000	6,000
Leanne Southey (appointed March 2023)	-	-
	<u>79,120</u>	<u>78,960</u>

Fees paid to members of the regional net proceeds and advisory committees who are not Foundation board members make up the balance of payments to total Trustees fees and expenses as shown in note 5. Comparative information may differ from previously audited financial statements due to the appointment of Trustees during the financial year and the inclusion of their prior year related party transactions in comparative costs

17 CAPITAL MANAGEMENT

The Foundation's capital includes retained earnings. Equity is represented by net assets. The Foundation manages its revenues, expenses, assets, liabilities and general financial dealings prudently. The Foundation equity is largely managed as a by-product of managing revenue, expenses, assets and liabilities.

18 RETAINED EARNINGS

Gaming machine proceeds are generated in the premises of Trust House Limited, Rimutaka Licensing Trust and other independent operators. Trust House Foundation has established regional net proceeds committees in Masterton, Rimutaka, Flaxmere and Porirua. Regional net proceeds committees consider grant applications from their area and make recommendations to the Trust House Foundation board. The Trust House Foundation board considers these recommendations and may or may not approve them.



19 GRANTS APPROVED

Grants approved Masterton

Access Radio Wairarapa	8,000
Age Concern New Zealand Inc	995
Air Training Corps Assn Masterton Branch 21 Squadron	2,000
All Kiwi Sports Club Inc	120,000
Alzheimers Society Manawatu	8,000
Alzheimers Wairarapa Inc	15,000
Anglican Diocese of Wellington	45,000
Aratoi Regional Trust	55,000
Arohanui Hospice Service Trust	15,000
Autism New Zealand - Wellington and Wairarapa	4,000
Autism Wairarapa Charitable Trust	25,000
Bowls Wairarapa Inc	5,000
Breast Cancer Aotearoa Coalition Inc	2,000
Bush Aquatic Trust	50,000
Bush Childrens Day Trust	3,000
Bush Hockey Club	4,000
Bush Multisports Trust	10,873
Bush Sports Club Inc	10,000
Camp Quality New Zealand	3,000
Cancer Society of New Zealand Manawatu Centre Inc	7,000
Capital Zone Basketball Trust	11,000
CCS Disability Action Wairarapa Inc	5,000
ChangeAbility Inc	30,000
ChangeMakers Resettlement Forum	8,000
Cobblestones Trust	10,000
Come Sew With Me Charitable Trust	15,000
Community Networks Wairarapa Inc	15,000
ConArt Gallery and Studios Inc	1,520
Country Village Heaven	55,000
Crisis Pregnancy Support Wairarapa Trust	10,000
Dalefield Hockey Club	20,736
Destination Wairarapa Inc	150,000
Digital Seniors	15,000
Douglas Villa Association Football Club Inc	15,000
Dressage Wellington	8,765
Eastside Community Group	3,000
Eketahuna Health Centre	3,500
Epilepsy Association of New Zealand Inc	4,500
Eventing Wairarapa	2,230
Featherston Beautification Group	2,500
Featherston Booktown Trust	35,000
Featherston Community Centre Charitable Trust	8,000
Featherston Heritage Complex Society Inc	8,500
Featherston Hockey Club Inc	3,000
Fernridge School	12,000
Film Talks	15,434
Foureyes Foundation Limited	13,000
Friends of the Queen Elizabeth Park Inc	35,000
Giants Softball Club	1,470
Girlguiding New Zealand	7,000
Gladstone School Board of Trustees	3,692
Gladstone Womens Hockey Club	1,000
Greater Wellington Backcountry Trust Inc	3,200
Greytown Rugby Football Club	2,864
Hoe Tonga Pacifica Waka Ama Association	6,000
Holdsworth Restoration Trust	8,000
House of Science Wairarapa Charitable Trust	10,000
Huntingtons Disease Association Wellington Inc	1,720



19 GRANTS APPROVED (continued)

IDFNZ Kids Foundation	1,330
Kahungunu Ki Wairarapa	7,000
Kia Kaha Hockey Club Inc	5,060
Kidz Need Dadz	2,000
Kopuaranga Hall Society Inc	10,926
Kuranui College Board of Trustees	10,000
Lakeview School Board of Trustees	7,000
Lansdowne Cricket Club Inc	4,300
Learn and Live Ministries Charitable Trust Inc	45,000
Leaving The Ladder Down Charitable Trust	18,000
Leukaemia and Blood Cancer New Zealand	4,000
Life Education Trust Wairarapa Tararua and Central Hawkes Bay	4,500
Lions Club of Martinborough Charitable Trust	1,000
Longbush Swimming Club	5,000
Mahi Tahi Tatou Charitable Trust	15,500
Mahunga Golf Club Inc	9,500
Marist Old Boys	4,500
Marist Rugby Football Club Masterton Inc	5,000
Martinborough Colonial Museum Trust	4,500
Martinborough Lions Club	1,000
Martinborough Music Festival Trust	10,000
Martinborough Youth Trust	10,000
Masterton A & P Association	42,500
Masterton Association Football Club Inc	2,000
Masterton Bridge Club Inc	11,000
Masterton Christian Fellowship Trust	11,000
Masterton Community Church	15,000
Masterton Community Toy Library Inc	5,000
Masterton District Council	100,000
Masterton Golf Club	10,000
Masterton Primary School	18,000
Masterton Racing Club Inc	5,000
Masterton Red Star Rugby Club	15,000
Masterton Squash Rackets Club Inc	13,000
Masterton Tennis Centre	3,300
Masterton Young Citizens Club Inc	20,000
Maungaraki Junior Youth Darts	4,000
Netball Wairarapa Inc	80,000
New Zealand Equestrian Federation Inc - Wairarapa	19,000
New Zealand Pacific Studio Inc	7,000
New Zealand Red Cross Wairarapa Branch	10,500
New Zealand Suzuki Institute Inc	1,500
Ngai Tumapuhia A Rangi Maori Marae Committee Inc	16,329
Ngai Tumapuhia-a-Rangi Ki Okautete Inc	50,000
NZ Council of Victim Support Groups - Wairarapa	6,000
NZ Riding For The Disabled Association Inc	3,500
Oasis Trust	8,400
Outward Bound Trust of New Zealand	10,000
Pahiatua Fishing Carnival	1,900
Pahiatua School Board of Trustees	10,000
Pahiatua Upstairs Cinema Society	4,400
Panda Events New Zealand Limited	2,000
Parent To Parent New Zealand Inc Manawatu	3,000
Parent to Parent NZ Inc Wellington	2,500
Parish of The Epiphany	4,500
Perinatal Mental Health NZ Trust	2,556
Pioneer Sports Club Inc	25,000
Poto College House Trust	13,500
Project Restore New Zealand Trust	8,000
Pukaha Mount Bruce Board	130,000
Rangatahi to Rangatira Charitable Trust	10,000

19 GRANTS APPROVED (continued)

Rangitane o Wairarapa Inc Iwi Development	40,000
Red Robin Club of Greytown	850
Red Star Hockey	2,484
Red Star Squash Club	10,000
Riding for the Disabled Association Wairarapa Group Inc	8,500
Riversdale Surf and Lifesaving Club Inc	8,748
Road Safety Education Ltd	3,120
Shelter Masterton Inc	20,000
Sir Edmund Hillary Outdoor Pursuits Centre	7,000
South End School	3,650
South Wairarapa Pipe Band	2,760
St John Wairarapa District	8,800
St Marks Churchwardens	2,500
Starjam Charitable Trust	4,500
Stroke Central New Zealand Inc	4,320
Supporting Families In Mental Illness NZ (SFNZ) Ltd	18,000
Tararua College Board of Trustees	40,000
Tararua Squash Club Inc	6,000
Te Awhina Cameron Community House Inc	71,400
Te Ha Ora The Asthma and Respiratory Foundation Charitable Trust	6,500
Te Hauora Runanga O Wairarapa Inc	8,000
Te Kura Kaupapa Maori o Wairarapa	1,500
The Carterton District Historical Society Inc	7,000
The Duke of Edinburgh's Hillary Award	3,084
The Friends of Millennium Native Forest Reserves Society Inc	3,000
The Life Flight Trust	15,500
The Lighthouse Church Charitable Trust	10,000
The Rare Disorders New Zealand Trust	3,000
The Scout Association of New Zealand	5,000
The Upsidedowns Education Trust	4,000
The Wellington Multiple Sclerosis Society Inc	3,000
The Wellington Regional Sports Education Trust t/a Nuku Ora	9,000
Tinui & Castlepoint Community Trust	5,000
Tora Bombora	3,500
Wairarapa Balloon Society Inc	30,000
Wairarapa Bird Club Inc	1,500
Wairarapa Bush Rugby Football Union Inc	75,000
Wairarapa Bush Rugby Referees Association Inc	2,000
Wairarapa Cancer Society Inc	20,000
Wairarapa College	12,900
Wairarapa Community Centre Trust	19,000
Wairarapa Cricket Association Inc	56,450
Wairarapa Diamonds Leisure Marching Team	1,500
Wairarapa Dragon Boat Club Inc	4,000
Wairarapa Dressage	5,000
Wairarapa Embroiders Guild	700
Wairarapa Four Wheel Drive Club	6,000
Wairarapa Harness Racing Club Inc	3,500
Wairarapa Hockey Association Inc	11,500
Wairarapa Mathematics Association	2,000
Wairarapa Pony Club Inc	10,000
Wairarapa Racing Club Inc	23,000
Wairarapa REAP	15,050
Wairarapa Secondary School Sport	8,500
Wairarapa Spitfires Baseball Club Inc	10,000
Wairarapa Tennis Assn Inc	8,000
Wairarapa Track and Field Inc	7,500
Wairarapa Vintage Machinery Club Inc	7,000
Wairarapa Women's Centre	6,000
Wairarapa Woodworkers Guild Inc	1,150
Wairarapa Youth Charitable Trust	30,000



19 GRANTS APPROVED (continued)

Waitech Trust	7,500
Walwaste Inc	18,000
Wellington Astronomical Society	5,000
Westside Playcentre	8,500
Whaiora Whanui GP Services	10,000
Whanau Manaaki Kindergartens - Una Williams	3,800
Whanau Manaaki Kindergartens - Carterton	1,500
Wings Over Wairarapa Community Trust	80,000
Y M C A Central Inc Masterton	9,000
Yarns in Barns	6,500
Youthline Central North Island Inc	15,000
Total grants approved Masterton	2,734,775

Grants approved Porirua

Age Concern Wellington	7,874
Altrusa International of Ohariu	650
Aotea College	40,000
Asert-Tatou Development Trust	30,000
Asthma New Zealand Inc	20,000
Barnardos New Zealand	5,000
Bellyful New Zealand Trust Porirua	8,189
Big Buddy Mentoring Trust	6,000
Bishop Viard College	30,000
Brandon Intermediate Board of Trustees	1,597
Cannons Creek School	7,810
Cannons Creek Youth Charitable Trust	7,000
Changemakers Refugee Forum Inc	10,000
Citizens Advice Bureau Porirua Inc	40,000
Cystic Fibrosis Association of New Zealand	1,031
Dementia Wellington Charitable Trust	15,000
Derek Wootton Memorial Trust	11,000
Dsport	12,220
Foureyes Foundation Limited	14,400
Glenview School	67,642
Graeme Dingle Foundation Wellington	13,000
Growing Places Charitable Trust	10,000
Heart Kids New Zealand Inc	5,000
Holy Family School	16,000
Judgeford Golf Club Inc	2,410
Kapi Mana Netball Centre	50,000
Kiwi Community Assistance Charitable Trust	20,833
Life Education Trust North Wellington	20,000
Lions Club of Mana Charitable Trust	12,000
Mafutaga Tupulaga Tokelau Porirua Inc	5,410
Mana Amateur Athletic Club	8,648
Nature School NZ Trust	6,000
Nga Uri o Whiti Te Ra Mai Le Moana	47,000
North City Cricket Club Inc	9,004
North Porirua Care Centre Trust	5,000
Northern United Rugby Football Club Inc	70,000
NZ Riding For The Disabled Association Inc	5,000
Pacific Connection Choir Inc	10,000
Pacific Heat Sports Club	2,340
Papakowhai School	7,000
Paremata Boating Club Inc	5,000
Paremata Plimmerton RFC	15,000

19 GRANTS APPROVED (continued)

Parkinson's New Zealand	10,000
Partners Porirua Charitable Trust	45,000
Pauatahanui School Board of Trustees	5,000
Porirua City Council	67,000
Porirua City Tag NZTFI Module Inc	5,300
Porirua City United Softball Club Inc	2,000
Porirua Community Arts Council Inc	4,240
Porirua East Eagles Netball Club	5,000
Porirua Foundation Inc	32,000
Porirua Grand Traverse Trust	25,000
Porirua Panthers Sportszone	2,900
Porirua Rowing Club	10,000
Porirua Vikings Rugby League Community Club Inc	9,500
Porirua Volleyball Club	14,331
Rangikura School	21,297
Redwood School	2,100
Respected Aotearoa	20,000
Special Olympics Mana	30,604
Sri Lanka Association of New Zealand (SLANZ) Inc	1,362
St George Rugby League Football Club	5,000
St Pius X School	9,960
St Theresa's School Board of Trustees	4,286
St Vincent De Paul Society	5,000
Stroke Central New Zealand Inc	4,320
Tawa College Board of Trustees	18,262
Tawa Lyndhurst Tennis Club Inc	9,060
Tawa Progressive and Ratepayers Assn Inc	9,568
Tawa Services Bowling Club Inc	6,396
Tawa Swimming Club	12,290
Te Whare Tiaki Wahine Refuge	25,000
The Gift Trust	7,502
The House of Grace Trust Inc	10,000
The Plimmerton Boating Club	3,000
The Scout Association of New Zealand	8,000
Titahi Bay Amateur Athletics Club	38,000
Titahi Bay Marlins RLC	17,034
Titahi Bay Playcentre	48,740
Titahi Bay Tennis Club Inc	50,000
Titahi Golf Club Inc	13,000
Viking Masters Sports Club Inc	6,668
Wahine Toa Multisports & Cultural Club Inc	9,000
Wellfed NZ Trust	30,000
Wellington City Mission Anglican Trust Board	59,952
Wellington North Badminton Association Inc	30,000
Wellington Northern Region Polyfest Trust	20,000
Wellington Philatelic Society	4,000
Wellington Rugby League Masters	3,163
Wellington Samoa Rugby Union	6,840
Wellington Volunteer Centre	12,000
Western Suburbs Football Club	30,000
Whanau Manaaki Kindergartens - Papakowhai	2,500
Whitby Bowling Club Inc	3,708
Whitby Tennis Club	5,000
Whitford Brown Community Workshop Trust	7,345
YMCA Central Inc	9,720
Young and Hungry Arts Trust	1,500
Zonta Club Of Mana	1,619
Total grants approved Porirua	1,540,125

19 GRANTS APPROVED (continued)

Grants approved Rimutaka

Big Buddy Mentoring Trust	6,000
Cystic Fibrosis Association of New Zealand	1,031
Footnote Dance Trust Board	4,135
Heretaunga Players Inc	1,000
NZ Council of Victim Support Groups Upper Hutt	5,654
NZ Riding For The Disabled Association Inc	5,000
Riding for the Disabled Association Hutt Valley Group Inc	6,000
Rimutaka Gymsports Inc	9,330
Rimutaka Incline Railway Heritage Trust	4,383
Rimutaka Inline Hockey Club Inc	1,800
Road Safety Education Limited	1,820
Scout Association of NZ - Hutt Valley Gang Show	9,205
Special Olympics Hutt Valley	1,509
Stroke Central New Zealand Inc	5,184
Tararua Sports Club	25,000
Totara Park Playcentre	10,780
Totara Park School	5,226
Trentham United Harrier Club Inc	5,576
Upper Hutt Citizen Advice Bureau Inc	4,500
Upper Hutt City Council	19,647
Upper Hutt Community Youth Trust	5,962
Upper Hutt Foodbank Inc	5,000
Upper Hutt Multicultural Council Inc	6,180
Upper Hutt Rams Rugby Football Club	7,386
Upper Hutt Toy Library Inc	3,000
Whirinaki Whare Taonga	20,000
Total grants approved Rimutaka	180,308

Grants approved Flaxmere

Age Concern Flaxmere Inc	28,500
Arts Inc Heretaunga Inc	6,375
Awahi Charitable Trust	4,000
Big Brothers Big Sisters of Hawke's Bay	3,000
Birchleigh Polo	6,000
Birthright (HB) Child and Family Care Trust	6,000
Brain Injury Association (HB) Inc	3,870
Cancer Society of New Zealand Hawkes Bay Centre Inc	10,000
Christian Lovelink	3,000
Cystic Fibrosis Association of New Zealand	1,031
Family Works Hawkes Bay (Presbyterian Support East Coast)	20,000
Flaxmere Baptist Community Fund	7,000
Flaxmere College	30,000
Flaxmere Community Patrol	5,000
Flaxmere Mana Wahine Softball	5,000
Flaxmere Planning Committee	28,276
Flaxmere Schools Cluster	120,000
FOTO Iwi	1,000
Graeme Dingle Foundation Hawkes Bay	8,000
Hastings District Council	18,000
Hastings Group Riding for the Disabled Assn Inc	3,000
Hawkes Bay Community Fitness Centre Trust	15,000
Hawke's Bay Netball Centre Inc	2,000
Hawke's Bay Regional Sports Park Trust	2,500
Hawke's Bay Volunteer Coastguard Inc	10,000

19 GRANTS APPROVED (continued)

He Pua ma Te Katoa Health Limited	10,000
Heretaunga Women's Centre	5,500
Hibernian AFC Inc	2,500
Inspire In Education Ltd	7,000
It Takes Time	5,000
Kimi Ora Community School	8,600
Ko Wai Tou Ingoa Hauora Charitable Trust	5,000
Leg-Up Trust	20,000
MAC Sports Association Inc	10,000
Maca Sports Leadership Charitable Trust	1,000
Ngati Kahungunu Iwi Inc	10,000
Nourished for Nil Ltd	6,000
NZ Council of Victim Support Groups Hawkes Bay	3,000
NZ Riding For The Disabled Association Inc	5,000
Ocean Beach Kiwi Surf Life Saving Club Inc	4,249
One Voice Community Services Trust	15,000
Outward Bound Trust of New Zealand	9,200
Paharakeke Sports Club Inc	7,500
Prima Volta Charitable Trust	20,758
Punavai O Le Gagana Samoa Pre-school	15,000
Road Safety Education Ltd	1,200
Royal New Zealand Plunket Trust	10,000
Swimming Hawke's Bay Poverty Bay Inc	2,880
Taiao Combat Academy	4,542
Tamatea Rugby League Club Inc	2,500
Taradale Volunteer Brigade	3,500
Te Whare Aroha O Nga Mokopuna Inc	5,000
The Cranford Hospice Trust	44,861
Total grants approved Flaxmere	<u>591,342</u>
 Total grants approved	 5,046,550
Reversed / reduced	<u>(329,231)</u>
	<u>4,717,319</u>

Independent Auditor's Report

To the Board of Trustees of Trust House Foundation

The Auditor-General is the auditor of Trust House Foundation (the Foundation). The Auditor-General has appointed me, Brent Kennerley, using the staff and resources of Grant Thornton, to carry out the audit of the Foundation's annual report on the conduct of class 4 gambling for the year ended 31 March 2023, on his behalf.

Opinion

We have audited the annual report on the conduct of class 4 gambling that comprises:

- the itemised statement of the application or distribution of net proceeds from class 4 gambling for authorised purposes for the year ended 31 March 2023 of the Foundation on pages 1 to 24; and
- the statement of financial position as at 31 March 2023, the statement of profit or loss, statement of comprehensive income; statement of changes in equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the Foundation's:

- itemised statement of the application or distribution of net proceeds from class 4 gambling for authorised purposes is prepared, in all material respects in accordance with the requirements of the Gambling Act 2003; and
- financial statements:
 - present fairly, in all material respects:
 - its financial position as at 31 March 2023; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards.

Our audit was completed on **29 June 2023**. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the annual report on the conduct of class 4 gambling, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the annual report on the conduct of class 4 gambling

The Trustees are responsible for preparing an annual report on the conduct of class 4 gambling by the Foundation. The annual report is required to include:

- an itemised statement of application or distribution of net proceeds from class 4 gambling for authorised purposes that is fairly presented: and
- financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Trustees are responsible, on behalf of the Foundation for such internal control as they determine is necessary to enable them to prepare the annual report on the conduct of class 4 gambling that is free from material misstatement, whether due to fraud or error.

In preparing the annual report on the conduct of class 4 gambling, the Trustees are responsible, on behalf of the Foundation for assessing the Foundation's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to liquidate the Foundation or to cease operations or has no realistic alternative but to do so.

The Trustees' responsibilities arise from the Gambling Act 2003.

Responsibilities of the auditor for the audit of the annual report on the conduct of class 4 gambling

Our objectives are to obtain reasonable assurance about whether the annual report on the conduct of class 4 gambling, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of this annual report on the conduct of class 4 gambling.

We did not evaluate the security and controls over the electronic publication of the annual report on the conduct of class 4 gambling.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the annual report on the conduct of class 4 gambling, 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report on the conduct of class 4 gambling or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- We evaluate the overall presentation, structure, and content of the annual report on the conduct of class 4 gambling, including the disclosures, and whether the annual report on the conduct of class 4 gambling represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Independence

We are independent of the Foundation in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out an agreed upon procedures engagement in respect of the Foundation's forecast financial statements, which are compatible with those independence requirements. Other than the audit and this engagement, we have no relationship with or interests in the Foundation.

Grant Thornton New Zealand Audit Limited



Brent Kennerley

On behalf of the Auditor-General

Wellington, New Zealand

