



**2016 Performance Report**

**Southern Victorian Charitable Trust**

Southern Victorian Charitable Trust

Statement of Financial Responsibility

For the Year Ended 30 November 2016

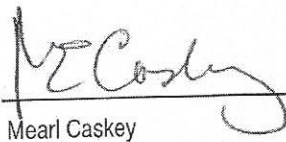
The Trustees are responsible for preparing the financial statements and ensuring that they comply with generally accepted accounting practice in New Zealand, and give a true and fair view of the financial position of the Southern Victorian Charitable Trust as at 30 November 2016 and the results of its operations for the year ended on that date.

The Trustees consider that the financial statements of the Southern Victorian Charitable Trust have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Trustees believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of Southern Victorian Charitable Trust and facilitate compliance with Generally Accepted Accounting Practice.

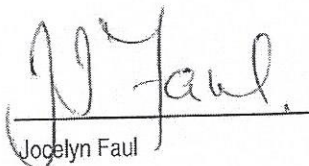
The Trustees consider that they have taken adequate steps to safeguard the assets of the Southern Victorian Charitable Trust, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Trustees are pleased to present the financial statements of Southern Victorian Charitable Trust for the year ended 30 November 2016.

  
Mearl Caskey

Trustee

Date 21/12/2016

  
Jocelyn Faul

Trustee

Date 21/12/2016

## Southern Victorian Charitable Trust

### Entity Information

As at 30 November 2016

|                                          |                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Legal Name</b>                        | Southern Victorian Charitable Trust                                                                                                                                                                                                                                                                                      |
| <b>Type</b>                              | Gaming Trust                                                                                                                                                                                                                                                                                                             |
| <b>Purpose of Business</b>               | The Trust is established for the sole purpose of distributing gaming machine proceeds to not-for-profit, properly constituted community based organisations. The Trust is regulated and licenced (NZGM1250) by the Department of Internal Affairs under the Gambling Act 2003 and subsequent Amendments and Regulations. |
| <b>Trust Formation Date</b>              | 20th September 2000                                                                                                                                                                                                                                                                                                      |
| <b>Postal Address</b>                    | PO Box 6121<br>Dunedin                                                                                                                                                                                                                                                                                                   |
| <b>Telephone</b>                         | (03) 489 8722                                                                                                                                                                                                                                                                                                            |
| <b>Trustees</b>                          | Alan Gramstrup<br>Mearl Caskey<br>Jocelyn Faul                                                                                                                                                                                                                                                                           |
| <b>Structure</b>                         | Three Trustees govern and manage the activities of the Trust.                                                                                                                                                                                                                                                            |
| <b>Main Source of Cash and Resources</b> | Gaming Machine Proceeds (from "Pokies") in Pubs.                                                                                                                                                                                                                                                                         |
| <b>Main Methods Used to Raise Funds</b>  | Operation of Gaming Machines and Bank Loans for Capital Equipment.                                                                                                                                                                                                                                                       |
| <b>Reliance on Volunteers</b>            | None. All work is undertaken by Trustees.                                                                                                                                                                                                                                                                                |
| <b>Beneficiaries</b>                     | Not-for-profit properly constituted community based organisations.                                                                                                                                                                                                                                                       |
| <b>Accountants</b>                       | Cameron & Edwards Limited<br>Chartered Accountants<br>Cnr Vogel & Jetty Streets<br>Dunedin                                                                                                                                                                                                                               |
| <b>Auditor</b>                           | Audit Professionals<br>Chartered Accountants<br>Level 6<br>Burns House<br>10 George Street<br>Dunedin                                                                                                                                                                                                                    |
| <b>Bankers</b>                           | Bank of New Zealand<br>Cnr Moray Place & George Street<br>Dunedin                                                                                                                                                                                                                                                        |
| <b>Solicitors</b>                        | Sharon Stark Lont<br>Barristers and Solicitors<br>PO Box 5138<br>Dunedin                                                                                                                                                                                                                                                 |



Southern Victorian Charitable Trust

Statement of Service Performance

For the Year Ended 30 November 2016

Description of the Entity's Outcomes

To provide financial support on a regular basis to the community from the proceeds of gaming machines.

Description and Quantification (to the extent practicable)  
of the Entity's Outputs

|                                                             | This Year  | Last Year  |
|-------------------------------------------------------------|------------|------------|
| Number of Grants made to community-based organisations      | 117        | 103        |
| Total value of Grants made to community-based organisations | \$ 513,480 | \$ 544,836 |

Additional Information

A full list of the Grants made, refund of Grants received, and Grants declined for each period is published on the Trust's website [www.svct.net.nz](http://www.svct.net.nz).





# Southern Victorian Charitable Trust

## Statement of Financial Performance

For the Year Ended 30 November 2016

|                                                   | Note | 2016<br>\$       | 2015<br>\$       |
|---------------------------------------------------|------|------------------|------------------|
| <b>Operating Revenue</b>                          |      |                  |                  |
| Gaming Machine Proceeds                           | 2    | 1,282,859        | 1,350,231        |
| Interest Received                                 |      | 699              | 1,665            |
| Profit on Sale of Fixed Assets                    |      | -                | 9,927            |
| <b>Total Revenue</b>                              |      | <b>1,283,558</b> | <b>1,361,823</b> |
| <b>Less Expenses</b>                              |      |                  |                  |
| <b>Direct Costs</b>                               |      |                  |                  |
| Gaming Machine Duty                               |      | 295,058          | 310,553          |
| Licence Fees                                      |      | 22,801           | 26,756           |
| Problem Gambling Levy                             |      | 19,261           | 20,341           |
| Service & Repair - Gaming                         |      | 3,038            | 4,002            |
| Venue Costs - Venue Expense Reimbursement         |      | 197,646          | 206,956          |
| <b>Total Direct Costs</b>                         |      | <b>537,804</b>   | <b>568,608</b>   |
| <b>Overhead Expenses</b>                          |      |                  |                  |
| Accountancy Fees                                  |      | 3,950            | 4,290            |
| Advertising & Publishing                          |      | 250              | 250              |
| Audit Fee                                         |      | 2,800            | 2,750            |
| Bank Fees & Charges                               |      | 155              | 165              |
| Computer Costs                                    |      | 2,219            | 972              |
| Electricity                                       |      | 1,402            | 1,387            |
| EMS Expense                                       |      | 29,878           | 25,279           |
| Freight & Installation                            |      | 351              | 1,348            |
| Gaming Machine Audit Expense                      |      | 6,000            | 7,269            |
| Honorarium                                        |      | 7,000            | 6,000            |
| Insurance                                         |      | 4,040            | 5,214            |
| Interest Paid - Loans                             |      | 5,227            | 6,797            |
| Legal Fees                                        |      | 95               | -                |
| Loan Fees                                         |      | 450              | 450              |
| Office Costs                                      |      | 2,488            | 2,419            |
| Other Costs                                       |      | 289              | 149              |
| Salaries & Wages - Indirect                       |      | 57,000           | 59,900           |
| Service Contracts - Gaming                        |      | 30,056           | 35,376           |
| Service & Repair - Other                          |      | 627              | 182              |
| Storage                                           |      | 2,648            | 5,113            |
| Telecommunications Expenses                       |      | 2,329            | 2,825            |
| Travelling & Accommodation                        |      | 11,499           | 12,493           |
| <b>Total Overhead Expenses</b>                    |      | <b>170,753</b>   | <b>180,628</b>   |
| <b>Non Cash Expenses</b>                          |      |                  |                  |
| Depreciation Charge                               |      | 61,037           | 67,423           |
| Loss on Sale of Fixed Assets                      |      | 450              | -                |
| <b>Total Non Cash Expenses</b>                    |      | <b>61,487</b>    | <b>67,423</b>    |
| <b>Total Expenses</b>                             |      | <b>770,044</b>   | <b>816,659</b>   |
| <b>Surplus Before Grants Made</b>                 |      | <b>513,514</b>   | <b>545,164</b>   |
| Less Grants Made - Distributions to the Community | 4    | 513,480          | 544,836          |
| <b>Net Surplus</b>                                |      | <b>34</b>        | <b>328</b>       |

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



Southern Victorian Charitable Trust

Statement of Changes in Trust Funds

For the Year Ended 30 November 2016

|                                           | 2016           | 2015           |
|-------------------------------------------|----------------|----------------|
|                                           | \$             | \$             |
| <b>Trust Equity</b>                       |                |                |
| Net Surplus                               | 34             | 328            |
|                                           | <b>34</b>      | <b>328</b>     |
| Trust Funds at the Beginning of the Year  | 105,199        | 104,871        |
| <b>Trust Funds at the End of the Year</b> | <b>105,233</b> | <b>105,199</b> |

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



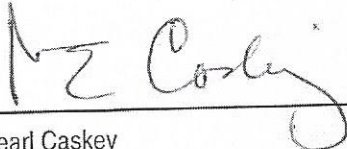


Southern Victorian Charitable Trust

Statement of Financial Position

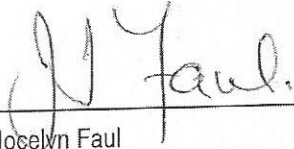
As at 30 November 2016

|                                     | Note | 2016<br>\$     | 2015<br>\$     |
|-------------------------------------|------|----------------|----------------|
| <b>Current Assets</b>               |      |                |                |
| Bank of New Zealand                 |      | 25,421         | 48,255         |
| Accounts Receivable                 |      | 17,841         | 6,098          |
| Prepayments                         |      | 6,158          | 7,219          |
| <b>Total Current Assets</b>         |      | <b>49,420</b>  | <b>61,572</b>  |
| <b>Non Current Assets</b>           |      |                |                |
| Plant & Equipment                   | 6    | 163,368        | 161,429        |
| <b>Total Assets</b>                 |      | <b>212,788</b> | <b>223,001</b> |
| <b>Current Liabilities</b>          |      |                |                |
| Accounts Payable                    |      | 51,805         | 55,429         |
| Current Portion of Term Liabilities | 3    | 32,781         | 38,371         |
| GST Payable                         |      | 20,399         | 19,218         |
| <b>Total Current Liabilities</b>    |      | <b>104,985</b> | <b>113,018</b> |
| <b>Non Current Liabilities</b>      |      |                |                |
| Term Loans - Secured                | 3    | 2,570          | 4,784          |
| <b>Total Liabilities</b>            |      | <b>107,555</b> | <b>117,802</b> |
| <b>Net Assets</b>                   |      | <b>105,233</b> | <b>105,199</b> |
| <b>Trust Funds</b>                  |      |                |                |
| Retained Earnings                   | 5    | 105,233        | 105,199        |
| <b>Total Trust Funds</b>            |      | <b>105,233</b> | <b>105,199</b> |

  
Mearl Caskey

Trustee

Date 21/12/2016

  
Jocelyn Faul

Trustee

Date 21/12/2016

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Southern Victorian Charitable Trust

Statement of Cash Flows

For the Year Ended 30 November 2016

**Cash Flows from Operating Activities**

**Cash was provided from:**

Gaming Machine Receipts

Interest Received

**Cash was disbursed to:**

Authorised Purposes Distributions

Other Operating Payments

**Net Cash Flows from Operating Activities**

**Cash Flows from Investing Activities**

**Cash was provided from:**

Sale of Plant and Equipment

**Cash was disbursed to:**

Purchase of Plant and Equipment

**Net Cash Flows (to) Investing Activities**

**Cash Flows from Financing Activities**

**Cash was provided from:**

Proceeds from Borrowings

**Cash was disbursed to:**

Repayment of Borrowings

**Net Cash Flows (to) Financing Activities**

Net (Decrease) in Cash Held

Cash at the Beginning of the Year

**Cash at the End of the Year**

| 2016             | 2015             |
|------------------|------------------|
| \$               | \$               |
|                  |                  |
|                  |                  |
| 1,273,443        | 1,366,714        |
| 699              | 1,665            |
| <b>1,274,142</b> | <b>1,368,379</b> |
|                  |                  |
| 513,480          | 544,836          |
| 712,266          | 756,737          |
| <b>1,225,746</b> | <b>1,301,573</b> |
| <b>48,396</b>    | <b>66,806</b>    |
|                  |                  |
|                  |                  |
| -                | 10,000           |
| -                | -                |
|                  |                  |
| 63,427           | 53,000           |
| <b>63,427</b>    | <b>53,000</b>    |
| <b>(63,427)</b>  | <b>(53,000)</b>  |
|                  |                  |
|                  |                  |
| 54,525           | 53,000           |
| <b>54,525</b>    | <b>53,000</b>    |
|                  |                  |
| 62,328           | 79,811           |
| <b>62,328</b>    | <b>79,811</b>    |
| <b>(7,803)</b>   | <b>(26,811)</b>  |
| (22,834)         | (3,005)          |
| 48,255           | 51,260           |
| <b>25,421</b>    | <b>48,255</b>    |





## 1 Statement of Accounting Policies

### Reporting Entity

The Southern Victorian Charitable Trust is domiciled in New Zealand and is established under a trust deed dated 20th September 2000.

The financial statements are general purpose financial statements which have been prepared according to the policies as stated below.

### Statement of Compliance and Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of the financial performance and financial position on an historical cost basis are followed by the trust. The information is presented in New Zealand dollars. All transactions are recorded using the accrual basis of accounting, on the assumption that the Trust is a going concern.

### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Financial Performance and Financial Position have been applied:

(a) Accounts Receivable

Accounts Receivable are recognised at estimated realisable value.

(b) Plant and Equipment

Plant and Equipment are recognised at cost less aggregate depreciation. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year. Gaming Machines are depreciated at 25% to 33% DV.

(c) Income Tax

The Trust is a Charitable Organisation, and is exempt from Income Tax.

(d) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

(e) Distributions to the Community

Distributions to the Community are recorded once the obligation has been agreed to by the Trustees.

(f) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.



For the Year Ended 30 November 2016

**5 Retained Earnings**

Undistributed funds at the beginning of the year

**Plus:**

Surplus for the year

**Total Retained Earnings**

| 2016           | 2015           |
|----------------|----------------|
| \$             | \$             |
| 105,199        | 104,871        |
| 34             | 328            |
| <b>105,233</b> | <b>105,199</b> |

**6 Plant & Equipment****Gaming Machines**

Opening Book Value

Additions

Disposals

Depreciation

Closing Book Value

**Office Equipment**

Opening Book Value

Depreciation

Closing Book Value

**Total Venue Costs**

| 2016           | 2015           |
|----------------|----------------|
| \$             | \$             |
| 160,434        | 174,428        |
| 63,427         | 53,000         |
| (450)          | (71)           |
| (60,731)       | (66,922)       |
| 162,680        | 160,435        |
| 994            | 1,495          |
| (306)          | (501)          |
| 688            | 994            |
| <b>163,368</b> | <b>206,956</b> |

**7 Contingent Liabilities**

The Trust has no contingent liabilities as at 30 November 2016, (2015 Nil).

**8 Capital Commitments**

The Trust has no capital commitments as at 30 November 2016, (2015 Nil).

**9 Related Parties**

There are no related party transactions for the year ended 30 November 2016, (2015: Nil).

**10 Subsequent Events**

There have been no material subsequent events since 30 November 2016.



## ***Independent Auditors' Report***

to the members of Southern Victorian Charitable Trust

### ***Report on the Performance Report***

We have audited the performance report of Southern Victorian Charitable Trust on pages 3 to 11, which comprise the entity information and statement of financial position as at 30 November 2016, the statement of service performance, statement of financial performance, statement of changes in trust funds and statement of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

### ***Trustees' Responsibility for the Financial Statements***

The Trustees are responsible, on behalf of the Trust for:

- (a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report which comprises the entity information, the statement of financial performance, statement of changes in trust funds, statement of financial position, statement of cash flows, and notes to the performance report that include the accounting policies and other explanatory information, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) such internal controls as the Trustees determines are necessary to enable the preparation of performance report that is free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the performance report based on our audit. We conducted our audit of the statement of financial performance, statement of changes in trust funds, statement of financial position, statement of cash flows, and notes to the performance report that include the accounting policies and other explanatory information in accordance with International Standards on Auditing (New Zealand) (ISAs(NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standards on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the performance report, whether due to fraud or error. In making those risk assessments, the auditors considers the internal controls relevant to the Trust's preparation and fair presentation of the performance report, 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 Trust's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the performance report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditors we have no relationship with, or interests in, Southern Victorian Charitable Trust.

### ***Opinion***

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- (b) the performance report on pages 3 to 11 presents fairly, in all material respects, the financial position of the Trust as at 30 November 2016 and its entity information, service performance, financial performance and cash flows for the year ended on that date in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

### ***Restriction on Use of our Report***

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

  
Chartered Accountants

Dunedin