



2024 FINANCIAL STATEMENTS

The Trustees are pleased to present the Financial Statements of the ILT Foundation for the year ended 31st March 2024.

For and on behalf of the Board of Trustees:

A handwritten signature in black ink, appearing to read 'Patric O'Brien', written over a horizontal line.

Patric O'Brien
Chairman

A handwritten signature in black ink, appearing to read 'Angela Newell', written over a horizontal line.

Angela Newell
Trustee

Date: 23 May 2024

ILT Foundation

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ILT Foundation

Directory

Trustees Paddy O'Brien
Sean Bellew
Angela Newell
Suzanne Prentice
Sheree Carey
Graham Hawkes
Andrew Ward
Jason McKenzie
Amanda Smith

Manager Lisa-Maree Fleck

Registered Office 252 Dee Street
PO Box 1771
INVERCARGILL 9840

Auditor KPMG
On behalf of the Controller and Auditor-General

Legal Advisors Ward Adams Bryan-Lamb
Invercargill

Bankers Westpac Banking Corporation
Invercargill

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ILT Foundation

Statement of Service Performance For the year ended 31 March 2024

ILT FOUNDATION

ILT Foundation was incorporated under the Charitable Trusts Act 1957 on 9 August 2005. The Foundation was established primarily for charitable purposes. It distributes gaming machine profits back to community organisations that fall within the definition of authorised purposes.

Pursuant to the Gambling Act 2003, the ILT Foundation must distribute the net proceeds from its gaming machines only to or for an authorised purpose specified in its licence. It must also comply with the terms of its Trust Deed.

The ILT Foundation has the same six publicly elected Trustees as the Invercargill Licensing Trust, with the addition of three more Trustees.

Trustees meet monthly to consider and make grant decisions.

OBJECTS AND PURPOSES (from ILT Foundation Trust Deed)

The objects and purposes of the Foundation are:

- To promote and provide for the relief of poverty, the advancement of religion, the advancement of education, and any other matters beneficial to the community (including facilities for recreation or other leisure-time occupation if those facilities are provided in the interests of social welfare);
- To promote and provide for amateur games or sports which are conducted for the recreation or entertainment of the general public;
- To promote and provide for any authorised purpose.

Minimising operating costs, to maximise returns to the community remains fundamental to all aspects of the operation.

Exceeding the legislative 40% minimum return is targeted at the outset of each financial year.

Community benefit is an overriding principle in all grants and funding decisions.

Redistributing funding to all areas of our community is a key focus.

Grant allocations are categorised, monitored and reported to capture what areas of our community are benefiting from funding:

- Arts
- Community Facilities
- Cultural/Religion
- Education
- Health
- Recreation/Community
- Sports / Sports - Charity
- Welfare

Notes	2024 \$	2023 \$
REVENUE		
Gaming proceeds	10,824,817	11,263,600
GRANT		
Grants expense	7 5,838,939	5,868,869
GRANTS AS A PERCENTAGE OF GAMING PROCEEDS	53.9%	52.1%

The Statement of Service Performance has been prepared in accordance to PBE FRS 48.

For more information visit www.illfoundation.org.nz

ILT Foundation

Statement of Comprehensive Revenue and Expense For the year ended 31 March 2024

	Notes	2024 \$	2023 \$
REVENUE			
Gaming proceeds		10,824,817	11,263,600
Interest income		120,468	64,342
TOTAL REVENUE		10,945,285	11,327,942
EXPENSES			
Gaming duty		2,489,708	2,590,628
Venue payments	4	1,731,971	1,802,176
Other expenses	5	1,406,445	1,365,388
TOTAL EXPENSES		5,628,124	5,758,192
SURPLUS/(DEFICIT) BEFORE GRANTS		5,317,161	5,569,750
Grant expense	7	5,838,939	5,868,869
SURPLUS/(DEFICIT)		(621,778)	(299,119)
OTHER COMPREHENSIVE INCOME AND EXPENSE			
<i>Movements that will be reclassified to profit or loss in subsequent periods:</i>		-	-
<i>Movements that will not be reclassified to profit or loss in subsequent periods:</i>		-	-
Total other comprehensive income and expense		-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR		(621,778)	(299,119)

ILT Foundation

Statement of Financial Position As at 31 March 2024

	Notes	2024 \$	2023 \$
ASSETS			
Current			
Cash and cash equivalents	6	303,510	1,121,778
Short Term Bank Deposits		1,000,000	1,500,000
Trade and Other Receivables		240,675	241,440
Total current assets		1,544,185	2,863,218
Non-current			
Long Term Bank Deposits		500,000	-
Property, plant and equipment	9	856,319	991,273
Work-in-Progress	17	255,985	193,675
Total non-current assets		1,612,304	1,184,948
TOTAL ASSETS		3,156,489	4,048,166
LIABILITIES			
Current			
Trade and Other Payables	10	624,086	962,254
Grants Allocated but Unpaid	7	504,200	525,200
Net Proceeds to be distributed as soon as practicable	8	-	346,767
Employee entitlements	12	21,174	31,905
Total current liabilities		1,149,460	1,866,126
TOTAL LIABILITIES		1,149,460	1,866,126
NET ASSETS		2,007,029	2,182,040
FOUNDATION EQUITY			
Net Proceeds over-distributed	8	(175,011)	-
Capital asset reserve		829,284	985,835
Depreciation reserve funds		1,352,756	1,196,205
FOUNDATION EQUITY	11	2,007,029	2,182,040

ILT Foundation

Statement of Changes in Net Assets/Equity For the year ended 31 March 2024

Notes	Net Proceeds over- distributed \$	Undistributed Net Proceeds \$	Capital Asset Reserve \$	Asset Renewal Fund \$	Total \$
Balance 1 April 2023	-	-	985,835	1,196,205	2,182,040
Total comprehensive revenue and expense before grants	-	5,317,161	-	-	5,317,161
Grants Expense	-	(5,838,939)	-	-	(5,838,939)
Total comprehensive revenue and expense for the year	-	(521,778)	-	-	(521,778)
Net transfer to/ (from) equity reserves in the year	-	-	(156,551)	156,551	-
Net Proceeds over-distributed for the year	(175,011)	-	-	-	(175,011)
Transferred from Undistributed Surplus (Equity) Balance at year end	-	521,778	-	-	521,778
Balance 31 March 2024	11	(175,011)	829,284	1,352,756	2,007,029
Balance 1 April 2022	-	-	852,032	1,330,008	2,182,040
Total comprehensive revenue and expense before grants	-	5,569,750	-	-	5,569,750
Grants Expense	-	(5,868,869)	-	-	(5,868,869)
Total comprehensive revenue and expense for the year	-	(299,119)	-	-	(299,119)
Net transfer to/ (from) equity reserves in the year	-	-	133,803	(133,803)	-
Transferred from Undistributed Surplus (Equity) Balance at year end	-	299,119	-	-	299,119
Balance 31 March 2023	-	-	985,835	1,196,205	2,182,040

ILT Foundation

Statement of Cash Flows For the year ended 31 March 2024

	Notes	2024 \$	2023 \$
Cash flow from operating activities			
<i>Cash was provided from/(applied to):</i>			
Income received from gaming proceeds		10,833,388	11,176,661
Interest received		123,003	49,075
Payments to suppliers, employees and trustees		(5,585,191)	(4,983,867)
Grants paid	7	(5,859,939)	(6,009,088)
Add : Loss on disposal of fixed assets		6,935	17,741
GST (net)		(23,128)	73,306
Net cash from/(used in) operating activities		(504,932)	323,828
Cash flow from investing activities			
<i>Cash was provided from:</i>			
Maturing/sale of Investments		3,000,000	3,000,000
Disposal of property, plant and equipment		-	15,652
<i>Cash was applied to:</i>			
Acquisition of property, plant and equipment		(313,336)	(724,118)
Purchase of investments		(3,000,000)	(3,000,000)
Net cash from/(used in) investing activities		(313,336)	(708,466)
Cash flow from financing activities			
<i>Cash was provided from/(applied to):</i>			
Net cash from/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents, beginning of the year		1,121,778	1,506,416
Cash and cash equivalents at end of the year	6	303,510	1,121,778

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

1 Reporting entity

The ILT Foundation was formed by Trust Deed dated 2 August 2005 and is a registered Charitable Trust in terms of the Charitable Trusts Act 1957. It operates Electronic Gaming Machines licensed by the Department of Internal Affairs in various premises owned by the Invercargill Licensing Trust.

The financial statements were authorised for issue by the Board of Trustees on 23 May 2024.

2 Basis of preparation

The financial statements have been prepared in accordance with NZ Generally Accepted Accounting Practice (NZ GAAP) and comply with the New Zealand equivalent to the Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). Under the terms of the Accounting Standards Framework issued by the External Reporting Board (XRB) the ILT Foundation has designated itself a Tier 2 for public benefit entity and therefore applied Tier 2 Accounting Standards (PBE IPSAS Reduced Disclosure Regime) as applicable for Public Sector Entities.

The Foundation is deemed a Public Benefit Entity as its primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders.

The Foundation is a qualifying Tier 2 entity as it meets the following criteria:

- the entity does not have public accountability; and
- the entity's expenses are less than \$33 million.

The general accounting principles as appropriate for the measurement and reporting of results and financial position under the historical cost method have been followed in the preparation of these financial statements. The accrual basis of accounting has been used unless otherwise stated.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Foundation is New Zealand dollars.

(a) Comparatives

The comparative financial period is 12 months.

The net asset position and net profit or loss reported in comparatives is consistent with previously authorised financial statements.

(b) Change in basis of preparation

During the previous financial year, there was a change in the basis of preparation. Previous financial statements have been presented in accordance with the Tier 2 Accounting Standards (NZIFRS Reduced Disclosure Regime) as a for profit entity. Based on the nature and purpose of the Foundation, the basis of preparation has been amended to be considered a Public Benefit entity and has applied the PBE IPSAS (Reduced Disclosure Regime) Tier 2 standards. This change did not have a material impact on the financial statements. There has been no change in the recognition or measurement of comparative information. There has been a change in the naming conventions, basis of preparation and the inclusion of a Statement of Service Performance.

3 Underlying Fundamental Assumptions

A key significant assumption underlying the preparation of the Foundation's financial statements under the going concern assumption is that the Foundation will continue to have its Class 4 Gambling License renewed annually by the Department of Internal Affairs.

The Trustees have assumed the annual license will be granted and have therefore adopted the going concern assumption.

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ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

Summary of significant accounting policies

The accounting policies of the Foundation have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

(a) Revenue

The following specific recognition criteria must be met before revenue is recognised:

(i) Gaming proceeds

The Foundation operates gaming machines at a number of sites. Revenue from the operation of gaming machines comprises proceeds from the gaming machines less the deduction of prizes to the participants. Revenue from gaming machine proceeds is recognised when received into the gaming machine.

(ii) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(b) Venue payments

These costs are expensed on a monthly basis. They relate to the provision of Venue services provided by the Invercargill Licensing Trust, under the terms of a Licence Agreement, exclusively for the Foundation's gaming machines. The Agreement commenced on 1 April 2018 for a 3 year term. It has subsequently been renewed for a further 3 years to expire on 31 March 2024. It can be terminated at any time by either party upon 1 months notice.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits in transit, cheques account funds, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less.

Short term bank deposits are bank term deposits with maturities greater than three months but less than one year. They are recorded at cost.

Long term bank deposits are bank term deposits with maturities greater than one year. They are recorded at cost.

(d) Trade and other receivables

Trade debtors and other receivables are measured at their cost less any impairment losses.

An allowance for impairment is established where there is objective evidence the Foundation will not be able to collect all amounts due according to the original terms of the receivable.

(e) Creditors and other payables

Trade creditors and other payables are stated at cost.

(f) Financial instruments

The Foundation has policies to manage the risks associated with financial instruments. The Foundation is risk averse and seeks to minimise exposure from its treasury activities. These policies do not allow any transactions that are speculative in nature to be entered into.

(i) Non-derivative financial instruments

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

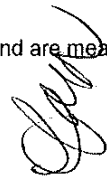
Non-derivative financial instruments are recognised initially at fair value.

Cash and cash equivalents comprise cash balances and call deposits.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

All financial assets held by the Foundation in the years reported have been designated into one classification and are measured at amortised cost using the effective interest method, less provision for impairment.



ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

(g) Property, plant and equipment

Property, Plant and Equipment are valued at cost less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Foundation and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Foundation and the cost of the item can be measured reliably.

All repairs and maintenance expenditure is charged to profit or loss in the year in which the expense is incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the profit or loss.

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the profit or loss is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Depreciation

Depreciation is provided for using the Diminishing Value method in order to recognise the high first few years reduction in value of gaming equipment. The following rates are applied:

Gaming Machines and Associated Equipment	33% D.V.
Motor Vehicles	21.6% D.V.

The residual value, useful life, and depreciation methods of property, plant and equipment is reassessed annually.

(h) Impairment

The carrying amounts of the Foundation's assets are reviewed at each balance date to determine whether there is any indication 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 profit or loss.

(i) Non-financial assets

The carrying amounts of the Foundation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Employee entitlements

Short-term employee benefits

Employee benefits, previously earned from past services, that the Foundation expects to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

(j) Income tax

The Financial Statements do not include any provision for income tax. The ILT Foundation, being a registered Charitable Trust and earning income solely from gaming machine activities, is exempt from income tax.

(k) Grant expenditure

Grants expensed to the profit or loss for the year represent:

(i) Grants that have been applied for during the year, and which have been approved and allocated for payment by the Trustees, but not necessarily paid out by balance date.

(ii) less Grants that have been returned to the Foundation during the year.

Grants allocated but unpaid at balance date are recorded in the Statement of Financial Position (refer Note 7).

(l) Statement of cash flows

The Statement of Cash Flows has been prepared using the Direct Method whereby major classes of gross cash receipts and gross payments are disclosed. For the purpose of the statement of cashflows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. The following terms are used in the statement of cash flows;

- Operating activities are the principal revenue producing activities of the Foundation and other activities that are not investing or financing activities;

- Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents; and

- Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowing of the entity.

(m) Goods and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Significant accounting judgements, estimates and assumptions

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.

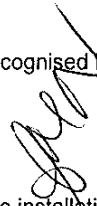
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

4 Venue Payments

The Foundation has a services agreement / short term lease with the Invercargill Licensing Trust that provides for the installation and operation of the Foundation's gaming machines in 9 of the Licensing Trust's Hotel and Tavern properties. This Services Agreement is established pursuant to a licence granted under the Gambling Act 2003.

The Agreement commenced on 1 April 2018 for a 3 year term. It has subsequently been renewed for a further 3 years to expire on 31 March 2024. It can be terminated at any time by either party upon 1 months notice.

Monthly payments are variable and can be no greater than 16% of gaming machine income. Payments over the past two years have totalled \$1,731,971 (2024) and \$1,802,176 (2023).



ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

5 Other expenses

The following amounts were expensed in the profit / (loss) for the year:

	2024	2023
	\$	\$
Audit fees	26,820	25,187
Depreciation	379,046	357,809
Loss on disposal of property, plant and equipment	6,935	17,741
Problem gambling levy	134,444	130,935
Personnel costs	250,503	242,116
Trustees remuneration	76,541	63,789
Sundry operating expenses	532,156	527,811
Total	1,406,445	1,365,388

6 Cash and cash equivalents

	2024	2023
	\$	\$
Bank balances	303,510	1,121,778
Total cash and cash equivalents	303,510	1,121,778

The carrying amount of cash and cash equivalents approximates their fair value.

The effective interest rate on short term bank deposits in 2024 was 2.25% (2023: 0.90%).

7 Grants Allocated but Unpaid

	2024	2023
	\$	\$
Grants allocated but unpaid	504,200	525,200
Total payables - Allocated Grants	504,200	525,200
<i>Grants allocated but unpaid comprise:</i>		
Opening balance	525,200	665,419
Allocated at Trustees' meetings during the year	5,865,087	5,913,672
Allocated grants returned	(26,148)	(44,803)
Grants Expense	5,838,939	5,868,869
Allocated grants paid during the year	(5,859,939)	(6,009,088)
Total grants allocated but unpaid:	504,200	525,200

As per Regulation 10 of the Gambling (Class 4 Net Proceeds) Regulations 2004:

The regulation states that a Class 4 License Holder must distribute the minimum amount of 40% of the Gaming Proceeds.

	2024	2023
	\$	\$
Gaming proceeds	10,824,817	11,263,600
Grants expense	5,838,939	5,868,869
Grants as a Percentage of Gaming Proceeds	53.9%	52.1%

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ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

8 Net Proceeds to be distributed as soon as practicable

	2024	2023
Net Proceeds to be distributed as soon as practicable	346,767	346,767
<i>Net Proceeds to be distributed as soon as practicable:</i>		
Opening balance	346,767	645,886
Transferred from Undistributed Surplus (Equity) Balance at year end	(521,778)	(299,119)
Transferred to Foundation Equity	175,011	(299,119)
Net Proceeds to be distributed as soon as practicable	-	346,767

Regulation 11 of the Gambling (Class 4 Net Proceeds) Regulations 2004 require Class 4 licence holders to distribute all or nearly all of their GST-exclusive gross proceeds to the community or for authorised purposes within three months. The Board has deemed it appropriate to transfer the Undistributed Surplus (Equity) Balance at year end of (\$521,778) in 2023 (2023: \$299,199) to "net proceeds to be distributed as soon as practicable" under current liabilities in the Statement of Financial Position. However, if the "net proceeds to be distributed as soon as practicable" is showing a negative amount, it will then be shown under foundation equity as "Net Proceeds over-distributed" in the Statement of Financial Position, which is the situation for the financial year ending 31 March 2024 for \$175,011 (2023: Nil).

As such, no allocated grants were made for the financial year ending 31 March 2024 (2023: Allocated grants: \$278,826 in April 2023 and \$313,506 in May 2023).

9 Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

	Gaming Machines & Associated Equipment	Motor Vehicle	Total
	\$	\$	\$
2024			
Gross carrying amount			
Opening balance	4,922,562	35,114	4,957,676
Additions	251,026	-	251,026
Disposals	(251,484)	-	(251,484)
Closing balance	4,922,104	35,114	4,957,218
Accumulated depreciation and impairment			
Opening balance	3,965,771	632	3,966,403
Depreciation for the year	371,598	7,448	379,046
Depreciation written back on disposal	(244,549)	-	(244,549)
Closing balance	4,092,820	8,080	4,100,900
Carrying amount 31 March 2024	829,284	27,034	856,318

	Gaming Machines & Associated Equipment	Motor Vehicle	Total
	\$	\$	\$
2023			
Gross carrying amount			
Opening balance	4,851,103	41,149	4,892,252
Additions	495,329	35,114	530,443
Disposals	(423,870)	(41,149)	(465,019)
Closing balance	4,922,562	35,114	4,957,676
Accumulated depreciation and impairment			
Opening balance	4,009,285	30,935	4,040,220
Depreciation for the year	357,177	632	357,809
Depreciation written back on disposal	(400,691)	(30,935)	(431,626)
Closing balance	3,965,771	632	3,966,403
Carrying amount 31 March 2023	956,791	34,482	991,273

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ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

10 Trade and Other Payables

	2024	2023
	\$	\$
Trade Creditors	213,032	501,325
Sundry Creditors	248,067	274,814
GST Payable	162,987	186,115
Total	624,086	962,254

11 Foundation equity

2024	Net Proceeds over-distributed	Undistributed Net Proceeds	Capital Asset Reserve	Asset Renewal Fund	Total
	\$	\$	\$	\$	\$
Balance at 1 April 2023	-	-	985,835	1,196,205	2,182,040
Total comprehensive revenue and expense before grants	-	5,317,161	-	-	5,317,161
Grants allocated during the year	-	(5,865,087)	-	-	(5,865,087)
Grants returned during the year	-	26,148	-	-	26,148
Net Proceeds over-distributed for the year	(175,011)	-	-	-	(175,011)
Transferred from Undistributed Surplus (Equity) Balance at year end	-	521,778	-	-	521,778
Adjustment between Capital Equity & Asset Renewal Fund to reflect the correct balance after removing Motor Vehicles	-	-	(29,044)	29,044	-
Assets purchased during the year	-	-	251,026	(251,026)	-
Assets sold during the year	-	-	-	-	-
Depreciation, gains and losses for the year	-	-	(378,533)	378,533	-
Balance at 31 March 2024	(175,011)	-	829,284	1,352,756	2,007,029

2023	Net Proceeds over-distributed	Undistributed Net Proceeds	Capital Asset Reserve	Asset Renewal Fund	Total
	\$	\$	\$	\$	\$
Balance at 1 April 2022	-	-	852,032	1,330,008	2,182,040
Total comprehensive revenue and expense before grants	-	5,569,750	-	-	5,569,750
Grants allocated during the year	-	(5,913,672)	-	-	(5,913,672)
Grants returned during the year	-	44,803	-	-	44,803
Transferred from Undistributed Surplus (Equity) Balance at year end	-	299,119	-	-	299,119
Assets purchased during the year	-	-	530,443	(530,443)	-
Depreciation, gains and losses for the year	-	-	(380,988)	380,988	-
Balance at 31 March 2023	-	-	985,835	1,196,205	2,182,040

Net Proceeds over-distributed / Undistributed Net Proceeds

Regulation 11 of the Gambling (Class 4 Net Proceeds) Regulations 2004 require Class 4 licence holders to distribute all or nearly all of their GST-exclusive gross proceeds to the community or for authorised purposes within three months. The Board has deemed it appropriate to transfer the Undistributed Surplus (Equity) Balance at year end of (\$521,778) in 2023 (2023: \$299,199) to "net proceeds to be distributed as soon as practicable" under current liabilities in the Statement of Financial Position. However, if the "net proceeds to be distributed as soon as practicable" is showing a negative amount, it will then be shown under foundation equity as "Net Proceeds over-distributed" in the Statement of Financial Position, which is the situation for the financial year ending 31 March 2024 for \$175,011 (2023: Nil).

As such, no allocated grants were made for the financial year ending 31 March 2024 (2023: Allocated grants: \$278,826 in April 2023 and \$313,506 in May 2023).

Capital Asset Reserve

The Capital Asset Reserve represents the equity held in the fixed assets of the Foundation. This is equivalent to the book value of gaming assets at balance date.

Asset Renewal Fund

The Asset Renewal Fund represents funds accumulated from depreciation expense at balance date that have not yet been spent on asset replacements but are available for future expenditure.

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

12 Employee entitlements	2024	2023
	\$	\$
Annual leave entitlements	21,174	31,905
Total	21,174	31,905

13 Financial Assets and Liabilities

(a) Classification of financial instruments

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities.

2024	Financial assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount	Fair value
Financial assets				
Trade and other receivables	240,675	-	240,675	240,675
Cash and cash equivalents	303,510	-	303,510	303,510
Short Term Bank Deposits	1,000,000	-	1,000,000	1,000,000
Long Term Bank Deposits	500,000	-	500,000	500,000
Total assets	2,044,185	-	2,044,185	2,044,185
Financial liabilities				
Trade and other payables	-	624,086	624,086	624,086
Grants allocated but not paid	-	504,200	504,200	504,200
Net Proceeds to be distributed as soon as practicable	-	-	-	-
Total liabilities	-	1,128,286	1,128,286	1,128,286

2023	Financial assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount	Fair value
Financial assets				
Trade and other receivables	241,440	-	241,440	241,440
Cash and cash equivalents	1,121,778	-	1,121,778	1,121,778
Short Term Bank Deposits	1,500,000	-	1,500,000	1,500,000
Total current assets	2,863,218	-	2,863,218	2,863,218
Total assets	2,863,218	-	2,863,218	2,863,218
Financial liabilities				
Trade and other payables	-	962,254	962,254	962,254
Grants allocated but not paid	-	525,200	525,200	525,200
Net Proceeds to be distributed as soon as practicable	-	346,767	346,767	346,767
Employee entitlements	-	31,905	31,905	31,905
Total current liabilities	-	1,866,126	1,866,126	1,866,126
Total liabilities	-	1,866,126	1,866,126	1,866,126

Financial assets within the scope of PBE IPSAS 41 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Foundation's financial assets are classified as loans and receivables. The Foundation's financial assets include cash and cash equivalents and receivables from exchange transactions.

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

14 Related party transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Foundation.

(a) Related party transactions

The Invercargill Licensing Trust was primarily responsible for the establishment of the ILT Foundation in August 2005. The ILT Foundation operates under its own Trust Deed and is controlled by its own Trustees, some of whom are Invercargill Licensing Trust Trustees. The following are Trustees on both entities: Patric O'Brien (Chair), Sean Bellew, Sheree Carey, Graham Hawkes, Angela Newell and Suzanne Prentice. The ILT Foundation has three additional Trustees who are co-opted onto the ILT Foundation Board, namely Jason McKenzie, Amanda Smith and Andrew Ward (Amanda and Andrew both received DIA approval as Board Trustees on 10.11.2023). [Christopher Ward, deceased June 2023, had been co-opted onto the ILT Foundation Board].

The ILT Foundation has contracts with the Invercargill Licensing Trust, approved by the Department of Internal Affairs, to operate gaming machines and other activities in their licensed premises. During the period payments to the Invercargill Licensing Trust for site rentals, administration and other services amounted to \$1,784,241 (\$1,856,157 in 2023).

As at 31 March 2024 \$149,356 inclusive of GST was owing by the ILT Foundation to the Invercargill Licensing Trust, which was later settled in the normal course of business (\$194,792 inclusive of GST in 2023).

Legal services are provided to the ILT Foundation by Ward Adams Bryan-Lamb where Andrew Ward (Trustee) is a Senior partner. The value of services provided during the year was \$12,698 (\$17,171 in 2023).

Several of the Trustees of the Foundation and key management personnel have a key relationship with organisations which were recipients of grants during the year. The details are as follows:

Trustee	Recipient organisation	Trustee's relationship to recipient organisation	Grant amount 2024 \$	Grant amount 2023 \$
Paddy O'Brien [Chair]	The Hawthorndale Care Village Charitable Trust	Trustee	\$500,000	N.A.
			\$500,000	N.A.
Sean Bellew	Rugby Southland Inc	Observer/Member of Appointments Committee	255,000	255,000
	Southland Racing Club Inc	President	7,500	7,500
			262,500	262,500
Sheree Carey	Chamber of Commerce Southland Inc	CEO	N.A.	1,125
	Southland Community Broadcasters Charitable Trust	Trustee	5,000	N.A.
	Southland Indoor Leisure Centre Charitable Trust	Trustee	400,000	N.A.
			405,000	1,125
Graham Hawkes			N.A.	N.A.
			N.A.	N.A.
Angela Newell	Invercargill Primary Schools Educational Initiatives Trust (enrich@ILT)	Trustee	457,040	427,040
		Trustee	4,715	6,000
	Shakespeare in the Park Charitable Trust	Trustee	37,778	11,700
	Arts Murihiku Charitable Trust	Trustee		
			499,533	444,740
Suzanne Prentice	Hospice Southland Charitable Trust	Employee	35,000	35,000
	Otago Southland Rescue Helicopter Trust	Trustee	N.A.	120,500
			35,000	155,500
Chris Ward	Southland Indoor Leisure Centre Charitable Trust (Passed away 12.06.2023)	Solicitor	N.A.	400,000
			N.A.	400,000
Jason McKenzie	Talent Development Southland Charitable Trust	Contractor	137,950	65,750
	Rugby Southland Inc	Contractor	255,000	255,000
			392,950	320,750
Amanda Smith [Appointed on 10.11.23]			N.A.	N.A.
			N.A.	N.A.
			N.A.	N.A.
Andrew Ward [Appointed on 10.11.23]	Invercargill Primary Schools Educational Initiatives Trust (enrich@ILT)	Solicitor	457,040	N.A.
	Marching Southland Inc	Solicitor	19,500	N.A.
	Southland Indoor Leisure Centre Charitable Trust	Solicitor	400,000	N.A.
			876,540	N.A.

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

(a) Related party transactions (continued)

Management	Recipient organisation	Relationship to recipient organisation	Grant amount 2024 \$	Grant amount 2023 \$
	Lisa-Maree Fleck		-	-
			-	-

(b) Key management compensation

The Group have a related party relationship with its key management personnel. Key management personnel include the Trustees and Senior Management of the Trust.

Key management personnel compensation includes the following expenses:

	2024 \$	2,023 \$
Salaries and other short-term employee benefits	176,356	183,408
Termination benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Total remuneration	176,356	183,408
Number of persons recognised as key management personnel	10	9

15 Contingent assets and contingent liabilities

The Foundation has no contingent assets or contingent liabilities (2023: none).

16 Commitments

There were no commitments made as of 31 March 2024. (2023: none).

17 Events after the reporting period

In April 2024, the Foundation received its amended gaming licences from the Department of Internal Affairs for nine gaming machines that it paid \$255,985 for in January 2024. Installation is currently taking place. (2023: The ILT Foundation purchased eight gaming machines for \$193,675 in March 2023. The amended gaming licences from the Department of Internal Affairs arrived in June 2023, and all eight gaming machines were installed then.)

The following three grants were approved prior to 31 March 2024 amounting to \$504,200: The Hawthorndale Care Village Charitable Trust for \$500,000, paid on 16 April 2024, Invercargill Secondary Schools Network Trust for \$2,000, which remains unpaid, and Greenlight Innovations Ltd for \$2,200 which remains unpaid. (2023: none).

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

18 Itemised statement of the application or distribution of net proceeds from class 4 gambling

	\$		\$
Able Charitable Trust (Southern Family Support)	25,000	Ka Taoka I Tuku Iho Charitable Trust	5,000
Age Concern Southland Inc	32,685	Kenzies Gift Charitable Trust	5,200
Alzheimers Society Southland Inc	7,500	Kiwi Family Trust	1,500
Aotearoa Jazz Education and Performance Charitable Trading Trust	1,125	Kiwi Harvest Limited	10,000
Aphasia NZ Charitable Trust	1,500	Learning Differences Aotearoa Trust	7,000
Aqua Health Inc	1,625	Lighthouse Southland Inc	16,250
Arahi Māori Womens Welfare League	10,000	Loss and Grief Support Trust Southland	25,000
Arts Murihiku Charitable Trust	37,778	LUG South	3,750
Ascot Community School	112,869	Makarewa Netball Club	3,000
Athletics Southland Inc	69,000	Makarewa School	2,500
Atuitui Charitable Trust	4,000	Marching Southland Association Inc	19,500
Aurora College	3,000	Miharo Murihiku Trust	35,375
Barnardos New Zealand Inc	29,000	Mobility Assistance Dogs Trust	5,000
Blue Jay Marching Club	7,500	Murihiku Māori Secondary Schools Teachers Trust	4,700
Blue Light Ventures Inc	1,568	Murihiku Swimming Club Inc	1,900
Bowls Southland Inc	33,750	NABBA Southland	4,000
Bush Haven Native Bird Rehabilitation Trust	750	National Heart Foundation of NZ	5,500
Cancer Society of NZ - Otago & Southland Division Inc	20,000	Netball South Zone Inc	112,500
CCS Disability Action Southland Inc	9,000	New Zealand Blind Cricket Association Inc	1,500
Chatbus South Trust	75,000	New Zealand Competitive Aerobics Federation Inc	13,702
Christian Mission Fellowship International New River Southland Trust	3,500	New Zealand Handball Federation Inc	2,000
Citizens Advice Bureau Invercargill Inc	12,500	NZ Association of Radio Transmitters Southland Branch Inc	30,000
City of Invercargill Highland Pipe Band Inc	42,500	NZ Council of Victim Support Groups Inc	5,000
CS Art Charitable Trust	7,000	Old Boys Association Football Club	2,250
Cycling Southland Inc	67,188	Order of St John - Murihiku Area	26,301
Deaf Lawn Bowls New Zealand	5,000	Oreti Park Speedway 1998 Inc	6,000
Demons Softball Club	4,500	Out of School Music Classes Invercargill	12,500
Diabetes New Zealand	6,000	Pacific Island Advisory Charitable Trust	18,000
Disabilities Resource Centre Southland Charitable Trust	9,375	Parent to Parent NZ Inc	5,250
Disc Golf South Inc	16,700	Phoenix Synchro Southland Inc	2,700
Eduk8 Southland Charitable Trust	30,000	Piping and Dancing Association NZ Inc	5,400
Epilepsy Association of New Zealand Inc	5,625	Pirates Old Boys Rugby Club (Invercargill) Inc	11,250
Eventing Southland	5,000	Precious Babies Southland	1,500
Gabbys Starlit Hope Charitable Trust	6,750	Presbyterian Support Southland	138,460
G-Force Cycling Performance Hub Inc	2,500	Queens Park Association Football Club Inc	6,000
Golf Southland Inc	18,750	Rangatahi Tumeke Charitable Trust	5,000
Graeme Dingle Foundation Southern	23,750	Rape and Abuse Support Centre Southland Inc	105,000
Grasmere Indoor Bowls Club	700	Re Woven Therapy Charitable Trust	3,000
Greenacres Country Club Inc	2,250	Richmond Playcentre	3,160
Greenlight Innovations Ltd	3,671	Rock Quest Charitable Trust	6,000
Grey Power Southland Association Inc	7,500	Ronald McDonald House Charities New Zealand Trust	5,770
He Tauaa Junior Rugby League Club Invercargill Inc	5,000	Royal NZ Plunket Trust	7,500
Heritage South Trust	2,275	Royal NZ SPCA Inc	20,000
Highland Miniature Horse Club	1,000	Rugby Southland Inc	255,000
Hiringa Oranga o Awarua Ltd T/A Awarua Whanau Services	20,000	Samoan Congregational Christian Church Invercargill Trust	5,000
Hockey Southland Inc	75,000	Shakespeare Globe Centre NZ	2,000
Hospice Southland Charitable Trust	35,000	Shakespeare in the Park Charitable Trust	4,715
Inclusive Activity Murihiku Charitable Trust	5,000	Showquest Charitable Trust	7,000
Indian Community Southland Inc	8,000	Sir John Kirwan Foundation	75,000
Insert Coin To Play Charitable Trust	28,000	Smash Badminton Club	900
Invercargill City Charitable Trust Board	9,125	Southern Grilles and Gasoline Vehicle Club Inc	2,000
Invercargill City Council	162,500	Southern REAP Charitable Trust	30,000
Invercargill Community Patrol Charitable Trust	3,000	Southern Snooker and Billiards Association	7,250
Invercargill Garrison Band Inc	30,700	Southern Sou'NZ Inc	1,200
Invercargill Golf Club Inc	2,750	Southland A & P Association	4,000
Invercargill Gymnastic Club Inc	15,000	Southland Amateur Rowing Association Inc	8,500
Invercargill Harness Racing Club Inc	7,500	Southland Art Society Inc	6,800
Invercargill Hockey Association Inc	11,200	Southland Badminton Association Inc	45,000
Invercargill Indoor Bowls Sub Centre	1,250	Southland Basketball Association Inc	86,250
Invercargill Intercultural Church	5,000	Southland Beneficiaries & Community Rights Centre Inc	25,000
Invercargill Masonic Historical Building Charitable Trust	5,000	Southland BMX Club Inc	2,500
Invercargill Musical Theatre Inc	27,500	Southland Christmas Parade Charitable Trust	9,383
Invercargill Netball Centre Inc	56,600	Southland Clay Target Club Inc	2,500
Invercargill Primary School Educational Initiatives Trust	457,040	Southland Community Broadcasters Charitable Trust	5,000
Invercargill Repertory Society Inc	10,000	Southland Competitions Society Inc	2,625
Invercargill Rock N Roll Club Inc	6,000	Southland Cricket Association Inc	125,000
Invercargill Rugby Football Club Inc	20,000	Southland Darts Association Inc	4,100
Invercargill Secondary Schools Network Trust	216,500	Southland Deaf Community Inc	1,500
Invercargill Symphonia Inc	3,500	Southland Disability Enterprises Ltd-Recycle South	25,000
Jubilee Budget Advisory Service Ltd	81,600	Southland District Rugby Football League Inc	38,750
Jubilee SuperGrans Ltd	9,000	Southland Filipino Society Inc	6,000

ILT Foundation

Notes to the financial statements for the year ended 31 March 2024

18 Itemised statement of the application or distribution of net proceeds from class 4 gambling (continued)

	\$		\$
Southland Fire Service Museum Society Inc	5,000	Waverley Bowling Club Inc	8,459
Southland Food Bank Trust	25,000	Whanake House Charitable Trust	10,000
Southland Football Inc	88,750	Youthline Southland Charitable Trust	5,000
Southland Girls' High School	5,000		
Southland Group NZ Riding for the Disabled Inc	63,500	Grants returned	-26,148
Southland Indoor Bowls Centre Inc	22,000		
Southland Indoor Leisure Centre Charitable Trust	400,000	TOTAL	<u>\$5,838,939</u>
Southland Kennel Association Inc	1,500		
Southland Kiribati Community & Youth Inc	10,000		
Southland Life Education Community Trust	5,000		
Southland Literacy Association Inc	5,500		
Southland Mangaia Club Inc	4,600		
Southland Masters Badminton Club	2,000		
Southland Migrant Walking Together Organisation and Multilingual and Activity Centre Charitable Trust	5,000		
Southland Motorcycle Club Inc	39,124		
Southland Multicultural Trust	20,000		
Southland Musicians Club Inc	1,000		
Southland Otago Axemens Centre Inc	2,750		
Southland Power Boat Club Inc	4,000		
Southland Racing Club Inc	7,500		
Southland Regional Development Agency (Great South)	26,625		
Southland Rodeo Association Inc	5,210		
Southland Schools Pipe Band Programme Trust	50,700		
Southland Science and Technology Fair Society Inc	1,500		
Southland Secondary Schools Sport	11,250		
Southland Society of Model Engineers Inc	1,500		
Southland Softball Association Inc	30,000		
Southland Sports Car Club Inc	20,000		
Southland Stock Car Drivers Association Inc	9,125		
Southland Tennis Association Inc	45,750		
Southland Triathlon and Multisport Club Inc	10,750		
Southland Water Polo Club Inc	13,500		
Southland Workers Educational Assn Inc	11,250		
Southland Youth One Stop Shop Trust	25,000		
Spirit Army	5,000		
Sport Southland (T/A Active Southland)	134,048		
Squash City Invercargill Inc	30,000		
Squash Southland Inc	40,000		
Stadium Southland Ltd	4,000		
Star Rugby Football Club Invercargill Inc	58,950		
Strings of Southland Charitable Trust	1,765		
Swimming Southland Inc	52,500		
Table Tennis Southland Inc	23,000		
Talent Development Southland Charitable Trust	137,950		
Te Kohanga Reo I Nga Hau E Wha Invercargill Society Inc	5,000		
Te Kohanga Reo o Murihiku	5,000		
Te Oriari Trust	10,000		
Te Rourou One Aotearoa Foundation	20,000		
The Hawthorndale Care Village Charitable Trust	500,000		
The Society of Tisbury Residents Inc	21,965		
The Sustainable Coastlines Charitable Trust	2,500		
The YMCA of Invercargill Inc	79,000		
Tisbury School	2,073		
Touch Southland Inc	42,000		
Tuesday Walk Group	1,625		
Tutuki Harnessing Potential Charitable Trust	10,000		
Tuturu Charitable Trust	19,500		
Volley South Inc	36,250		
Waihopai Association Football Club Inc	6,000		
Waihopai City Lions Club Inc	5,382		
Waihopai Rowing Club Inc	12,050		
Waihopai School	2,346		
Waikiwi Highland Piping and Dancing Society	750		
Waikiwi Rugby Football Club Inc	11,250		