

The Akarana Community Trust Limited
Financial Statements
For the Year Ended 31st March 2017

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The Akarana Community Trust Limited
Financial Reports
For the Year Ended 31st March 2017

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The Akarana Community Trust Limited

Directory

As at 31st March 2017

Registered Office	Shop 2, 116 Cavendish Drive Manukau Auckland 2104 NZ	
Directors	Malcolm Gordon Pramjit Rai Suchdev Phyllis Margaret Huitema Mary Francis HAckshaw (resigned on 4 th Aug 2016) Janu Partap Singh (resigned 9th Mar 2017) Khushmeet Kaur (18th April 2017)	
Company number	3265349	
Auditors	Audit Services Chartered Accountants Limited	
Accountants	Macro Accounting and Tax Advisors Limited 116 B Cavendish Drive Manukau Auckland 2104	
Bankers	Bank Of New Zealand	
Solicitors	True Legal Jarrod True Hamilton	
Date of Formation	23 rd February 2011	
Shareholders	Malcolm Gordon Pramjit Rai Suchdev	50 Ordinary Shares 50 Ordinary Shares



The Akarana Community Trust Limited
Director's Annual Report
For the Year Ended 31st March 2017

The Directors present here their Annual Report including Financial Statements of the Company for the year ended 31st March 2017.

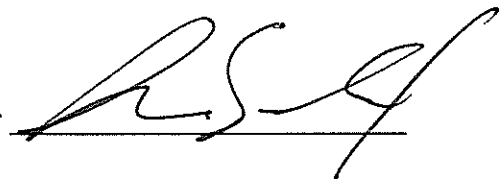
Annual Report Non-Compliance

A unanimous resolution was passed by the company pursuant to subsection 211(3) of the Companies Act, 1993 that the Annual Report need not comply with paragraphs (a) and (e) to (j) of subsection 211(1) of the Act.

For and on behalf of the Board of Directors

Director 

Date : 27/4/17

Director 

Date : 27/4/17



The Akarana Community Trust Limited
Trading Account
For the Year Ended 31st March 2017

	2017	2016
	\$	\$
REVENUE		
Gaming Machine Proceeds	6,787,420	6,613,224
DIRECT COSTS		
Application Fees	2,261	39
Electronic Monitoring System	54,732	37,806
ESI Balance Fees	1,597,968	16,140
Gaming Machine Duty	-	1,500,446
Problem Gambling Levy	102,999	98,279
Repairs & Maintenance	92,189	89,308
Site Rental	908,725	716,225
Venue Licence	52,004	38,059
Total	<u>2,810,878</u>	<u>2,496,302</u>
GROSS SURPLUS FROM TRADING	<u><u>\$3,976,542</u></u>	<u><u>\$4,116,922</u></u>
GROSS SURPLUS MARGIN	58.6%	62.3%

The accompanying notes form part of these financial statements.

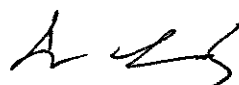
The Akarana Community Trust Limited

Statement of Financial Performance

For the Year Ended 31st March 2017

	2017	2016
	\$	\$
Surplus from Trading	3,976,542	4,116,922
SUNDRY INCOME		
Interest Received	1,450	1,539
Total Income	3,977,992	4,118,461
Less Expenses		
Accident Compensation Levy	2,231	507
Accountancy Fees	10,850	7,440
Advertising	3,796	2,441
Audit Fees	3,500	3,250
Bank Charges	6,216	11,779
Compliance Fees	-	6,757
Computer Expenses	11,277	755
Conference Expenses	27	-
Consultancy	423	35
Directors' Fees	70,898	56,400
Freight & Courier	292	234
FBT	3,488	-
General Expenses	212	-
Insurance	21,778	15,553
Interest	21,070	24,877
Kiwisaver Employer Contributions	3,033	2,800
Legal Expenses	80,334	77,487
Licences & Registrations	13,858	5,872
Light Power & Heating	190	-
Membership Fees	660	615
Motor Vehicle Expenses	3,156	3,547
Printing, Stamps & Stationery	5,590	9,331
Rents	17,850	12,000
Staff Training	2,920	960
Subscriptions	2,490	2,490
Telephone, Tolls & Internet	9,395	10,454
Travel - National	10,450	5,063
Travel - International	-	1,399
Wages & Salaries	123,760	110,112
Total Expenses	429,744	372,158
Net Surplus Before Depreciation	3,548,248	3,746,303

The accompanying notes form part of these financial statements.



The Akarana Community Trust Limited
Statement of Financial Performance
For the Year Ended 31st March 2017

	2017	2016
	\$	\$
Less Depreciation		
Depreciation as per Schedule	241,986	252,354
Depreciation - Loss on Sale	(33,173)	32,655
Net Depreciation Adjustment	<u>208,813</u>	<u>285,009</u>
Net Surplus Before Distributions	<u>3,339,435</u>	<u>3,461,294</u>
Distributions		
Distributions made during the year	3,120,867	3,062,143
NET UNDISTRIBUTED SURPLUS FOR THE YEAR	<u><u>\$218,568</u></u>	<u><u>\$399,151</u></u>



The accompanying notes form part of these financial statements.



The Akarana Community Trust Limited
Statement of Movements in Accumulated Funds
For the Year Ended 31st March 2017

	<i>Note</i>	2017	2016
		\$	\$
UNDISTRIBUTED FUNDS AT START OF YEAR		231,164	(167,987)
REVENUE			
Net Undistributed Surplus for the Year		218,568	399,151
Total Recognised Revenues and Expenses for the Year		218,568	399,151
UNDISTRIBUTED FUNDS AT END OF THE YEAR		\$449,732	\$231,164

The accompanying notes form part of these financial statements.

The Akarana Community Trust Limited
Statement of Financial Position
As at 31st March 2017

	<i>Note</i>	2017	2016
		\$	\$
CURRENT ASSETS			
BNZ Bank - On Call Account		540,067	375,113
BNZ Bank - Highbrook account		10,527	34,225
Taxation		2,224	1,746
Accrued Income		92,205	102,978
Total Current Assets		<u>645,023</u>	<u>514,062</u>
NON-CURRENT ASSETS			
Fixed Assets as per Schedule		340,085	399,868
TOTAL ASSETS		<u>985,108</u>	<u>913,930</u>
CURRENT LIABILITIES			
GST Due for payment		143,966	149,168
Accounts Payable		208,408	179,817
Accrued Expenses		14,501	2,599
PAYE Payable		2,867	-
BNZ Credit Card JP Singh		2,034	1,453
BNZ Term Loan - Current Portion		116,513	177,798
Total Current Liabilities		<u>488,289</u>	<u>510,835</u>
NON-CURRENT LIABILITIES			
BNZ Term Loan No 6		-	45,962
BNZ Term Loan No 7		47,087	125,969
Total Non-Current Liabilities		<u>47,087</u>	<u>171,931</u>
TOTAL LIABILITIES		<u>535,376</u>	<u>682,766</u>
NET ASSETS		<u>\$449,732</u>	<u>\$231,164</u>
Represented by;			
ACCUMULATED FUNDS			
Retained Earnings		449,732	231,164
TOTAL ACCUMULATED FUNDS		<u>\$449,732</u>	<u>\$231,164</u>

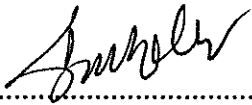
The accompanying notes form part of these financial statements.

The Akarana Community Trust Limited

Statement of Financial Position

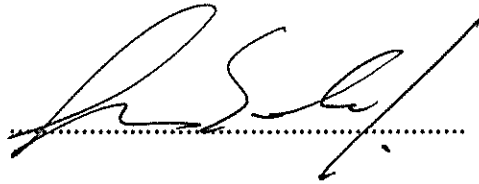
As at 31st March 2017

The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.



.....
Director

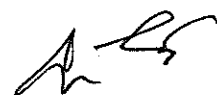
Date 27/4/17



.....
Director

Date 27.4.17

The accompanying notes form part of these financial statements.



The Akarana Community Trust Limited

Statement of Cash Flows

For the Year Ended 31st March 2017

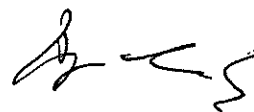
	Note	2017 \$	2016 \$
OPERATING ACTIVITIES			
Cash was received from from:			
Fees Received (GST exclusive)		6,796,788	6,613,224
Interest received		1,450	1,539
GST movements		(16,865)	32,098
		<u>6,781,373</u>	<u>6,646,861</u>
Cash was applied to:			
Payments to suppliers and employees		3,152,174	2,966,553
Rent paid		18,850	11,000
Interest paid		21,070	24,877
Authorised Purpose Distribution		3,120,867	3,062,143
		<u>6,312,961</u>	<u>6,064,573</u>
Net Cash Inflow (Outflow) from Operating Activities		<u>468,412</u>	<u>582,288</u>
INVESTING ACTIVITIES			
Cash was received from:			
Sale of fixed assets		69,830	-
		<u>69,830</u>	<u>-</u>
Cash was applied to:			
Purchase of fixed assets		210,857	237,097
		<u>(210,857)</u>	<u>237,097</u>
Net Cash Inflow (Outflow) from Investing Activities		<u>(141,027)</u>	<u>(237,097)</u>
FINANCING ACTIVITIES			
Cash was received from:			
Loan advances received		-	450,374
		<u>-</u>	<u>450,374</u>
Cash was applied to:			
Repayment of Loans		186,129	395,738
		<u>186,129</u>	<u>395,738</u>
Net Cash Inflow (Outflow) from Financing Activities		<u>(186,129)</u>	<u>54,636</u>
NET INCREASE (DECREASE) IN CASH HELD		<u>141,256</u>	<u>399,827</u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements

The Akarana Community Trust Limited
Statement of Cash Flows
For the Year Ended 31st March 2017

	Note	<u>2017</u>	<u>2016</u>
		\$	\$
Cash and cash equivalents as at 1 April 2016		409,338	9,510
Cash and Cash Equivalents as at 31 March 2017		<u>550,594</u>	<u>409,337</u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements



The Akarana Community Trust Limited
Schedule of Finance Leases & Term Loans
As at 31st March 2017

	2017	2016
	\$	\$
BNZ Term Loan No 6 - Security - Over Company's Assets		
Opening Balance	45,962	-
Advance amount	-	228,200
Less payments made	(5,139)	(71,221)
Total outstanding	<u>40,823</u>	<u>156,979</u>
Less than one year	40,823	111,017
Greater than one year	-	45,962
BNZ Term Loan No 7 - Security - Over Company's Assets		
Opening Balance	125,969	-
Advance	-	222,174
Less payments made	(3,191)	(29,424)
Total outstanding	<u>122,778</u>	<u>192,750</u>
Less than one year	75,691	66,781
Greater than one year	47,087	125,969
BNZ Term Loan Nos. 1 - 5 - Security Over Company's Assets		
Opening Balance	133,850	295,093
Less payments made	(133,850)	(295,093)
Total due less than one year	116,514	177,798
Total due greater than one year	47,087	171,931
Total Term Loans	<u><u>163,601</u></u>	<u><u>349,729</u></u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements

The Akarana Community Trust Limited

Notes to the Financial Statements

For the Year Ended 31st March 2017

1. REPORTING ENTITY

The Akarana Community Trust Limited is a gaming society established for the primary activity of operating gaming machines to generate surplus revenue to be distributed in accordance with its constitution and authorised purpose as approved by the Department of Internal Affairs. The society conducts Class 4 gaming in New Zealand as defined in the Gambling Act 2003.

2. STATEMENT OF ACCOUNTING POLICIES

(a) Entity Reporting

These financial statements are for Gaming Society known as "The Akarana Community Trust Limited" ("the corporate society").

The Corporate Society was incorporated on 23rd February 2011 and was granted a gaming licence which commenced on 1st May 2012.

These financial statements were approved and were authorised for issue by the Directors on 26th April 2017.

(b) Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that has been authorised for use by the External Reporting Board for Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined at large.

The Directors have elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions. This decision results in the Company not preparing a Statement of Service Performance for both reporting periods.

(c) Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of Financial Performance, Financial Position and Cash Flow Statements have been applied on an historical cost basis.

(d) Changes in Accounting Policies

There have been no changes to the Accounting Policies compared to the last year.

The Akarana Community Trust Limited

Notes to the Financial Statements

For the Year Ended 31st March 2017

(e) Specific Accounting Policies

The financial statements are prepared in accordance with the New Zealand generally accepted accounting practice. The accounting policies that materially affect the measurement of the financial performance, financial position and cash flows are set out below:

Revenue

Revenue comprises the amounts received and receivable for goods and services supplied to customers in the ordinary course of business.

Goods and Services Tax (GST)

The Financial Statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are stated inclusive of GST.

(f) Property, Plant & Equipment

Initial Recording

The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of the other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

Valuation of Fixed Assets

Property, Plant and Equipment are stated at cost (unless otherwise stated) less aggregate depreciation.

Depreciation

Depreciation of property, plant and equipment is calculated so as to expenses the cost of the assets to their residual values over their estimated useful lives. The rates are as follows:

Motor Vehicles	21.0%	DV
Furniture & Fittings	33.3%	SL
Plant & Equipment	33.2 - 58.6%	SL

The Akarana Community Trust Limited

Notes to the Financial Statements

For the Year Ended 31st March 2017

(g) Taxation

The Company is exempt for income tax under section CW48 of the Income Tax Act 2007. The Act provides an exemption for gaming machine income of licensed operators provided all distributions are made in accordance with the Gambling Act 2003. Accordingly, all surpluses are distributed as grants in accordance with the Company's Authorised Purpose statement as approved by the Department of Internal Affairs.

(h) Impairment

Annually, the Directors assess the carrying value of each asset. Where the estimated recoverable amount of the asset is less than its carrying amount, the asset is written down. The impairment loss is recognised in the Statement of Financial Performance.

(i) Financial Instruments

Financial Instruments carried on the statement of financial position include Cash and Bank balances, Investments, Receivables, Payables and Borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(j) Operating Leases

Leases that are finance leases are classified as operating leases. Operating lease payments are recognised as expenses in the periods the amounts are payable.

(k) Statement of Cash Flows

The Statement of Cash flows is prepared exclusive of GST, which is in consistent with the method used in the Statement of Financial Performance.

The following are the definitions of the terms used in the statement of cash flows:

- Operating activities include all transactions and other events that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.
- Financing activities are those activities that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash.
- Cash is considered to be cash on hand and current account in banks, net of bank overdrafts.

The Akarana Community Trust Limited

Notes to the Financial Statements

For the Year Ended 31st March 2017

(I) Going concern

These financial statements have been prepared on the basis that the company is a going concern as determined by the Directors of the Company. The Directors consider that the Company would satisfy the solvency requirements of the Companies Act 1993.

3. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2016:\$0). The Akarana Community Trust Limited has not granted any securities in respect of liabilities payable by any other party whatsoever.

4. RELATED PARTIES

There were no related party transactions during the year except the following -

All Directors are paid Directors Fees. The director fees paid are fair to the Company and are commensurate with the experience, time, effort, knowledge, skills, dedication, responsibilities, connections, expertise, stress, risks, leadership provided to the Company by them.

Director of The Akarana Community Trust – Pramjit Rai Suchdev is the Committee member of Flat Bush Community Group Inc.

Pramjit Rai Suchdev's sister (Roopa Suchdev) is a Grant recipient of the Akarana Community Trust Limited. She is the CEO/Trustee of the Roopa Aur Aap Charitable Trust.

Pramjit Rai Suchdev is the committee member of the Manukau Indian Association.

Malcolm Gordon's Son was working for Surf Life Saving Northern Region.

The Akarana Community Trust Limited
Notes to the Financial Statements
For the Year Ended 31st March 2017

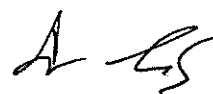
5. COMMITMENTS – GRANTS

The following grants were approved as at 31st March 2017 and were paid out subsequent to the balance date:

05/04/2017	Woman Care Trust - Grants Paid GR001449	\$37,115.00
05/04/2017	Chinese Senior Citizen Help Foundation - Grants Paid GR00	\$13,583.44
05/04/2017	Saanjh Sports and Cultural Club - Grants Paid GR001458	\$13,775.00
05/04/2017	Supreme Sikh Society - Grants Paid GR001457	\$15,000.00
05/04/2017	Chinese Senior Citizen Help Foundation - Grants Paid GR00	\$36,426.43
05/04/2017	South Auckland Rangers Associated Football and Sports Clu	\$18,654.33
05/04/2017	Papatoetoe Association Football Club - Grants Paid GR0014	\$2,000.00
05/04/2017	Auckland Kids Achievement Trust - Grants Paid GR001445	\$15,000.00
05/04/2017	Arthritis Foundation of New Zealand - Grants Paid GR001444	\$7,692.24
06/04/2017	Thames Valley Rugby Union Inc - Grants Paid GR001465	\$10,000.00
06/04/2017	Akaiti Mangarongaro School - Grants Paid GR001461	\$2,931.52
06/04/2017	Auckland Chinese Library - Grants Paid GR001459	\$492.00
13/04/2017	The Christina Mealamu Trust - Grants Paid GR001464	\$4,751.98
13/04/2017	The Christina Mealamu Trust - Grants Paid GR001462	\$30,000.00
Total		\$207,421.94

6. EVENTS AFTER THE REPORTING DATE

The Directors and Management is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of The Akarana Community Trust Limited.



The Akarana Community Trust Limited

Notes to the Financial Statements

For the Year Ended 31st March 2017

7. PROPERTY, PLANT & EQUIPMENT

	2017 \$	2016 \$
Motor Vehicles		
At cost	(24,348)	24,348
Less accumulated depreciation	<u>(14,265)</u>	<u>(9,152)</u>
	<u>10,083</u>	<u>15,196</u>
Current year depreciation	<u>5,113</u>	<u>4,039</u>
	<u>5,113</u>	<u>4,039</u>
Furniture & Fittings		
At cost	68,619	68,619
Less accumulated depreciation	<u>(65,329)</u>	<u>(54,229)</u>
	<u>3,290</u>	<u>14,390</u>
Current year depreciation	<u>11,100</u>	<u>17,560</u>
	<u>11,100</u>	<u>17,560</u>
Plant & Equipment		
At cost	1,386,715	1,204,512
Less accumulated depreciation	<u>(1,060,003)</u>	<u>(834,230)</u>
	<u>326,712</u>	<u>370,282</u>
Current year depreciation	<u>225,773</u>	<u>230,755</u>
	<u>225,773</u>	<u>230,755</u>
Total Property, Plant & Equipment	<u>\$340,085</u>	<u>\$399,868</u>
Total Depreciation for the year	<u>\$241,986</u>	<u>\$252,309</u>



The Akarana Community Trust Limited

Notes to the Financial Statements

For the Year Ended 31st March 2017

8. TERM LIABILITIES

Term Liabilities, excluding finance leases, are detailed below along with the original term, security and interest rate as at balance date.

	2017	2016
	\$	\$
Term liabilities, excluding finance leases, at balance date:		
<u>BNZ Term Loan No 6</u>	40,823	156,979
Security - Over Company's Assets		
<u>BNZ Term Loan No 7</u>	122,778	192,750
Security - Over Company's Assets		
	<u>163,601</u>	<u>349,729</u>
Repayable as follows:		
Greater than One year	47,087	171,931
Total	<u>47,087</u>	<u>171,931</u>

9. TRADE AND OTHER RECEIVABLES

	2017	2016
	\$	\$
Accrued Income	92,205	102,978
	<u>92,205</u>	<u>102,978</u>

10. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
Accounts Payable	208,408	179,817
Accrued Expenses	14,501	2,599
PAYE Payable	2,867	-
BNZ Credit Card JP Singh	2,034	1,453
BNZ Term Loan - Current Portion	116,513	177,798
	<u>344,323</u>	<u>361,667</u>



The Akarana Community Trust Limited

Auditor's Report

For the Year Ended 31st March 2017

Opinion

We have audited the financial statements of The Akarana Community Trust Limited on pages 3 to 18 which comprise the statement of financial position as at 31 March 2017, and the Trading Account, Statement of Financial Performance, statement of movements in Accumulated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Akarana Community Trust Limited as at 31 March 2017, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Akarana Community Trust Limited in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, The Akarana Community Trust Limited.

Restriction on Responsibility

This report is made solely to the Directors, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the Directors those matters 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 Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Directors' Responsibility for the Financial Statements

The Directors are responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with Tie 2 For-Profit, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.



The Akarana Community Trust Limited

Auditor's Report

For the Year Ended 31st March 2017

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at <https://xrb.govt.nz/standards-for-assurance-practitioners/auditors/auditreport8/>

The engagement partner on the audit resulting in this independent auditor's report is Vijay Talekar.

Audit Services Chartered Accountants Ltd.

Audit Services Chartered Accountants Ltd
Chartered Accountants
Auckland - 2025

27 April 2017

