



# ANNUAL REPORT 2023/24



## Canterbury basketball team at Under 18 Nationals



### **Basketball New Zealand**

***Grant # 106523 – \$200,000 – operational funding***

“NZCT’s commitment has been instrumental in our journey to grow basketball into one of the largest sports in the country, creating vital pathways for New Zealanders of all ages and backgrounds, and ensuring that anyone who wishes to participate in this fantastic sport has the opportunity to do so. Together, we are building a brighter future for basketball and young people in New Zealand.”

– **Dillon Boucher, CEO, Basketball New Zealand.**

# Annual Report 2023/24

NZCT is one of the largest gaming societies and one of the largest funders of amateur sports participation in New Zealand. Everyone at NZCT is passionate about the work we do, and we're proud of the positive contribution we make to local communities throughout the country.

**\$38.356 million**

surplus generated in 2023/24

**\$39.879 million**

distributed to the community in 2023/24

For every dollar put in a gaming machine:

**90.9%**

is returned to players in prize money



**3.2%**

goes to grant recipients

**2.9%**

is contributed to government duties and levies

**1.5%**

is used for operating and machine costs

**1.5%**

is allocated to venue payments

# Chairman's & Chief Executive's Report 2024



**Alan Isaac**  
Chair

Using funds raised through gaming lounge partnerships with hospitality venues, NZCT has continued to deliver on its mission to empower active communities across New Zealand in 2023/24.

Despite an intensifying range of issues buffeting the Class 4 sector, we can look back on our performance with pride and take confidence in NZCT's resilience and adaptability.

## **Economic Environment and Regulatory Challenges**

Inflation and the economic downturn have been sharply felt by the Class 4 sector (and especially by our hospitality partners). Whilst NZCT revenue was down just 0.1 percent in 2023/24 compared to the previous year, our cost pressures were up significantly. More positively, NZCT was able to distribute \$39.9m of grants, which exceeded the legally required 40% of our gross profit in 2023/24.



**Mike Knell**  
Chief Executive

## **Harm Minimisation and Regulatory Engagement**

Against this challenging backdrop, and as part of its draft Problem Gambling Strategy for 2025/27, the Ministry of Health's proposed strategy for the three-year period is costed at \$87.718m – an increase of \$11.595m, or 15 percent up from that budgeted for the previous period. We support a reset of Health NZ's approach to reducing gambling-related harm but query the need for the proposed increased spend, which would substantially increase the levy paid by Class 4 societies, when at its current level, already raises more funds than are required to resource the existing strategy.

This financial year we saw the introduction of new harm minimisation regulations that increased the work required by Class 4 societies and partner venues to monitor for gambling harm. In response, we've focused on ways to make it more practicable for our venues to comply. We provided a range of industry-leading tools and resources, including online training for venue supervising staff, electronic monitoring and record keeping, and enhanced facial recognition technology – which is proving to be particularly effective.

## **Venue Investment and Service Offering**

NZCT's reinvestment strategy continues to ensure NZCT gaming lounges contain the most up to date gaming machine assets. Ongoing investment in our unique in-house call centre – which significantly reduces machine downtime – has also positioned NZCT well.

## **Local Government Advocacy**

In 2023/24 we continued to advocate for councils to adopt or maintain sensible Class 4 gaming policies that recognise the critical role our sector plays in not just funding community good but also helping to sustain the hospitality sector.

With no obvious replacement for Class 4 funding at the local level, we remain hopeful that more councils will welcome our sector's continued presence. We thank all those community groups that made submissions in support of positive policies.

### **Community Funding**

In 2023/24, we received 11 percent more grant applications than 2022/23 and 17 percent more than in 2021/22. It reflects just how tough it is out there for non-profits to make ends meet. One hopes it would give councils (who are cash-strapped themselves) pause for thought when reviewing their gaming policies.

In total, NZCT distributed \$39.9m of funding, primarily to community sport but we also made significant contributions into the arts and culture sector, rescue services and youth development.

### **Online Gambling**

NZCT supports the current Government's introduction of regulations to regulate the rapidly growing, online gambling sector and to ensure it contributes fairly to the PGL.

NZCT is now one of three shareholders (along with the Lion Foundation and Aotearoa Gaming Trust) of Community Online Gambling Holdings Limited (COGHL), an entity established to explore online gambling opportunities both pre and post regulation. To advance these initiatives COGHL has partnered with offshore online gambling provider Super Group. The ultimate aim of the venture is to sustain the community return that the three shareholders are currently able to provide via their Class 4 operations.

Subject to the new online gambling regulations, we and COGHL are keen to work with our venue operators to pursue opportunities of mutual benefit, grow venue revenues, and enhance harm minimisation.

COGHL hopes to secure one of up to 15 licences to be tendered once the proposed new licensing regime comes into force in early 2026.

Irrespectively, NZCT remains wholly focused on supporting its Class 4 hospitality partners to provide enjoyable and safe Class 4 gambling entertainment.

### **Acknowledgements**

We acknowledge our Regional Advisory Committees for their valuable local grant advice. Also, we thank trustees David Pilkington for his role as Chair of the Net Proceeds Committee, and Kerry Prendergast in overseeing our Audit and Risk Committee.

Thanks also to NZCT's staff for their hard work and commitment. Our ISO 9001:2015 recertification in 2023/24 is a testament to their commitment to best practice and continuous improvement.

**Finally, without our hard-working venue partners, NZCT would not exist.  
Thank you for your ongoing commitment to NZCT and your community.**

## NZCT helps communities throughout New Zealand



### **Porirua Rowing Club**

**Grant # 107460 – \$40,643 – facility refurbishment**

“NZCT’s support was a lifeline, enabling essential recladding for our club’s lease renewal. This ensures we can continue rowing – both traditional rowing and the new Olympic coastal class – and serve our community for decades.”

– **Tony Tikiku, President, Porirua Rowing Club.**



Photo credit: Athletics New Zealand

### **Athletics New Zealand – Rotorua Marathon**

**Grant # 103470 – \$160,000 – operational funding and Rotorua Marathon costs**

“For 20 years, NZCT has supported Athletics New Zealand, enabling nationwide events like the Rotorua Marathon and empowering clubs, coaches, and volunteers. Your unwavering support has helped us deliver world-class experiences for participants of all ages and abilities, while also empowering our grassroots clubs, coaches, and volunteers.”

– **Athletics New Zealand.**



### **North Shore Canoe and Youth Club Inc**

**Grant # 105783 – \$10,000 – operational funding**

“Our club focuses on growing our sport and creating accessible, inclusive opportunities across Auckland. Thanks to NZCT’s support, we are able to offer consistent, high-quality coaching that strengthens our community’s involvement in water sports.”

– **North Shore Canoe Club Committee.**



Credit: Amandala Photography

### **WOMAD**

**Grant # 102442 – \$40,000 – events cost**

“The funding allowed us to bring unique, world-class performances to Taranaki and New Zealand, giving people the chance to experience cultures and music they might not otherwise encounter – creating meaningful experiences that bring people together and celebrate global diversity.”

– **Suzanne Porter, CEO, Taranaki Arts Festival Trust and WOMAD Aotearoa Event Director.**



## Special Olympics Hawke's Bay

**Grant # 101913 – \$10,000 towards a 12-seater van**

"I love going on road trips with my mates for Special Olympics events. Thanks to the support we receive, I recently won my second gold for ten-pin bowling!"

– **Felicity Lowes, a dedicated athlete.**



## Manawatu Mountain Biking Club

**Grant # 103883 – \$100,000 – Arapuke Mountain Bike Park development**

"The whole family loves mountain biking at Arapuke. There aren't many sports or facilities where we can all participate at our own level, with our friends, at the same time. The region is so lucky to have Arapuke."

– **Esther Hutchinson, parent of a local family of five.**



Photo Credit: Stephen A'Court

## Royal New Zealand Ballet

**Grant # 105938 – \$50,000 – touring and presentation costs**

"The grant from NZCT has been invaluable in helping the Royal New Zealand Ballet deliver performances throughout the country, and in having a positive impact in the wider community with special opportunities for students and often marginalised sectors".

– **Tobias Perkins, Executive Director, Royal New Zealand Ballet.**



## Report of the Independent Auditor on the summary performance report

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### To the Trustees of New Zealand Community Trust

#### Opinion

The summary performance report, which comprise the summary statement of financial position as at 30 September 2024, the summary statement of comprehensive revenue and expense, summary statement of changes in equity, summary cash flow statement for the 30 September 2024 then ended, and related notes, are derived from the audited performance report of New Zealand Community Trust for the year ended 30 September 2024.

In our opinion, the accompanying summary performance report is consistent, in all material respects, with the audited performance report, in accordance with PBE FRS-43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

#### Summary performance report

The summary performance report does not contain all the disclosures required by Public Benefit Entity International Public Sector Accounting Standard (PBE IPSAS). Reading the summary performance report and the auditor's report thereon, therefore, is not a substitute for reading the audited performance report and the auditor's report thereon.

#### The Audited Performance report and Our Report Thereon

We expressed an unmodified audit opinion on the audited performance report in our report dated 25 November 2024.

#### Other Information than the Summary Performance report and Auditor's Report Thereon

The Trustees are responsible for the other information. The other information comprises the annual report (but does not include the summary performance report and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the summary performance report does not cover the other information and we do not and will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the summary performance report, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the summary performance report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and will request that such matters are addressed.

#### Trustees Responsibility for the Summary Performance report

The Trustees are responsible for the preparation of a summary of the audited performance report of New Zealand Community Trust in accordance with PBE FRS-43: *Summary Financial Statements*.

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#### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary performance report is consistent, in all material respects, with the audited performance report 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 carries out other assignments for Trust in the area of agreed upon procedures in respect of the Trust's application for a gambling license under the gambling license under the Gambling Act 2003. The firm has no other interest in the New Zealand Community Trust.

#### Restricted Use

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees, as a body, those matters which we are required to state to them in an auditor's 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 Trust and the Trustees, as a body, for our audit work, for this report or for the opinion we have formed.

**Grant Thornton New Zealand Audit Limited**

A handwritten signature in blue ink that reads "Grant Thornton".

**B Kennerley**

**Partner**

**Wellington**

**25 November 2024**

# Financial Statements

For the year ended 30 September 2024

Summary Statement of Comprehensive Revenue and Expense	2024 \$000	2023 \$000
<b>Revenue</b>		
Gaming machine profit	97,072	97,783
Interest received	323	336
Net gain on disposal of property, plant and equipment	803	243
Other revenue	130	79
<b>Operating revenue</b>	<b>98,328</b>	<b>98,441</b>
<b>Expenditure</b>		
Administration expenses	6,524	6,398
Depreciation and amortisation	8,838	7,693
Gaming machine duty	22,327	22,490
Gaming operation expenses	6,871	6,354
Venue payments	15,412	15,527
<b>Operating expenditure</b>	<b>59,972</b>	<b>58,462</b>
<b>Surplus for the year</b>	<b>38,356</b>	<b>39,979</b>
<b>Distribution to the Community</b>		
Grants paid	40,429	40,949
Less grants returned	(550)	(1,086)
Change in year end accrual for grants yet to be awarded or paid	(1,523)	-
<b>Increase/(Decrease) in Community Equity</b>	<b>-</b>	<b>116</b>
<b>Other Comprehensive Income</b>		
Loss on property revaluation	-	(192)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>(76)</b>

Summary Statement of Changes in Equity	2024 \$000	2023 \$000
Equity at the beginning of the year	25,653	25,729
Change in equity	-	(76)
<b>Equity at the end of the year</b>	<b>25,653</b>	<b>25,653</b>

Summary Statement of Financial Position	2024 \$000	2023 \$000
Community equity	23,645	23,645
Property revaluation reserve	2,008	2,008
<b>Equity</b>	<b>25,653</b>	<b>25,653</b>
Current assets	11,807	11,869
Non current assets	26,944	25,133
<b>Total Assets</b>	<b>38,751</b>	<b>37,002</b>
Current liabilities	10,482	10,600
Non current liabilities	2,616	749
<b>Total Liabilities</b>	<b>13,098</b>	<b>11,349</b>
<b>Net Assets</b>	<b>25,653</b>	<b>25,653</b>

Summary Cash Flow Statement	2024 \$000	2023 \$000
Net Cashflow from operating activities	6,271	6,707
Net Cashflow from investing activities	(9,732)	(9,447)
Net Cashflow from financing activities	3,132	1,136
Net (decrease) / increase in cash and cash equivalents	(329)	(1,604)
Cash and cash equivalents at start of year	9,541	11,145
<b>Cash and Cash Equivalents at end of year</b>	<b>9,212</b>	<b>9,541</b>

# Summary Financial Statements

## For the year ended 30 September 2024

1. The New Zealand Community Trust (the "Trust") is a charitable trust domiciled in New Zealand and registered under the Charitable Trusts Act 1957. The Trust raises funds through the operation of gaming machines primarily for the promotion of amateur sport and community purposes in New Zealand.
2. The financial statements of the Trust for the year ended 30 September 2024 have been prepared in accordance with NZ GAAP, Tier 1 PBE Standards and other applicable Financial Reporting Standards, as appropriate for Public Benefit Entities. The functional and presentation currency for the Trust is New Zealand Dollars, rounded to the nearest thousand.
3. The summary financial statements have been extracted from the full financial statements. The financial statements of the New Zealand Community Trust including Statement of Comprehensive Revenue and Expenses, Statement of Financial Position, Statement of Changes in Equity and Cash Flow Statement. 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. The net grants paid for the year of \$39.879m (2023: \$39.863m) equates to a distribution percentage of 40.6% (2023: 40.5%) of the total revenue of \$98.328m (2023: \$98.441m) for the financial year.
5. A copy of the financial statements may be obtained on request from the Trust's office (Telephone 0800 446 928), P O Box 10857, Wellington.
6. 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 year the Trust made grant distributions to and purchased goods and services from the following organisations that were on the Trustee's register of interests:

Grant Distributions	2024 \$000	2023 \$000
Alex Moore Park Sport & Community Inc	-	18
Auckland Cricket Association Inc	160	162
Auckland Hockey Association	400	40
Basin Reserve Trust	50	-
Boulcott's Farm Heritage Golf Club	15	-
Capital Kiwi Trust Board	10	-
Christchurch Metropolitan Cricket Assn	50	50
Cricket Wellington Inc	-	125
Cystic Fibrosis Association of NZ	80	-
Hockey NZ	200	150
Hutt United Hockey Club	10	2
Johnsonville Cricket Club	20	10
Mary Potter Hospice	30	40
NZ Cricket Inc	108	-
Riccarton Cricket Club	15	-
Royal NZ Ballet	50	50
Tai Uru Haupoi Māori Inc	-	19
Wellington Free Ambulance Board	100	100
Wellington Hockey Association	135	100
Wellington Opera Trust	20	15
Women in Sport Aotearoa Inc	25	25

The complete breakdown of this disclosure can be found in Note 18 of the full financial statements.

The Trust had the following interests in other entities:

Community Online Gambling Holdings Limited (COGHL) with an ownership interest of 40%.

The Trust's Trustee, Alan Isaac, is also the Chairman of COGHL and received \$0k remuneration in 2024 for services rendered.

# Summary Financial Statements

For the year ended 30 September 2024

7.	Capital Commitments at balance date are:	<b>2024 \$000</b>	<b>2023 \$000</b>
	Capital Purchase commitments	2,210	3,901

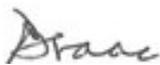
The nature of the commitments relate to orders in place for the purchase of Plant and Equipment for both existing and planned new venues to NZCT.

8.	Multi Year Grant Commitments at balance date are:	<b>2024 \$000</b>	<b>2023 \$000</b>
	Multi Year Grant commitments	1,610	470

In special circumstances the Trust may approve a multi-year grant, enabling an organisation to implement a specific project that provides long-term benefits to its local community. A multi-year commitment can be for up to four years, though the Trust generally will not commit beyond a three year period. Each instalment beyond year one must be reconfirmed before payment and will be conditional on the availability of funds, assurance that the funds will continue to be used as intended and desired outcomes are being achieved.

9. The annual full financial statements of New Zealand Community Trust have been audited by Grant Thornton who have issued an unmodified audit opinion in respect to the financial statements on 19 November 2024.
10. The Trustees authorised the publication of these Summary Financial Statements on 19 November 2024.
11. These Summary Financial Statements are in compliance with PBE FRS-43: Summary Financial Statements.
12. There are no events subsequent to reporting date that require disclosure in the full financial statements.

*Approved on behalf of the Board:*



**Alan Isaac**  
Chair



**Kerry Prendergast**  
Trustee

# Rotorua Museum Restoration



Photo Credit: Rotorua Lakes Council

## **Rotorua Lakes Council**

***Grant # 103504 – \$100k – tranche-1 of a four-year multi-year grant totalling \$400k***

“We heard from our community how well-loved this building is and that there is strong support to re-open. The support from New Zealand Community Trust and other funders is yet another step towards reopening the doors of the Rotorua Bath House and Museum to everyone.”

– **Tania Tapsell, Mayor of Rotorua, Rotorua Lakes Council.**

## More happy NZCT grant recipients



### **Disability Sport Auckland**

**Grant # 102531 – \$16,923 – operational funding**

“This grant allows us to continue creating amazing opportunities for everyone to shine, regardless of ability. The grant is a ray of hope for people with disabilities wanting to participate in sport!”

– Yann Roux, CEO, Disability Sport Auckland.



### **Northern Regional Football**

**Grant # 102439 – \$270,000 – operational funding**

“Thanks to our NZCT grant, Tāmaki Makaurau people of all ages and communities are participating and enjoying a better experience in football and futsal. This support makes a huge difference to us and our clubs.”

– Laura Menzies, CEO, Northern Regional Football.



### **Te Waiariki Purea Trust**

**Grant # 103081 – \$43,660 – Secondary School Waka Ama National Championship event costs**

“Our main focus is on ensuring the safety and security of all participants and their equipment. NZCT’s grant helps cover the cost of essential services such as first aid, traffic management, fencing and Māori wardens.”

– Kelley Korau, Event Coordinator, Te Waiariki Purea Trust.



## **Eastern Bay of Plenty Rugby Union**

***Grant # 104123 – \$67,014 – a line-marking robot***

“After marking the rugby fields at Rugby Park for eighteen years with several types of markers, seeing the new marker is beyond belief. Its profile and method of operation is state-of-the-art, and it uses much less paint to mark the field.”

– **George Rogers, Life Member, Eastern Bay of Plenty Rugby Union.**

# Thank You!

The following is a list of partner venues who helped NZCT raise funds in 2023/24. Thanks to those who continue to partner with NZCT for fantastic community outcomes throughout New Zealand.

## Auckland

1 Up Sports Bar  
Albion Hotel  
Barrel Inn  
Club Royalz  
Coutta's Bar & Grill  
Grill House Buffet  
Le Tausala Club  
Melt Soul Food  
PINS Lincoln  
Salty Dog Inn  
The Crown Orewa Beach  
The Crown Sports Bar  
The Hub Milford  
The Naval  
The Right Track Sports Café  
The Stables Sports Bar  
The Wade

## Waikato

Paeroa Hotel  
Pitch Sports Bar  
Royal Oak Hotel  
Star & Garter  
The Lucky Lizard

## Bay of Plenty

Cheers Tavern  
Cobb & Co Whakatane  
Forta Leza  
Judea Tavern  
Kasper's Sports Bar  
Kawerau Hotel  
Mo's Bar  
Rusty Bar & Restaurant  
The Point Alehouse  
West End Tavern

## Gisborne

Bar 59  
Bollywood Stars

## Taranaki

Ate Fortyone  
Butlers Reef  
Cobb & Co - New Plymouth  
Coronation Hotel Eltham (The Corrie)  
Crowded House Bar & Cafe  
Empire Hotel  
Nag 'n' Noggin  
Salty Dog Cafe & Bar  
Shifty's Sports Bar & TAB  
Surf Inn  
The Fitz  
Treehouse Bar & Bistro

## Manawatu/Wanganui

Albert Sports Bar  
Birdcage Bar  
Bunnythorpe Tavern  
Caroline's Boatshed  
Castlecliff Hotel  
Club Hotel Marton  
Drovers Bar & Kitchen  
Empire Hotel  
Feilding Hotel  
Shotz Bar  
Stellar Bar  
Stunned Mullet  
Tandoori Spice  
The Royal

## Hawke's Bay

Clive Hotel

**Wellington**

Backbencher Gastropub  
 Bay 66 Bar and Gaming Room  
 Charltons Silverstream  
 Cutlers  
 JJ Murphy  
 Jolly Sandbar  
 The Bond  
 The Corner Bar & Café  
 The Cutting Sports Café  
 The Family Hotel  
 The Featherston Bar and Grill  
 The Hardware Bar and  
 Restaurant  
 The Mariner  
 The Pickle Jar  
 The Sandbar  
 The Sin Bin  
 Wellington Sports Café

**Top of the South**

Hotel Motueka  
 Ocean Lodge Hotel

**West Coast**

Dawson's Hotel (Reefton  
 Autolodge)  
 Recreation Hotel

**Canterbury**

Ascot Sportshouse and Eatery  
 Bills Bar  
 Blue Pub  
 Celtic Arms  
 Churchill's Tavern  
 Coalgate Tavern  
 Elmwood Trading Co  
 Embankment Tavern  
 Endeavour Tavern  
 Finnegans Prebbleton Village  
 Tavern  
 Golden Mile Tavern  
 KVG Bar  
 Oak n Ferry  
 Southbridge Hotel  
 Tavern Harewood Bar and Grill  
 The Craic  
 The Famous Grouse  
 The Fitz 2 Sports Bar  
 The Jolly Poacher  
 The Miller Bar and Cafe  
 West Melton Tavern

**Otago**

Boots & Jandals Hotel  
 Grand Tavern  
 New Orleans Hotel  
 Takeichi New Zealand  
 The Gate  
 The Last Post  
 The Rope and Twine

**Chatham Islands**

Hotel Chatham



[www.nzct.org.nz](http://www.nzct.org.nz)

