

# **BlueSky Community Trust Limited**

## **Statement of Service Performance**

**For the year ended 31 July 2023**

### **Why the entity exists:**

BlueSky Community Trust Limited (BCTL) was set up to provide financial support to community organisations, it may make grants for any charitable purpose and any non-commercial purpose that is beneficial to the whole or a section of the community. Priority funding will be given to general public education; non-profit community cultural or arts festivals; recognised charitable organisations (e.g. Plunket, Salvation Army or Red Cross) to further the objectives of these groups, etc. The funds are raised via gaming machines in bars/taverns.

BCTL currently operates machines at the Auckland, Dargaville, Maramarua, Tokoroa, Rotorua and Winton. The company is keen to operate at more venues, if the addition(s) would be viable.

Gambling can be a harmful activity for some people and BCTL acknowledges its social responsibility in this regard, actively supporting and managing harm minimisation at venues. The company's venue operators are equally active in this area, enforcing the current persons excluded from gaming while monitoring gaming activity to identify potential problems and intervene where necessary.

### **Outputs:**

During July 2023 Financial Year, applicants received 42.97% of GST exclusive Gaming Machine Profit (GMP), (2022: 46.75% of GST exclusive GMP).

	<b>2023</b>	<b>2022</b>
Number of Applications	1,655	1,220
Total Requested	\$24,852,170	\$17,728,140
Average	\$15,016	\$14,531
Number Approved	1,011	515
Total Paid	\$12,073,692	\$8,748,121
Total Refunded	\$431,050	\$163,561
Average	\$11,516	\$16,669

*\* 2022 Reduced by venue closures due to Covid-19 restrictions*

All payments were for the direct or indirect benefit of the community, categorised as follows:

	<b>2023</b>	<b>2022</b>
Sport and Rec.	\$1,384,693	\$1,267,231
Health and Welfare	\$1,177,169	\$591,614
Arts and Culture	\$8,453,650	\$6,347,470

Educational	\$1,058,180	\$541,806
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BCTL is subject to legislation and regulation that requires minimum returns to the community of 40% of GST-exclusive revenue. The company achieved the required community returns in 2023 41.78% (2022: 46.75%) and accounting profit 45.96% (2022: 43.72%).

**Other Information:**

**Funds Received**

Gross Gaming Machine Profit was \$27.1 m excluding GST in 2023, a 47.58% increase on \$18.4 m ex GST in 2022 - the latter was adversely affected by venue closures due to the pandemic.

**Funds Utilised**

The Company's venues received \$4,219,535 ex GST (2022: \$2,921,615 ex GST) of gross revenue (16%), complying with regulations setting maximum payments to venues. Without a venue, BCTL would not exist and the company extends its sincere thanks and appreciation to the owners and staff of the different venues.

The Company minimises costs wherever possible, to maximise returns to the community. During 2023, the single largest (non-statutory) cost was Depreciation \$1,869,985 (2022: \$1,474,236), followed by Management Fees \$579,633 (2022: \$514,060), Gaming Machine Repairs & Maintenance \$292,401 (2022: \$199,162) and Interest Expense \$231,899 (2022: \$149,955)

Turning to the future, it is hoped and anticipated that gaming revenue will continue to perform at its current levels. The budget and forecast indicate that BCTL is on track to achieve 40% profitability and community returns during 2024.

## SUMMARY FINANCIAL STATEMENTS

### BLUESKY COMMUNITY TRUST LIMITED

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023	2022
<b>SUMMARY STATEMENT OF COMPREHENSIVE REVENUE &amp; EXPENSES</b>			
<b>INCOME</b>			
Gaming Machine Profits		27,096,373	18,360,813
Other Income		771,684	691,149
Total Income		27,868,057	19,051,962
<b>EXPENDITURE</b>			
Gaming Duty & Problem Gambling Levy		6,568,703	4,393,466
Venue Rental		4,219,535	2,921,615
Depreciation		1,869,985	1,474,236
Legal Fees & Management Costs		652,874	565,792
Other Operating Costs		1,516,567	1,217,486
Finance Costs		231,899	149,955
Total Expenditure		15,059,563	10,722,550
Surplus for the period		12,808,494	8,329,412
Grants Paid (Net)		11,642,642	8,584,560
Net Surplus / (Deficit) for the Period		<b>1,165,852</b>	<b>(255,148)</b>
<b>SUMMARY STATEMENT OF CHANGES IN NET ASSETS/EQUITY</b>			
Equity at Beginning of Year		1,151,003	1,406,151
Net Surplus/(Deficit) for the Period		1,165,852	(255,148)
Equity at End of Year		<b>2,316,855</b>	<b>1,151,003</b>
<b>SUMMARY STATEMENT OF FINANCIAL POSITION</b>			
Current Assets		2,487,673	3,044,195
Non-Current Assets	3	3,161,980	3,096,568
Total Assets		5,649,653	6,140,763
Current Liabilities		2,602,434	3,540,193
Non-Current Liabilities		730,364	1,449,567
Total Liabilities		3,332,798	4,989,760
Net Assets		<b>2,316,855</b>	<b>1,151,003</b>
Represented by:			
Shareholders Equity		<b>2,316,855</b>	<b>1,151,003</b>

# SUMMARY FINANCIAL STATEMENTS

## BLUESKY COMMUNITY TRUST LIMITED FOR THE YEAR ENDED 31 JULY 2023

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### BASIS OF PREPARATION

#### 1. Basis of Preparation

The statement of service performance and these summary financial statements are for Bluesky Community Trust Limited (the "Company") for the year ended 31 July 2023.

The summary financial statements are presented in New Zealand Dollars (NZD) rounded to the nearest dollar.

The comparative figures are for a period of twelve (12) months.

The summary financial statements are presented in summary form and therefore do not give all information required by Generally Accepted Accounting Practice in New Zealand using Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR). The summary financial statements have been prepared in accordance with PBE FRS 43 Summary Financial Statements.

The full financial report for the Company has been prepared in accordance with Generally Accepted Accounting Practice in New Zealand using PBE Standards RDR.

Due to the summarised nature, these summary financial statements cannot provide a full understanding of the financial performance and financial position of the Company. The understanding can only be obtained by reference to the annual financial report of the Company which is available from the registered office.

#### 2. Nature of Audit Opinion

The full financial reports for the years ended 31 July 2023 and 31 July 2022 have both been audited with unqualified audit opinions issued in respect of each.

#### 3. Non-Current Assets

Non-current assets are made up of the following:

	2023	2022
Fixed Assets	3,161,980	3,096,568
	<u>3,161,980</u>	<u>3,096,568</u>

#### 4. Term Debt

The term loans consists of 9 separate loans from BNZ financed for 36 months. The interest rates range from 11.47% to 11.76% p.a. (2022: 5.53% to 7.12%). Finance is secured over gaming assets of the Company.


5. There is no capital commitment as at 31 July 2023 (2022: \$1,435,504)

6. At balance date there are no known contingent liabilities (2022: \$Nil)

The Directors authorised the publication of these Summary Financial Statements on .....

Approved on behalf of the board:

  
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Chaowen Wu 30/10/2023

  
.....  
R Lin 30/10/2023



JSA Audit Limited  
is a CPA Practice



Level 2, 155 Parnell Road  
Parnell, Auckland 1052

PO Box 136, Shortland St  
Auckland 1140  
NZBN: 9429042113638

Phone + 64 9 302 7306  
Website [www.jsa.net.nz](http://www.jsa.net.nz)  
Email [enquiries@jsa.net.nz](mailto:enquiries@jsa.net.nz)

## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of BlueSky Community Trust Limited

### Opinion

The statement of service performance, summary financial statements, which comprise the summary statement of financial position as at 31 July 2023, the summary statement of comprehensive revenue & expenses, summary statement of changes in net assets/equity for the year then ended, and related notes, are derived from the audited general purpose financial report of BlueSky Community Trust Limited for the year ended 31 July 2023.

In our opinion, the accompanying statement of service performance and summary financial statements are consistent, in all material respects, with the audited general purpose financial report, in accordance with FRS-43: Summary Financial Statements issued by the New Zealand Accounting Standards Board.

### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Tier 2 Not-for-Profit PBE Accounting Standards – Reduced Disclosure Regime applied in the preparation of the audited general purpose financial report of BlueSky Community Trust Limited. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited general purpose financial report and the auditor's report thereon. The summary financial statements and the audited general purpose financial report do not reflect the events that occurred subsequent to the date of our report on the audited financial statements.

### The Audited General Purpose Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited general purpose financial report in our report dated 30 October 2023.

### Directors' Responsibility for the Summary Financial Statements

Directors are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with FRS-43: Summary Financial Statements.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited general purpose financial report based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

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

### Who we report to

This report is made solely to the shareholders, as a body. Our audit has been undertaken so that we might state to the shareholders 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 company and the shareholders as a body, for our work, for this report, or for the opinions we have formed.

*JSA Audit Ltd*  
**JSA AUDIT LIMITED**  
Parnell, Auckland  
30 October 2023