

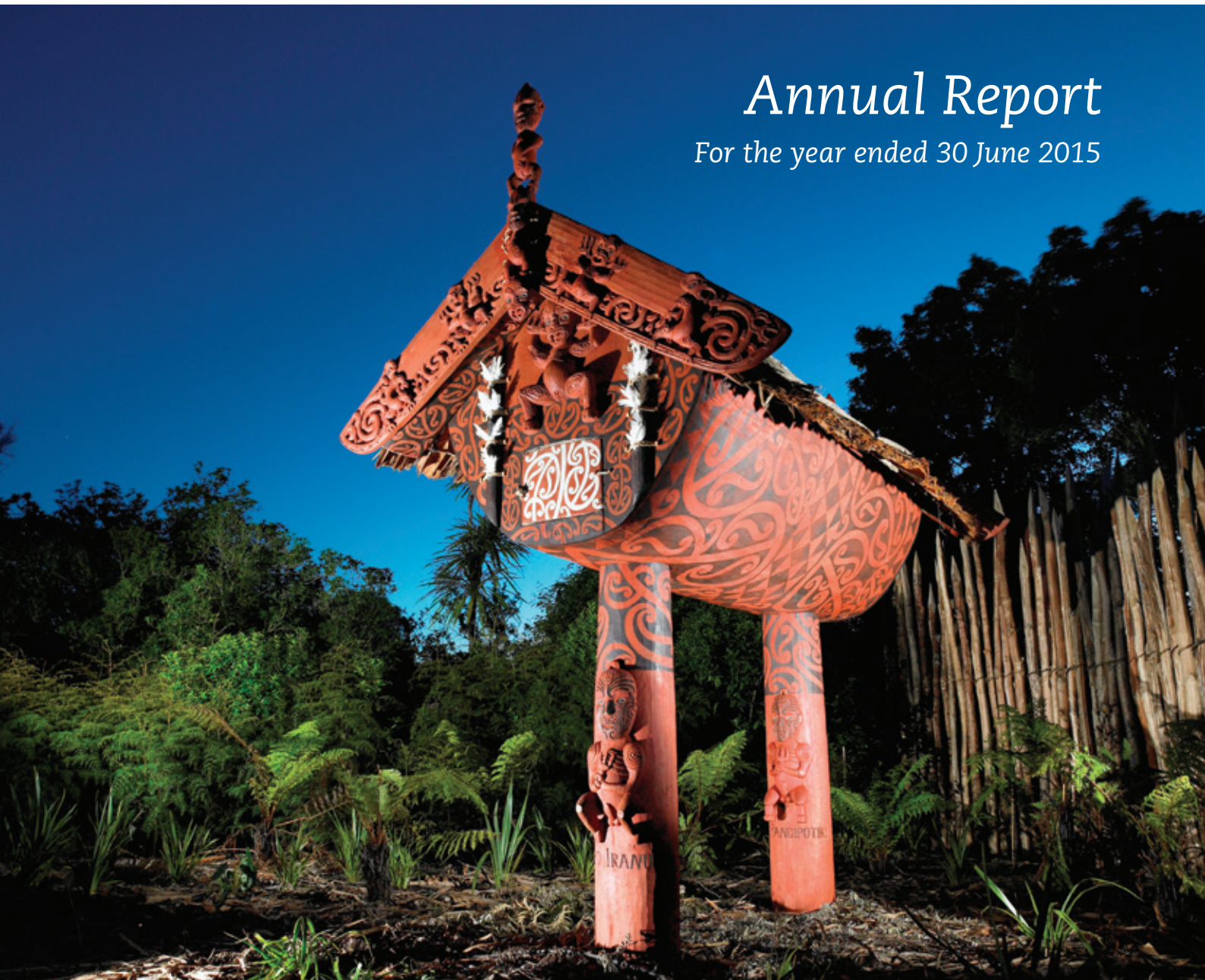


Lottery Grants Board
Te Puna Tahua
LOTTO FUNDS FOR YOUR COMMUNITY

New Zealand Lottery Grants Board

Te Puna Tahua

Annual Report
For the year ended 30 June 2015



New Zealand Lottery Grants Board

Te Puna Tahua

Annual Report

For the year ended 30 June 2015

Presented to the House of Representatives pursuant to section 295 of the Gambling Act 2003

Cover photo: Te Parapara - New Zealand's only traditional Māori productive garden is located in Hamilton Gardens and received a grant from the Lottery Significant Projects Fund.





Minister of Internal Affairs Wellington

In accordance with section 295 of the Gambling Act 2003, I present the report of the Lottery Grants Board (Board) and of each distribution committee for the 12 months ended 30 June 2015, together with a copy of the accounts of the Profits of New Zealand Lotteries for the same period, certified by the Auditor-General.

Annual Accounts

The Board is required to produce an annual report under section 295 of the Gambling Act 2003, and is a Crown entity for the purposes of sections 150(3), 154-156 and 158 of the Crown Entities Act 2004. As such, it is required to prepare its financial statements and an audit report in accordance with those provisions. The annual report must be tabled in the House of Representatives.

The role of the Board is to determine the proportions in which the profits of New Zealand Lotteries are allocated for distribution. New Zealand Lotteries conducted lotteries throughout this financial year under section 238 of the Gambling Act 2003. The profits of New Zealand Lotteries are paid into a bank account established and operated under section 286 of the Gambling Act 2003. Grants and miscellaneous expenditure are paid out of this account.

The Board has prepared its financial statements in accordance with section 154 of the Crown Entities Act 2004. The audit report for the year ended 30 June 2015 provided under section 156 of the Crown Entities Act 2004 is included along with the financial statements in this report.

A handwritten signature in blue ink, appearing to read 'Colin MacDonald'.

Colin MacDonald

Secretary

Department of Internal Affairs

Lottery Grants Board
c/o Department of Internal Affairs
46 Waring Taylor Street
P O Box 805
WELLINGTON 6140
0800 824 824

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New Zealand Lottery Grants Board

Te Puna Tahua

Vision

New Zealanders building strong, sustainable communities together.

Ko te hunga nō Aotearoa e waihanga tahi ana i ngā hapori pakari.

Mission/Te Whakatakanga

Contribute funding to support the vision in a considered, responsive and timely way.

Ko te tuku pūtea hei tautoko i te kaupapa mā te ara taute, māhorahora, arotau hoki.

Kaupapa

The Lottery Grants Board recognises the aspirations and needs of Māori and their protocols.

E whakatau ana Te Puna Tahua i ngā wawata me ngā hiahia o te iwi Māori, me ō rātou tikanga.

Board Members

Photo: from left to right, top row:

Hon Peter Dunne,
Minister of Internal Affairs
(*Presiding Member*)

Maggie Burrill
(*Appointed by the Governor-General*)

Tina Wehipeihana-Wilson
(*Appointed by the Governor-General*)

Ailsa Small
(*Appointed by the Governor-General*)

Photo: from left to right, bottom row:

Hon Maggie Barry
(*Prime Minister's Representative*) –
until July 2014

Scott Simpson MP
(*Prime Minister's Representative*) -
from July 2014

Hon Trevor Mallard
(*Leader of the Opposition's Representative*)

Outputs

In 2014/15, the Lottery Grants Board allocated: \$48,099,591 to the Lottery community committees.

This included funding for:

Regional Community Committees	
Regional Community Committees	\$35,029,651
National Community Committee	\$13,069,940

Other committees that received allocations in 2014/15 included:

Lottery Specialist Committees:	
Community Facilities	\$15,231,531
Community Sector Research	\$535,989
WWI, Environment and Heritage	\$15,718,380
Health Research	\$3,733,713
Individuals with Disabilities	\$5,173,234
Marae Heritage and Facilities	\$8,066,861
Minister's Discretionary Fund	\$369,071
Significant Projects Fund	\$15,000,000
Outdoor Safety	\$6,906,665

Statutory Bodies 42%:

Creative New Zealand 15%	\$29,790,454
New Zealand Film Commission 6.5%	\$12,909,196
Ngā Taonga Sound & Vision 0.5%	\$993,015
Sport New Zealand 20%	\$39,720,605
Allocation to Sport NZ for water safety sector	\$2,063,000





2014/15 has been another good year for the Lottery Grants Board (Board) with more than \$200 million available for distribution. The Board made large allocations to the Significant Projects Fund and to support World War One Commemorations while continuing to fund a range of initiatives through the national and regional distribution committees.

Strategic Direction

This year the Board adopted its Strategic Direction 2014-2019 document which sets out the focus for the coming years. This includes an evaluation of community need and committee structure to ensure the Board achieves its vision of building strong communities and developing local priorities that support organisations to become more sustainable. Collaboration with other funders, raising the profile of Lottery funding and ensuring communities are supported to access funding are also important. These initiatives will assist the Board to direct Lottery funding to where it is most needed over the next five years.

World War One Commemorations

This year the Board made a further \$5 million allocation to fund a mixture of community events and exhibitions to commemorate the centenary of the First World War and its impact on New Zealand society. It is pleasing to see how the Board's investment in World War One initiatives at a local and national level has enabled communities to come together to acknowledge the importance of the war in our history. The war had a deep impact on the lives of New Zealanders – for the people who fought overseas and for those who stayed at home.

An example of funding made available to support commemorative projects is the project undertaken by the Museum of New

Presiding Member's Report

Zealand Te Papa Tongarewa in conjunction with Weta Workshop to create the major exhibition *Gallipoli: The scale of our war*. It tells the story of the eight-month Gallipoli campaign through the eyes and words of eight ordinary New Zealanders.

Gallipoli: The scale of our war has become one of Te Papa's most popular exhibitions with 145,000 people visiting in the ten weeks between its opening in April and the end of June 2015. This project received a grant of \$3,661,850 from the Lottery World War One Commemorations, Environment and Heritage Committee in 2013/14.

The Significant Projects Fund

The Board allocated \$15 million to the Lottery Significant Projects Fund in July 2014. This Fund provided support to organisations undertaking major community-based capital expenditure projects. Twelve community organisations benefitted from this funding in the past year and included a range of cultural, sporting and environmental initiatives.

One of the largest grants was \$2.5 million to Hamilton City Council to create four additional themed gardens to add to the very unique displays in the Hamilton Gardens.

Grant management

The Board is pleased to confirm that a new online Grants and Client Management System (GCMS) was introduced during 2014/15. The benefits of a paperless system, together with the speed of decision making at meetings, have been noted by customers, committee members and staff. The online system enables community groups to provide information about their group once and for this to be used when applying for funds from multiple committees.

Board and Committees

Hon Maggie Barry was appointed in May 2014 to the Board as the Prime Minister's Representative and was replaced by Scott Simpson MP later in 2014 when she was appointed to Cabinet. I would like to thank all Board Members but particularly the Board Liaison Members Maggie Burrill, Ailsa Smaill and Tina Wehipeihana-Wilson for their ongoing contribution to the Board and for their support for the Lottery distribution committee meetings.

In February 2015, the Board was saddened to hear of the passing of Beryl Lusty, Presiding Member of the Waikato Community Committee, who had been a committee member from 2010. With her broad knowledge of the wider Waikato area and her involvement in local community groups, she made a great contribution to the decision making of the Committee and will be greatly missed.

The Board was also saddened by the passing in October this year of Bruce Hamilton, Presiding Member of the World War One Commemorations, Environment and Heritage Committee. Bruce joined the Committee in 2010 and his extensive knowledge and commitment to community development and conservation will be missed by the Committee and the wider West Coast community.

On behalf of the Board, I extend my sincere appreciation to the outgoing members of all distribution committees for their valuable service to the community. I also welcome the newly appointed committee members who bring with them a range of skills and specialist knowledge.

Year ahead

In 2015/16, the Board is looking forward to the increasing benefits for customers and committee members resulting from the introduction of GCMS. The coming year also signals the start of implementation of the Board's Strategic Directions initiatives which will guide decision makers. Distribution committees play an important role in funding outcomes and enabling the Board to achieve its vision. By focusing on outcomes funding, each distribution committee will be looking to invest Lottery funding into areas which will have the biggest impact on communities.

The Board in past years has been fortunate to receive increasing levels of funding. However, in 2014/15 Lottery profits reduced and the New Zealand Lotteries Commission has advised that for 2015/16 the expected profit to be transferred for allocation by the Board will be about the same level as for 2014/15. Despite this the Board is still expecting \$200 million of profit to be transferred, which is a significant amount.

In 2015/16 the Board is pleased to support a continuation of funding for World War One Commemoration activities. While funding will not be available for the Significant Projects Fund in the coming year, the committee will be maintained so that the Fund can be reactivated without delay when this again becomes a priority.

The Board is keen to ensure that its investment in national and regional community initiatives is maintained to support stronger, more resilient communities.

Hon Peter Dunne
Minister of Internal Affairs

Secretary's Report

2014/15 has been another busy and positive year, marked by the successful implementation of the new online Grants and Client Management System, further funding for the commemoration of World War One and the Significant Projects Fund, and some exciting and valuable projects having received funding.

Grants Administration

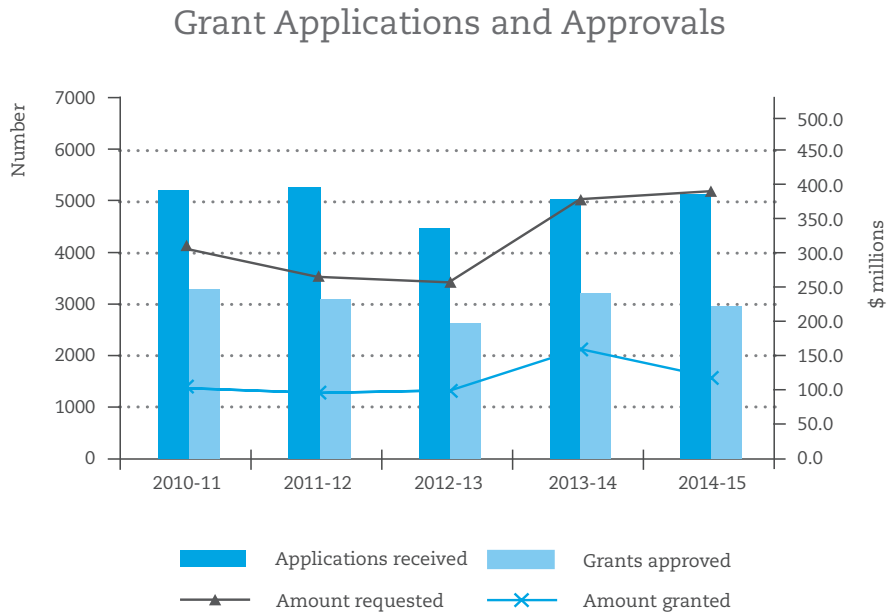
In 2014/15, the Department of Internal Affairs (Department) received 5,180 requests for funding, which is slightly higher than the previous year. Distribution committees made 2,990 grants totalling over \$119 million, with requests for approximately \$395 million being received.

Grants and Client Management System

The new Grants and Client Management System (GCMS) opened to accept grant requests from Lottery Community Committees on 4 November 2014. The launch was supported by community meetings and workshops around the country to introduce people to the new features of the system.

Each distribution committee was trained to work within the new system as their respective funding rounds opened. For most, the ability to view the requests, supporting information and advice online has made the information required by decision-makers more immediate and accessible than was previously possible. It has also meant a huge reduction in paper which is a real plus for the environment, not to mention the budgets.

It has been an eventful period for applicants, distribution committees and staff alike, and the transition to new ways of making requests and managing grants has been supported through relevant training, and by contact centre and service team staff providing one-on-one support when required. The ability to upload documents, photographs and videos has simplified the process for providing support information, reduced compliance requirements, and will enable applicants and grant recipients to tell their stories in their own way. Grant payments are able to be quickly processed



and made automatically by direct credit into bank accounts. It has also enabled an increased focus on the community benefits or outcomes that will be achieved from grants awarded.

As with all new systems, we are learning as we go about what can be improved and future possibilities. As more funding rounds open using the new system, its reporting features and configurability will allow us to make further changes and improvements to streamline and improve the experience for applicants, distribution committees and staff.

Operational Update

The Secretariat continued its programme of reviewing operational policy with a review of criteria relating to the Lottery Community Committees. Changes to policy included simplification of the priority structure, creating more flexibility with multi-year funding and reducing the supporting documentation required for minor capital works funding.

The Department has also been reviewing its business processes using a Systems Thinking methodology which looks at an end-to-end workflow from the customer perspective. This approach identifies steps which provide value and create efficiencies for customers, committees and staff. Changes to processes are identified after close observation and the redesigned workflow is tested in the workplace and

with customers and committees before implementation in the GCMS. This will ensure that Lottery customers have a simplified application process and committee members can make decisions quickly with relevant information readily available. In 2015/16 we will move to implementation of some of the improvements identified.

A review of the Individuals with Disabilities Fund (IWD) policy and procedures is also currently underway to make it simpler and more efficient to access funding.

IWD has been a paper-based system and moving to the online system in 2015/16 will be a significant change for IWD customers. Staff will be available to assist customers with the changed application process.

Grant Monitoring

The Grants Audit & Review (GAR) programme completed 44 audits in 2014/15. The audit programme is a combination of randomly selected audits and targeted audits as a result of complaints. Of the 44 completed audits, 21 were found to be fully compliant with all terms and conditions. A further 18 spent the allocation on approved items, however they did not meet all the conditions, for example, not providing an accountability report within the required timeframe.

The remaining five were found to have spent funds on items that were not approved and, while two have been granted retrospective

changes to the terms of the grant, the remaining three are required to return funds. During 2014/15, the GAR team has also continued to provide wider assurance services including educational advice to grant recipients on how to comply, risk and business improvement advice to Community Operations management and staff and input into operational policy initiatives.

Committees

There have been a number of appointments to Lottery distribution committees with new members bringing a range of skills and expertise. New Presiding Members have also been appointed as vacancies have occurred. I would like to welcome all new members and sincerely thank those who have finished their terms.

This year Presiding Members and Board Liaison Members attended the biennial Philanthropy New Zealand Conference in Auckland which provided an opportunity to meet and learn from a range of people involved in the community funding area. Attendance at the conference recognises the value that is placed on our Presiding Members and represents an investment in their ongoing learning and contribution to the community and voluntary sector.

Looking ahead to 2015/16

Business improvement will continue to be a key focus over the next year so that all funds

become more streamlined and efficient and maximise benefits of funding for applicants. With the majority of Lottery funds now online, staff from the Department will continue to support people using GCMS and identify areas which could be simplified.

In Appreciation

I would like to thank the distribution committee members who accepted the challenge of working in a different way with the introduction of GCMS. I appreciate their willingness to become familiar with the new system and their efforts to support local and national projects.

I would also like to thank the Department staff who supported the Board, distribution committees and Lottery customers to make the transition to a fully online grants system by providing comprehensive training, advice and support.

At the same time, the Board and its distribution committees have contributed to building stronger, more resilient communities through their commitment to careful and timely allocation of Lottery funds.



Robyn Nicholas
Secretary
New Zealand Lottery Grants Board

Board Liaison Members' Report



Ailsa Smail



Maggie Burrill



Tina Wehipeihana-Wilson

2014/15 has been a busy and productive year for the Lottery Grants Board (Board). The Board has made important decisions on the strategic approach it will be taking to funding over the next five years to ensure consistency and fairness of decision making by Lottery distribution committees, and to ensure that the funding is allocated to where it is most needed. It has seen the majority of Lottery funds transitioned to online management in the new Grants and Client Management System (GCMS). In addition, Lottery funding of community projects to commemorate the centenary of World War One has been achieved with many initiatives at a local level assisting people to preserve and commemorate their history.

As Board Liaison Members, we act as a link between the Board and Lottery distribution committees, providing information about key Board decisions, new directions or policy being considered. We are each responsible for a number of distribution committees both regional and national, and attend their meetings, providing guidance and support as required. At these meetings there is an opportunity to discuss Board policy and to explore emerging issues or trends that committees have noticed. As part of our role, at Board meetings we present any concerns raised by Committees to inform other Board members and to determine if future action by the Board is required.

The distribution committees have been anticipating the introduction of the new online system. The Presiding Members were introduced to the new system at a combined workshop in October 2014, which was followed up by training from regional staff prior to their decision-making meetings.

The new system has been introduced progressively by following the funding calendar for the opening of each Lottery funding round. By June 2015, funding rounds for Lottery Community, Lottery Significant Projects Fund, Lottery Community Facilities Fund, Lottery Marae Heritage and Facilities Fund and the

World War One Commemorations, Environment and Heritage Committee had opened and been managed in the new system.

Training was provided to each distribution committee member as their funding round opened. Many noted the benefits of supporting documentation being readily available when assessing a request and the speed of decision making at meetings. Any challenges associated with using a new system have been addressed.

Distribution committees have embraced the change towards outcomes focused funding and are ensuring that their allocations are aligned with the Board's vision of helping to create strong, sustainable communities together. Multi-year funding is one mechanism for supporting community groups and we have encouraged committees to consider prioritising these requests where possible.

The level of demand by community organisations for Lottery funding continues to outstrip the funding available, meaning distribution committees have difficult decisions to make when allocating grants.

With regret, we acknowledge the passing of Beryl Lusty, the Presiding Member for Lottery Community Waikato in February and Bruce Hamilton, Presiding Member for the World War One Commemorations, Environment and Heritage Committee in October and we know that they will be missed by many. Their committees will also miss the knowledge, experience and sound decision making that they brought to the allocation of funds.

We would like to thank our fellow Board Members, the Secretariat and Department staff for their continuing support. We would also like to recognise the commitment of distribution committee members to implement Board policy and, using their extensive community knowledge and experience, allocate funding across a wide range of groups.

Ailsa Smail, Maggie Burrill and Tina Wehipeihana-Wilson
Board Liaison Members

Governance and Accountability Statement

The Lottery Grants Board (Board) is governed by the Gambling Act 2003 to distribute the profits of New Zealand state lotteries, such as Lotto and Instant Kiwi, for community purposes* and for specified statutory purposes.

The Board is made up of six members. The Minister responsible for the Board is the Presiding Member, a representative of the Prime Minister and a representative of the Leader of the Opposition are ex-officio members. Three members are appointed by the Governor-General.

The Board is empowered by the Gambling Act 2003 to make allocations to:

- distribution committees established by the Minister responsible for the Board to distribute Lottery profits for community purposes
- the Minister responsible for the Board for distribution for community purposes
- three specified statutory bodies – Creative New Zealand, New Zealand Film Commission, including Ngā Taonga Sound & Vision (formerly the New Zealand Film Archive), and Sport New Zealand – for expenditure in accordance with their own Acts.

The Board has governance protocols that express its expectations of members. The Board monitors the operations of its distribution committees and the provision of administration services, including the investment of undistributed Lottery profits by the Secretary for the Lottery Grants Board.

The Board and the distribution committees are not part of the Crown and are not subject to direction by Government. Although the Board and the committees are not bound by Government policy, it is taken into account where the Board or a committee considers it to be relevant and appropriate.

The Board determines general policies and issues general directions with which the distribution committees must comply when distributing grants. A policy advisory group comprising the Presiding Members of distribution committees provides advice to the Board on strategic and policy issues, and promotes consistent Lottery grant policy development. The Board Liaison Members also attend these meetings.

Distribution Channels

In addition to the Minister's Discretionary Fund, there are 20 Lottery distribution committees. The statutory bodies and committees funded by the Lottery Grants Board are shown on page 8.

Each distribution committee distributes grants for a specified range of community purposes. Committees determine their own priorities for

funding, while complying with general Board policies and directions. Most committees have two distribution meetings each year, but some have one funding round, or consider applications as they are received.

Distribution committees may comprise of three to five members, appointed by the Minister responsible for the Board for terms of up to three years. The three Board members appointed by the Governor-General are responsible for liaising with specific distribution committees. Each attends committee meetings as an observer. The Gambling Act 2003 authorises distribution committees to delegate decision-making powers to subcommittees.

Applications that are for a community purpose described by the Gambling Act 2003, but not within the scope of a distribution committee, are referred to the Minister for decision. The Minister's Discretionary Fund was set up to receive an allocation from the Board for distribution by ministerial decision.

Distribution of Lottery Funding

Distribution committees endeavour to ensure Lottery grants are equitably distributed to demographic and geographic communities throughout the country. Decisions are guided by the principles of lawfulness, accountability, openness, integrity, fairness, and value for money.

Lottery grants are used exclusively for community purposes as defined in section 277 of the Gambling Act 2003, and preferably fund initiatives that address community needs identified by communities themselves. These initiatives include many developmental activities and services that neither government nor the private sector provide, but which are sufficiently valued by communities for members to be prepared to contribute labour, money or materials voluntarily.

The committees recognise that participation in community initiatives builds a sense of belonging and upskills individuals while providing services and activities tailored to the needs of particular communities.

When assessing an application, Lottery distribution committees consider:

- the community need for the activity or service
- community benefit assessment and support for the activity
- the fit with Board and committee policy
- the feasibility of the planned activity
- the ongoing capability of the applicant to deliver the community benefits that will address a community need.

Care is taken to ensure that Lottery funding supports sustainable activity that addresses community needs and that unrealistic expectations of future funding are not raised.

Statutory Bodies

In accordance with Board policy, the Board allocates a guaranteed minimum percentage of 42 per cent of its annual income from the New Zealand Lotteries Commission to the statutory bodies listed in section 279 of the Gambling Act 2003.

The percentages received by each are at least:

Creative New Zealand	15%
New Zealand Film Commission	6.5%
Ngā Taonga Sound & Vision	0.5%
Sport New Zealand	20%

Creative New Zealand and the New Zealand Film Commission are accountable to the Minister for Arts, Culture and Heritage for the administration, distribution and expenditure of their Lottery allocations.

Ngā Taonga Sound & Vision is a charitable trust, and has a Memorandum of Understanding with the Minister for Arts, Culture and Heritage.

Sport New Zealand is accountable to the Minister for Sport and Recreation for the administration, distribution and expenditure of its Lottery funding.

Administration of Lottery Grants

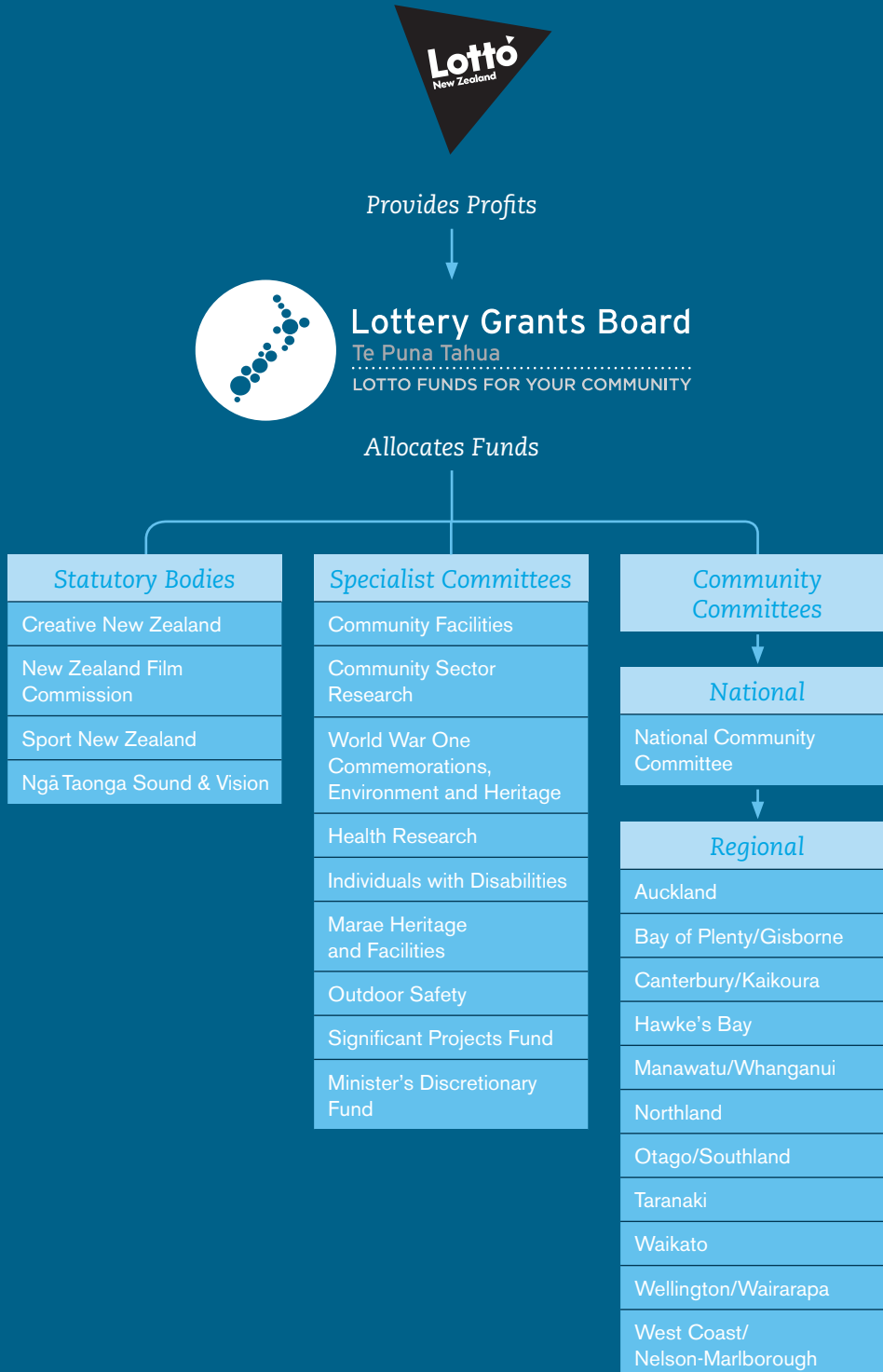
The Board, Lottery distribution committees and the Minister's Discretionary Fund are serviced by the Department of Internal Affairs. The Board is consulted on the annual administration budget before this is approved by the Minister of Internal Affairs. The range of services purchased from the Department are specified in an annual Memorandum of Understanding between the Minister of Internal Affairs and the Secretary for Internal Affairs. Secretariat and advisory staff are bound by normal Public Service codes of conduct, integrity and accountability.

Accountability

The Board does not hold bank accounts. Instead, the Department of Internal Affairs operates the bank account into which all Lottery profits are paid and is responsible for the investment of undistributed Lottery profits. All allocations, grants, administration costs and other miscellaneous expenditure specified in the Gambling Act 2003 are paid for from this account. The Board accounts for its funds in its annual report, which is tabled in the House of Representatives.

* The Gambling Act 2003 came into effect on 1 July 2004. This Act allows Lottery profits to be distributed for community purposes – to contribute to the building of strong, sustainable communities. The needs of Māori, Pacific and other ethnic communities, women, older people, youth and people with disabilities are also considered.

New Zealand Lottery Grants Board Distribution of Funds 2014/15



Lottery Specialist Committees

Lottery specialist committees consider applications for funds to assist with community facilities, projects with environmental or heritage benefits, health research, community sector research, marae heritage and facilities, and outdoor safety. A Minister's Discretionary Fund considers projects that fall outside the responsibility of other distribution committees and have demonstrable community benefit.

- *Community Facilities*
- *Community Sector Research*
- *World War One Commemorations, Environment and Heritage*
- *Health Research*
- *Individuals with Disabilities*
- *Marae Heritage and Facilities*
- *Outdoor Safety*
- *Significant Projects Fund*
- *Minister's Discretionary Fund*

Lottery Community Facilities Committee

Te Tahua Hapori Ngā Whakaurunga



Committee Members

Mary Bourke (*Presiding Member*)

Janie Annear

William Plunket

George Sue

Andrew von Dadelszen

Mission

To provide opportunities for the development of, and access to, community facilities that contribute to community cohesion.

Kaupapa

The Lottery Community Facilities Committee recognises the aspirations and needs of Māori and their protocols.

E whakatau ana te Tahua Hapori Ngā Whakaurunga i ngā hiahia me ngā tūmanako o te Māori me o rātou kawa.

Outcome Statement

Increased participation and social cohesion in the community through the development of community facilities.

Committee Priorities

Priority is given to projects that meet multiple criteria, and:

- clearly meet an identified community need
- provide opportunities for widespread and significant community interaction and cohesion
- have wide community support or result from community initiative
- provide facilities for:
 - rural and isolated communities
 - disadvantaged groups

- those who do not have ready access to similar or suitable facilities
- locations of need.

Priority is also given to projects that are:

- multi-purpose or shared facilities that are accessible to the community
- an appropriate size for the community, and the community has the capacity to develop, run and maintain the facility in the long term, independent of further support from the Lottery Grants Board
- providing opportunities for collaborative approaches by community groups for the provision of social services programmes
- improve digital literacy through accessible technology in the community.

Meeting Community Needs

In 2014/15 the Community Facilities Committee continued to receive a high volume of requests for a diverse range and scale of capital works projects around the country.

The increasing demand for earthquake strengthening assessments and upgrade projects continued this year. This included a high number of requests from the Canterbury region seeking funding to replace facilities that were either damaged, or rendered unusable, by the 2010 and 2011 earthquakes. There were also requests for seismic strengthening-related capital works projects in other parts of New Zealand.

The Committee has also seen an increase in applications from schools and councils for community partnership projects to upgrade or construct community and recreational facilities.

Some projects of particular note that the Committee funded in 2014/15 are:

- \$425,000 was granted to Motueka High School as a contribution towards the construction costs of a Cultural Education Centre
- \$500,000 was granted to Iceinline Central Incorporated as a contribution towards the construction costs of a new indoor multi-purpose ice rink facility at Molyneux Park in Alexandra
- \$50,000 was granted to Waipu Cycle and Walkway Group as a contribution towards the construction costs of a cycle and walkway
- \$750,000 was granted to the Music Centre of Christchurch towards the construction of a musical community hub in the performing arts precinct of Christchurch

- \$21,000 was granted to Hatea-A-Rangi Primary School for rebuilding a well-used school playground to benefit the school and the local community.

The Committee continued to prioritise multi-purpose projects that benefit diverse community users. This approach allows the Committee to achieve greatest value for money while addressing the widest range of community need and delivering the most benefit.

Committee

The Committee membership has remained stable over the past year. The members bring a wealth of experience and knowledge to the Committee enabling robust decision making. The Committee appreciates the ongoing support of staff from the Department of Internal Affairs and from the Lottery Grants Board.

Mary Bourke
Presiding Member
Community Facilities Committee

2014/15 Allocation	\$15,231,531
Grants written back during 2014/15	\$551,432
Grants refunded during 2014/15	\$31,799
Total amount available for distribution	\$15,814,762
Total amount requested	\$49,377,667
Total amount approved	\$15,284,589
Percentage of amount requested that was approved	31%
Applications	
Number of applications received	204
Number of applications considered	152
Number of applications approved	89
Percentage of considered applications approved	59%
Smallest approved grant	\$8,000
Average approved grant	\$171,737
Largest approved grant	\$750,000

Community Sector Research Committee

Te Tahua Rangahau mo Ngā Hapori



Committee Members

Conway Powell (*Presiding Member*)

Lorraine Campbell

Carolyn Cordery

Graham Smellie

Nan Wehipeihana

Mission

The Committee's mission is to provide funding for community organisations, enabling them to:

- undertake research for the communities they serve
- grow and improve the community knowledge base
- apply new knowledge to their operations
- strengthen an organisation's research capacity and capability
- strengthen the practice of Māori-centred and kaupapa Māori research.

Outcome Statement

Research and evaluation by the community, with the community and for the community is enhanced.

Committee Priorities

Priority for funding is given to projects that:

- address community needs, particularly communities that are in a position of disadvantage or are a minority in their area
- build community research capacity and capability
- are collaborations between community organisations
- are innovative in approach
- will benefit more than one community organisation, geographic community or community of interest.

Meeting Community Needs

In the 2014/15 funding round, three needs assessment projects were funded. These were about understanding African youth experiences within the New Zealand justice sector; identifying West Auckland youth well-being needs and how these needs could be met; and identifying how neighbourhoods and organisations experience community safety needs.

Five research projects received grants. These will result in:

- a research based framework for applying the Treaty of Waitangi principles to a community organisation
- an understanding of the extent of child human trafficking within New Zealand
- an understanding of the New Zealand public on attitudes to, and experience of, forced undesirable sexual behaviour
- an awareness of risk factors that lead to a high rate of self-destructive behaviour in Ngātiwai youth, and develop and test a hapū-driven suicide prevention programme
- an understanding of the experience of community volunteers to enhance the volunteer experience for both volunteer and host organisation.

Grants were given to three evaluation projects: looking at the critical elements of successful youth development programmes for young women; evaluating the effectiveness of the Stay Real programme in meeting the needs of at risk young people and their families in the post-earthquake eastern suburbs of Christchurch; and evaluating a trial programme designed to support children who have parents with mental illnesses or addictions.

Committee

The Committee was not able to distribute all its funding allocation as projects needed to be well-aligned to the funding criteria to receive a grant. In particular, they needed to show that the research proposals were genuinely community-led and demonstrated opportunities for ongoing development of community research capability.

Conway Powell
Presiding Member
Community Sector Research Committee

2014/15 Allocation	\$535,989
Grants written back during 2014/15	\$88,383
Grants refunded during 2014/15	\$0
Total amount available for distribution	\$624,372
Total amount requested	\$2,457,747
Total amount approved	\$409,830
Percentage of amount requested that was approved	17%
Applications	
Number of grant applications received	28
Number of Research Proposals considered	28
Number of applications approved	11
Percentage of considered applications approved	39%
Smallest approved grant	\$4,000
Average approved grant	\$37,257
Largest approved grant	\$120,000

Lottery World War One Commemorations, Environment and Heritage Committee

Te Tahua Whakamaharatanga ki te Pakanga Tuatahi o te Ao, te Taiao me ngā Taonga Tuku Iho



Committee Members

Bruce Hamilton (*Presiding Member*)

Philippa Fourie

Bridget Mosley

John Nankervis

Te Taru White

Mission

To foster the conservation, preservation and promotion of New Zealand's natural, physical and cultural heritage.

Kaupapa

Lottery World War One Commemorations, Environment and Heritage recognises the aspirations and needs of Māori, and their protocols.

E whakatau ana Te Tahua Whakamaharatanga ki te Pakanga Tuatahi o te Ao, te Taiao me ngā Taonga Tuku Iho i ngā hiahia me ngā tūmanako o te Māori me o rātou kawa.

Outcome Statement

New Zealand's natural, physical and cultural heritage is conserved, preserved and promoted.

Committee Priorities

Priority is given to Natural Heritage projects that:

- conserve and restore New Zealand's native flora and fauna
- conserve and restore critical habitats and eco-systems
- conserve rare, endangered or threatened species in their natural habitat
- improve public education and awareness of issues affecting New Zealand's native flora and fauna.

Priority is given to Physical Heritage projects that:

- conserve places, structures or objects with proven heritage significance. Preference will also be given to projects in which the applicant has considered fire protection (i.e. installing sprinklers) and seismic strengthening as part of the project.

Priority is given to Cultural Heritage projects that:

- protect collections at risk
- make collections available to the community
- enhance the learning experience and involvement of young people
- conserve moveable cultural property
- have taken into consideration the fire protection or seismic strengthening needs of the completed project.

Priority is given to World War One Commemorations projects, events and/or activities that:

- preserve aspects of New Zealand's natural, physical and cultural heritage associated with World War One
- enable New Zealanders to gain a better understanding of how World War One impacted on society
- show how wartime history and/or New Zealand's contribution to global peace and security has shaped New Zealand's identity
- encourage diversity of participation by communities in World War One commemoration projects, events and activities
- deliver a community benefit of a public nature for New Zealand communities.

Meeting Community Needs

The Lottery Grants Board allocated an additional \$5 million to this Committee for this year, towards World War One Commemoration Projects.

One project funded through the allocation was undertaken by the Waimate Historical Society, who received a grant towards digitising its World War One collections, and also encouraging members of the public to come in to get their own personal items digitised. This project ensures that collections will remain accessible to future generations.

Anzac Day 2015 provided an opportunity to see many projects funded by this Committee come to fruition and to hear positive feedback from the community who attended events.

In addition to the funding for World War One Commemoration projects, the Committee had \$10 million to allocate towards its core Environment and Heritage projects.

The Committee noted the calibre of community-led projects happening within the community, and was pleased to see collaboration taking place.

The project being undertaken by the Hollyford Conservation Trust is an example of a community-led project – empowering the local community to take care of a unique habitat in their own neighbourhood. Their work will assist with the preservation of a nationally significant wetland.

The Committee expects that the next financial year will also show a high level of demand for funding from community groups.

Committee

Halfway through the year, the Committee was joined by a new member, Bridget Mosley, who brings a museum background to the Committee. She made a valuable contribution to the May 2015 meeting, and the Committee looks forward to having more robust discussions at its next meeting.

Bruce Hamilton
Presiding Member
*World War One Commemorations,
Environment and Heritage Committee*

2014/15 Allocation	\$15,718,380
Grants written back during 2014/15	\$828,377
Grants refunded during 2014/15	\$74,190
Total amount available for distribution	\$16,620,947
Total amount requested	\$43,774,971
Total amount approved	\$15,904,138
Percentage of amount requested that was approved	36%
Applications	
Number of applications received	218
Number of applications considered	168
Number of applications approved	117
Percentage of considered applications approved	70%
Smallest approved grant	\$1,288
Average approved grant	\$135,931
Largest approved grant	\$3,200,000

Health Research Committee

Te Tahua Rangahau Hauora



Committee Members

Chris Cunningham (*Presiding Member*)

Barbara Docherty

Kirsty Murrell-McMillan

Margaret Southwick

Sarah Young

Mission

The health status of New Zealanders is improved through research.

Kaupapa

Lottery Health Research recognises the aspirations and needs of Māori, and their protocols.

E whakataua ana te Tahua Rangahau Hauora i ngā hiahia me ngā tūmanako o te Māori, me o rātou kawa.

Outcome Statement

The health status of New Zealanders is improved through research.

Committee Priorities

Across all of its funding the committee gives priority to applicants that:

- includes researchers who are early in their career or entering and/or returning to the New Zealand workforce
- includes researchers who will continue to contribute to the New Zealand health sector
- includes researchers who are productive in terms of publishing articles in both New Zealand and international journals
- show they are well managed and have quality support and supervision from the host organisation
- are collaborations (this is particularly important in the case of significant pieces of research equipment, which are expected to be shared between a number of research centres/institutions)
- have received support from other funders.

Meeting Community Needs

The requirement for Lottery grants to be for a community benefit distinguishes this Committee from other health research funders.

Grants awarded this year will help address significant health issues in New Zealand. This could be because of the number of people affected, the nature of the population affected, or the nature of the health issue.

The Committee's priority to support researchers who are early in their career resulted in three PhD scholarships and three post-doctorate fellowships being awarded.

The Committee has funded a number of translational research projects which have the potential to yield a significant benefit in the treatment of New Zealanders. For example, one project looks at the in vitro characterisation of a new anticancer drug with potential in glioblastoma, and another examines MRI inflammation as an imaging biomarker in rheumatoid arthritis.

Other research funded offers a potential solution to significant health problems, such as diabetes, leukaemia, schizophrenia, and brain injury. The Committee remains committed to funding health research that will have a tangible community benefit.

Committee

The Committee continued with advocacy for grants towards the purchase of shared research equipment, grants for translational research projects, and offering post-doctorate fellowships and PhD scholarships.

The Committee changed the outcome statement to 'Support New Zealand's capacity to undertake research'. This change will come into effect in the 2015/16 funding round.

The Committee was oversubscribed again this year, and all available funds were distributed. The process of assessing health research grant applications demands a considerable commitment from Committee members. I would like to thank members for their diligence and the quality of the Committee's deliberations.

Chris Cunningham
Presiding Member
Health Research Committee

2014/15 Allocation	\$3,733,713
Grants written back during 2014/15	\$80,683
Grants refunded during 2014/15	\$41,074
Total amount available for distribution	\$3,855,470
Total amount requested	\$22,970,226
Total amount approved	\$3,826,295
Percentage of amount requested that was approved	17%
Applications	
Number of applications received	233
Number of applications considered	226
Number of applications approved	64
Percentage of considered applications approved	28%
Smallest approved grant	\$6,936
Average approved grant	\$59,786
Largest approved grant	\$150,000

Individuals with Disabilities Committee

Te Komiti iti mo te Tangata Hauā



Committee Members

Jonathan Darby (*Presiding Member*)

Tim Delaney

Kassandra Jackson (*from March 2015*)

Joy Paterson (*from March 2015*)

Jim Webber

Catriona Williams (*until 31 July 2014*)

Mission

The enhancement of quality of life for individuals with disabilities.

Kaupapa

Lottery Individuals with Disabilities Committee recognises the aspirations and needs of Māori, and their protocols.

E whakatau ana Te Komiti mō te Tangata Hauā i ngā hiahia me ngā tūmanako o te Māori, me o rātou kawa.

Outcome Statement

Community participation by individuals with disabilities is maintained or increased.

Committee Priorities

- The provision of mobility equipment to individuals with permanent and significant mobility-related disabilities.
- The provision of communication equipment to individuals with permanent and significant communication-related disabilities.

Meeting Community Needs

The focus of this Committee is on extending the ability of people with disabilities to participate in, and contribute to, their local communities.

Many people with disabilities are unable to achieve even modest community involvement because their mobility is limited. They may find it a challenge to perform the essential activities of daily living within their home. A number are excluded from taking part in the social, cultural and outdoor family activities that other New Zealanders take for granted such as shopping, visiting family and friends or attending cultural and sporting events.

In the past financial year, the Committee provided 529 grants which included funding for the purchase of 282 mobility scooters and eight power or manual wheelchairs. There were 217 vehicles purchased and, where required, vehicle modifications were undertaken. The Committee also funded 22 communication devices and other disability support equipment.

These grants enabled people to enjoy everyday activities. One family with a disabled son received a grant for a mobility van and thanked the Committee for the opportunity to travel together as a family. They noted their son's pleasure when travelling in the van and the family can now engage more easily in their local community.

Committee

The Committee welcomed two new members, Joy Paterson and Kassandra Jackson, in March 2015. They are both from the South Island and their appointment restored the Committee to a full complement.

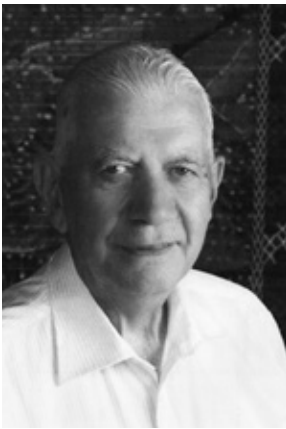
The Individuals with Disabilities policy is undergoing a full review and will be updated where necessary. Alongside this piece of work, the fund will be moving to the new online Grants and Client Management System (GCMS) in the coming year.

Jonathan Darby
Acting Presiding Member
Individuals with Disabilities Committee

2014/15 Allocation	\$5,173,234
Grants written back during 2013/2014	\$642,938
Grants refunded during 2013/2014	\$4,347
Total amount available for distribution	\$5,820,521
Total amount requested	\$22,746,895
Total amount approved	\$5,807,680
Percentage of amount requested that was approved	26%
Applications	
Number of applications received	1301
Number of applications considered	1138
Number of applications approved	529
Percentage of considered applications approved	46%
Smallest approved grant	\$200
Average approved grant	\$10,979
Largest approved grant	\$30,000

Marae Heritage and Facilities Committee

Te Tahua Marae Tuku Iho Me Ngā Whakaurunga



Committee Members

Brian Joyce (*Presiding Member*)

John Clarke

Edward Ellison

Kevin Prime

Heather Tanguay (*from January 2015*)

Mission/Te Whakatakanga

Ka whanakehia, ā ka tiakina hoki ngā whakaurunga marae.

Marae facilities are developed and conserved.

Kaupapa

Ka tū te Komiti Tahua Marae Tuku Iho Me Ngā Whakaurunga kaiwhakauru whaikawenga i roto i te whanaungatanga o te Tiriti o Waitangi i te taha o ngā whānau, hapū, iwi me te iwi Māori whānui hoki.

Kua herea te Komiti Tahua Marae Tuku Iho Me Ngā Whakaurunga te tika o te tohatoha atu i te pūtea ki ngā whānau, hapū, iwi, me ngā rōpū Māori hoki hei whanake, hei tiaki hoki i ngā whakaurunga marae.

The Lottery Marae Heritage and Facilities Committee will act as a responsible participant in the Treaty of Waitangi relationship with whānau, hapū, iwi and Māori.

The Committee is committed to ensuring an equitable distribution of funds to whānau, hapū, iwi and Māori organisations for the development and conservation of marae facilities.

Outcome Statement

Marae facilities are developed and conserved.

Committee Priorities

Capital works projects:

- Priority is given to the development of whareniui, wharekai and wharepaku facilities projects that meet a clear community need.

Conservation projects:

- Priority for funding is given to places and objects identified by the Māori community, whānau, hapū or iwi as having significant heritage value, and/or where it is recognised that the proposed work is essential to the preservation of the places or objects.

Meeting Community Needs

The Lottery Marae Heritage and Facilities Committee is a significant funder of marae capital works and conservation projects across Aotearoa New Zealand. The committee continues to be oversubscribed and, to mitigate this, the Committee encourages marae to apply for projects in stages, allowing the Committee to allocate funding across a wider range of projects.

The Committee approved 31 applications at two meetings this year. The Committee made five grants of over \$500,000 during the year. The Committee also made six grants between \$5,000 and \$10,000 towards feasibility studies as requests for projects over \$250,000 are required to have a comprehensive feasibility study. This provides the foundation for a successful capital works project.

The Committee prefers a staged approach to building projects as, at the completion of each stage, there is a facility that can be used. The Committee is also urging marae, when requesting funding for a project, to demonstrate that all the required funding from other sources is secured as they wish to see projects through to full completion.

An example of this staged approach is Arahura Marae, overlooking the Arahura River on the West Coast, which opened on 21 November 2014. It is the first dedicated marae for Ngāti Waewae, hapū of Ngāi Tahu, in 145 years. The last marae used by Ngāti Waewae was built at Arahura in the late 19th century but fell into disrepair during the 1930s.

The rūnanga first unveiled plans for the new marae in June 2007 when the Ellison Taiaroa Trust gifted the land on Old Christchurch Road to Ngāti Waewae.

It was built in stages starting with an office complex, ablution block, a small kitchen, wharemoē (sleeping area), meeting room and courtyard. At the start of 2014 the main wharekai (dining area) which accommodates 100 people was finished.

After almost four years of construction, the \$5.5 million Arahura marae was completed.

The rūnanga needed to contribute at least a third of the total cost of the project. They had previously received \$900,000 in 2009 from Lottery Marae Heritage and Facilities, followed by a further grant of \$300,000 in 2011.

Committee

The membership of the Committee saw the resignation of Marina Sciascia in May 2014. Her replacement, Heather Tanguay, was appointed by the Minister of Internal Affairs in January 2015, enabling the Committee to continue to draw on the wide range of knowledge and expertise held by the members.

During the year Committee members have been able to attend marae openings around the country to see first-hand the benefits of Lottery Marae Heritage and Facilities funding. Their attendance and interest has been much appreciated by marae.

From February 2015, all requests to Lottery Marae Heritage and Facilities were received online through the new Grant and Client Management System and Committee members received business papers and assessed all requests electronically. All tasks were undertaken in a timely fashion with well-informed decision making.

Brian Joyce
Presiding Member

Marae Heritage and Facilities Committee

2014/15 Allocation	\$8,066,861
Grants written back during 2014/15	\$10,193
Grants refunded during 2014/15	\$2,927
Total amount available for distribution	\$8,079,981
Total amount requested	\$15,486,624
Total amount approved	\$8,077,678
Percentage of amount requested that was approved	52%
Applications	
Number of applications received	80
Number of applications considered	47
Number of applications approved	31
Percentage of considered applications approved	66%
Smallest approved grant	\$5,000
Average approved grant	\$260,570
Largest approved grant	\$628,972

Outdoor Safety Committee

Te Tahua Whakaruruhau



Committee Members

Duncan Taylor (*Presiding Member*)

Garth Clarricoats (from March 2015)

Jennifer Mahoney

Ron Parkin (to July 2014)

Debbie Ryan

Stephen Smith

Mission

The well-being of New Zealanders and their communities is enhanced.

Kaupapa

The Lottery Outdoor Safety Committee recognises the aspirations and needs of Māori, and their protocols.

E whakatau ana te Tahua Whakaruruhau i ngā hiahia me ngā tūmanako o te Māori, me ō rātou kawa.

Outcome Statement

Enhanced water and outdoor safety for New Zealand communities.

Committee Priorities

Priority is given to funding activity that will deliver:

- a more capable and effective outdoor safety sector
- an increase in New Zealanders', and outdoor users', outdoor safety knowledge and skills.

Meeting Community Needs

Most of the Committee's funding goes to four organisations that provide the infrastructure needed for a capable and effective outdoor safety sector in New Zealand. Three of these organisations are the providers of New Zealand-wide land and in-shore marine search and rescue networks. The other is focused on outdoor safety awareness. However, all have involvement in outdoor accident minimisation and prevention.

The grant to New Zealand Land Search and Rescue supported 61 community-based LandSAR Groups and an additional 18 specialist teams such as Alpine Cliff Rescue, Cave Rescue, Search Dogs and Swiftwater Rescue. Services were provided across the whole spectrum of urban, suburban and backcountry environments throughout New Zealand. Around 300 searches are carried out each year.

Surf Life Saving New Zealand patrols 80 high risk and high usage beaches around New Zealand. It provides a 24 hour 7 day per week call out emergency service, advice on beach safety through its Find a Beach website, and works with local authorities on hazard identification and beach signage. Its lifeguards also provide safety services for over 300 recreation events held annually around New Zealand. During the 2014/15 year Surf Life Saving New Zealand took part in 343 searches, rescued 1,323 people, and provided first aid to 2,336 people. It carried out around 116,000 preventative actions and around 458,000 safety interventions.

Coastguard New Zealand provides a 24/7 primary response marine search and rescue services to communities around New Zealand's coastline and on the major lakes and rivers through 70 Coastguard Units. In the year to June 2015, Coastguard undertook 2,646 rescue missions, were called out by Police 384 times and rescued 6,828 people. Of these, 38 people were at serious risk of drowning, and 132 had serious complications.

The grant to the Mountain Safety Council supports its role in outdoor safety messaging. During the year it transitioned away from training course delivery activity, and put in place new strategies for communicating outdoor safety messages directly to the public. Its Avalanche Advisory Service website records over 90,000 visits each year.

Committee

The Committee is committed to fair and principled decision making. At its decision meeting in August 2014, its broad and diverse knowledge and experience ensured thoughtful and considered deliberations on the alignment of applications to the funding priorities.

Duncan Taylor

Presiding Member

Outdoor Safety Committee

2014/15 Allocation	\$6,906,665
Grants written back during 2014/15	\$2,803
Grants refunded during 2014/15	\$41,061
Total amount available for distribution	\$6,950,529
Total amount requested	\$9,898,843
Total amount approved	\$6,909,000
Percentage of amount requested that was approved	69%
Applications	
Number of applications received	19
Number of applications considered	17
Number of applications approved	8
Percentage of considered applications approved	47%
Smallest approved grant	\$8,000
Average approved grant	\$863,625
Largest approved grant	\$2,181,000

Significant Projects Fund Committee

Kaupapa Hiranga Tahua



Committee Members

Mary Bourke (*Presiding Member*)

Janie Annear

Bill Plunket

George Sue

Andrew von Dadelszen

Kaupapa

The purpose of the Committee is to support major community-based capital expenditure projects.

Outcome Statement

By providing funding to organisations to undertake these major capital expenditure projects, the Significant Projects Fund aims to increase participation in community activities and social interaction. This participation fosters community cohesion and strengthens communities.

Committee Priorities

Priority is given to projects that:

- are for a purpose relating to a community benefit of a public nature
- meet a clearly identified community need
- provide opportunities for widespread and significant community interaction and cohesion
- have wide community support and/or result from a community initiative
- are of an appropriate size for the community
- involve collaboration between the applicant and community organisations, local/central government and/or Māori organisations/iwi.

Meeting Community Needs

The Significant Projects Fund had \$15 million to distribute in 2014/15 to organisations undertaking major community-based capital expenditure projects. The Committee met once during the year, making twelve grants totalling \$14.9 million across a range of sporting, arts, cultural, heritage and environmental projects. Each successful grant recipient demonstrated wide support from the community and the projects supported will enable increased participation in community activities and social interaction.

A grant made to the Wero Whitewater Park in Manukau will provide a world class whitewater training centre for use by members of the New Zealand public as well as our national teams and a venue for international events. The facility will include an artificial whitewater kayak and rafting facility featuring a unique 4.5 metre water drop with adjustable flow and course length which will be suitable for kayaking and canoe slalom. The venue has already secured the 2017 World Masters for Whitewater Slalom. The Park will accommodate local recreation, youth development, training and water-related events.

The Committee also supported the extension of the Hamilton Gardens to include four additional themed gardens. The Hamilton Gardens are already widely recognised for their uniquely themed gardens and were named the 2014 International Garden of the Year by the International Garden Tourism Council. The themes of the new gardens will be: Mansfield Garden, Surrealist Garden, Concept Garden and Picturesque Garden. These additional gardens will further enhance the visitor experience and will increase tourism opportunities offered in the region.

The Committee acknowledged the importance of New Zealand's heritage in its contribution to the restoration and rebuild of Te Poho o Rawiri Marae in Gisborne. This is the marae of Ngāti Oneone hapū. This hapū was the first to encounter Captain James Cook when he landed for the first time on these shores in 1769. Ngāti Oneone and Te Poho o Rawiri are restoring the wharepuni (meeting house) and rebuilding kitchen and ablution facilities. A grant of \$2.22 million will enable them to play their key role in the 250th celebrations of this special event in 2019.

Committee

The Committee brings considerable knowledge and expertise to the decision making process.

At the allocation meeting, the Committee considered many high quality and worthy applications from around the country. The Committee was faced with the challenge of prioritising a range of applications resulting in robust discussion and decision making. The Committee is satisfied they have made fair decisions which have enabled support for a range of worthwhile projects.

Mary Bourke

Presiding Member

Significant Projects Fund Committee

2014/15 Allocation	\$15,000,000
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$0
Total amount available for distribution	\$15,000,000
Total amount requested	\$64,813,145
Total amount approved	\$14,990,452
Percentage of amount requested that was approved	23%
Applications	
Number of applications received	27
Number of applications considered	27
Number of applications approved	12
Percentage of considered applications approved	44%
Smallest approved grant	\$370,452
Average approved grant	\$1,249,204
Largest approved grant	\$2,500,000

Minister's Discretionary Fund



Outcome Statement

Strong sustainable communities

Priorities

- Overseas travel
- Animal welfare
- Volunteer fire fighting services
- Financial planning and/or good governance training.

Meeting Community Needs

The Lottery Minister's Discretionary Fund (Fund) responds to community needs that fall outside the responsibility areas of other Lottery distribution committees.

Community organisations and individuals working in the health, social services, volunteering and animal welfare sectors were some of those who have benefited from the Fund this year.

The Fund enables members of community organisations and individuals to attend events and conferences overseas, to enable exposure to the latest international developments and knowledge in their sector. On their return, the knowledge and insights gained are conveyed to the wider community which contributes to more responsive, innovative and effective services.

An example of this is the Fund's support for a representative from the Parkinson's Society of New Zealand to attend the 4th Asian and Oceanian Parkinson's Disease and Movement Disorders Congress in Pattaya, Thailand. The representative was able to gain and share knowledge on the latest development, research and current international best practices in this field. The knowledge obtained will allow the organisation to provide the best level of care, support and education to the 10,000 New Zealanders living with Parkinson's disease.

The Fund has also provided support for a representative from the Arthritis Foundation of New Zealand to attend the Global Alliance for Musculoskeletal Health's World Summit in London. This year's event focused on identifying the opportunities and benefits of working together, both between professions and disciplines as well as across countries. The event also highlighted the burden of musculoskeletal conditions and how their effects can be best managed. The latest medical strategies were presented to improve musculoskeletal health through promotion, prevention, treatment and rehabilitation.

The Fund's latest priority allows it to make a contribution towards financial planning and/or good governance training. It will fund costs for representatives from community groups to attend training, or a contribution towards the costs for a trainer to conduct in-house training for a community organisation. The Fund has already provided funding for a series of workshops for the non-profit sector in Hawke's Bay.

Hon Peter Dunne
Minister of Internal Affairs

2014/15 Allocation	\$369,071
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$5,211
Total amount available for distribution	\$374,282
Total amount requested	\$1,156,277
Total amount approved	\$369,069
Percentage of amount requested that was approved	32%
Applications	
Number of applications received	100
Number of applications considered	72
Number of applications approved	40
Percentage of considered applications approved	56%
Smallest approved grant	\$1,188
Average approved grant	\$9,227
Largest approved grant	\$74,000

Lottery Community Committees

One national committee and 11 regional committees considered applications for community projects in 2014/15.

Applications may be for developmental or preventative projects, welfare and support services, or to help improve the wellbeing of people in the community.

In allocating funds for projects, community committee members look for projects that will contribute to building strong, sustainable communities and enhance the social, cultural and economic wellbeing of New Zealand communities. Projects should encourage community self-reliance, capacity-building and stability, offer opportunities for social, civil or cultural participation, and reduce or overcome barriers to such participation.

Each committee has differing priorities within these objectives, taking into account its region's characteristics.

National Community Committee

The Lottery National Community Committee considers applications for projects with a nationwide focus.

National Community Committee

Te Tahua Hapori Ngā Whakaurunga



Committee Members

Duncan Taylor (*Presiding Member*)

Garth Clarricoats (*from August 2014*)

Jennifer Mahoney

Ron Parkin (*until July 2014*)

Debbie Ryan

Stephen Smith

Mission

The well-being of New Zealanders and their communities is enhanced.

Kaupapa

Lottery National Community recognises the aspirations and needs of Māori, and their protocols.

E whakatau ana Te Tahua Whakatinana Papakāinga i ngā hiahia me ngā tūmanako o te Māori, me ō rātou kawa.

Outcome Statement

The social and economic well-being of New Zealand communities is enhanced.

Committee Priorities

Priority for funding is given to support:

- organisations that demonstrate collaboration
- organisations that demonstrate increased community need for their service
- new and innovative programmes
- digital literacy.

Meeting Community Needs

The Lottery National Community Committee continued to support organisations that have a community or social service focus. Priority was given to applications from organisations which provide direct social service delivery.

The 2014/15 year saw 211 grants approved by the Committee ranging in size from more than \$800,000 to \$3,000. Grant recipients ranged from large organisations with a national office and branches throughout New Zealand to small organisations operating entirely from a single office.

One of the larger grants made by the Committee was \$540,000 to Citizens Advice Bureau. The grant enabled the 85 Bureau offices to continue providing the public with information and advice on consumer rights, budgeting, legal advice, housing, immigration and education.

Other grants made by the Committee include \$98,000 to assist New Zealand Blue Light with costs associated with a range of youth programmes that encourage better relationships between young people and their parents, the Police and the wider community. New Zealand Riding for the Disabled received \$54,000 to provide riding therapy, sport, recreation, rehabilitation and education to people of all ages through therapeutic horse riding and horse care.

One of the smaller grants was \$10,500 towards the programme costs of the Turner Syndrome Support Group. This grant enabled the group to run its annual camp for 24 young women diagnosed with the rare Turner Syndrome. The camp provided the only opportunity for the young women to meet others who live with Turner Syndrome, to develop friendship, foster leadership and increase knowledge for self-management of the condition.

This year the Committee considered 282 applications, (down from last year's figure of 461). This reduction in number of applications was due to the change in policy, which meant that all regional organisations must now apply to their relevant regional community committee. This was introduced to ensure regional applications were considered alongside other applications for that community.

It approved funding to 211 organisations. 62 per cent of those approved funding were based in the health, illness and disability sectors. This represents a slight increase over last year's figure of 60 per cent.

In line with previous years, the Committee continued to encourage collaboration between community groups in order to avoid duplication of services and to help promote greater efficiency in their service delivery.

Committee

The Committee is at full strength and has remained stable this year. The members have worked to ensure consistent and responsible decisions are made that will enhance the work of the many groups across a wide sector of the New Zealand community.

The Committee members have shown diligence and commitment to principled decision making which has resulted in good outcomes for many.

Duncan Taylor
Presiding Member
National Community Committee

2014/15 Allocation	\$13,069,940
Grants written back during 2014/15	\$31,500
Grants refunded during 2014/15	\$78,732
Total amount available for distribution	\$13,180,172
Total amount requested	\$44,377,241
Total amount approved	\$13,116,519
Percentage of amount requested that was approved	30%
Applications	
Number of applications received	304
Number of applications considered	282
Number of applications approved	211
Percentage of considered applications approved	75%
Smallest approved grant	\$3,000
Average approved grant	\$62,164
Largest approved grant	\$814,175

Lottery Regional Community Committees

Lottery regional community committees consider applications for projects and activities with a local and regional focus.

Regional Community Committees are based in 11 locations around New Zealand:

- *Auckland*
- *Bay of Plenty/Gisborne*
- *Canterbury/Kaikoura*
- *Hawke's Bay*
- *Manawatu/Whanganui*
- *Northland*
- *Otago/Southland*
- *Taranaki*
- *Waikato*
- *Wellington/Wairarapa*
- *West Coast/Nelson-Marlborough*

Committee members are locally based and have a good understanding of community issues, demographics and dynamics. This enables them to consider and grant funds to projects that best match the objectives of the committees with the evolving needs of their communities.

Lottery Regional Community Committees

Ngā Tahua Whakatinana Papakāinga ā Rohe

Mission/Te Whakatakanga

The well-being of New Zealanders and their community is enhanced.

Kaupapa

Lottery Community recognises the aspirations and needs of Māori, and their protocols.

E whakatau ana te Tahua Whakatinana Papakāinga i ngā hiahia me ngā tūmanako o te Māori, me ō rātou kawa.

Outputs

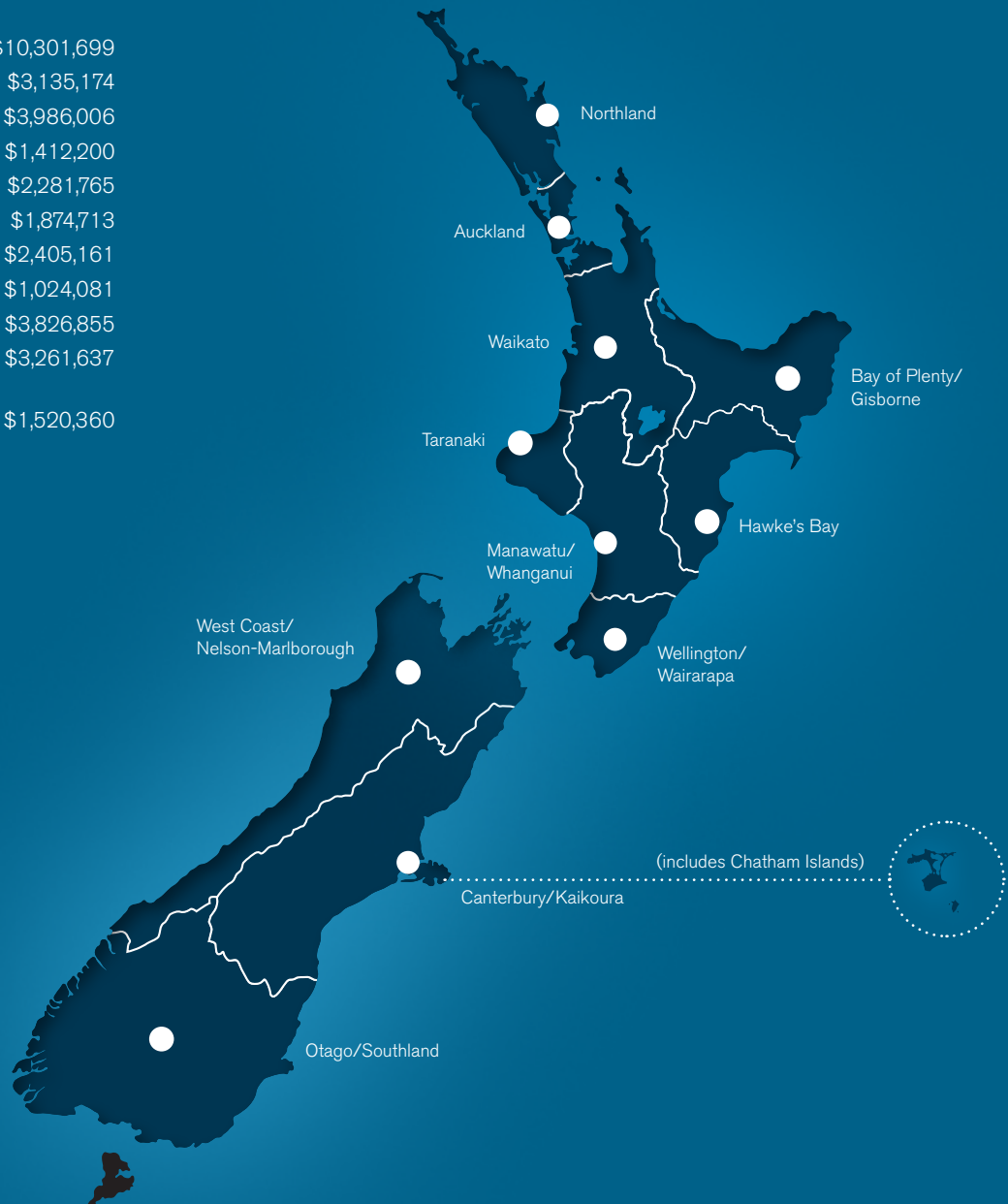
In 2014/15 the Lottery Grants Board allocated Lottery regional community committees the following base funds to distribute:

Auckland	\$10,301,699
Bay of Plenty/Gisborne	\$3,135,174
Canterbury/Kaikoura	\$3,986,006
Hawkes Bay	\$1,412,200
Manawatu/Whanganui	\$2,281,765
Northland	\$1,874,713
Otago/Southland	\$2,405,161
Taranaki	\$1,024,081
Waikato	\$3,826,855
Wellington/Wairarapa	\$3,261,637
West Coast	
Nelson-Marlborough	\$1,520,360

Funding was available for projects and events that have a community or social service focus, and help to improve the quality of people's lives, including:

- developmental and preventative projects
- welfare and support services
- providing information or raising awareness

- encouragement of participation in communities (for example, improving opportunities and/or people's abilities, and addressing issues such as equity, isolation, independence and risk)
- encouragement of community and/or cultural identity or understanding
- supporting activities that help develop people and organisations, particularly those acting in a voluntary capacity.



Auckland Community



Committee Members

Katie Noble (*Presiding Member*)

Roger Burrill

Harold O'Rourke

Ranjna Patel

Marina Vaha

Outcome Statement

The social, cultural and economic well-being of Auckland communities is enhanced.

Committee Priorities

- Organisations that demonstrate the ability to meet an identified gap within existing services
- Initiatives that support long-term organisational sustainability
- New programmes that promote self-sufficiency and independence within communities
- Migrants, including community integration of new migrants, and assistance to long-established migrant groups
- Volunteers, including recruitment, coordination and expenses
- Youth development and safety.

Meeting Community Needs

The Auckland Community Committee continued their commitment to the allocation of grants to groups whose outcomes have an overall benefit to the community. The Committee was aware of local board profiles and local intelligence which highlighted demographics, needs, strengths and priorities of communities. As a result of this information, the Committee reviewed its priorities and set new outcome priorities.

The Committee was interested in the 'good news stories' provided through accountability reporting from organisations it had funded. These stories enabled the Committee to view the outcomes that resulted from Lottery funding throughout the Auckland region.

Beachlands Community Trust received \$20,000 in the previous financial year to create places where isolated people could come together and have a sense of belonging and purpose. The Trust has run art and craft classes, established a theatre group, a prayer group, and organised art exhibitions and festivals. It initiated a support group for families, set up a gardening group and established a community garden. Over 5,500 people attended the community-led events.

The Committee considered that the Trust identified a range of community needs and based on achievements that benefitted the wider community, the Trust was granted a further \$90,000 in April 2015.

Other large grants allocated by this Committee were \$80,000 to Hope Unlimited and \$60,000 to the Spark Centre (Panacea Arts Charitable Trust). Hope Unlimited provided counselling services and programmes in South Auckland and these communities benefitted from increased access to empowering, wrap-around support services for families and individuals.

Spark Centre is a creative space providing visual arts, art therapy programmes and other creative arts programmes for people living with disability or impairment. The Centre provided up to 12 different sessions a week at a studio in St Lukes. It plans to extend its range of sessions in the coming year with one group initially in West Auckland, and further groups in South Auckland and the North Shore.

Over the 2014/15 period the number of groups applying to the Committee continued to rise. The Committee continued to approve grants in almost every sector of the community. A third of grants approved went to groups providing social and family

services. A further 30 per cent went to groups providing community services, and the remainder supported groups providing youth services, gender support services, health and disability services, education, arts and culture and seniors' services.

Committee

Over the past year the Committee had three re-appointments of members and one new appointment. Together they worked well during the implementation of the new online grants system and managed the funding round effectively.

The Committee has valued the support of staff from the Department of Internal Affairs' Manukau office for their work with communities and their ongoing support throughout the year.

Katie Noble
Presiding Member
Auckland Community Committee

2014/15 Allocation	\$10,301,699
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$14,326
Total amount available for distribution	\$10,316,025
Total amount requested	\$30,760,156
Total amount approved	\$10,307,410
Percentage of amount requested that was approved	34%
Applications	
Number of applications received	539
Number of applications considered	496
Number of applications approved	401
Percentage of considered applications approved	81%
Smallest approved grant	\$500
Average approved grant	\$25,704
Largest approved grant	\$210,000

Bay of Plenty/Gisborne Community



Committee Members

Wendy Tozer (*Presiding Member*)

Jacky James (*until 29 May 2015*)

Jolene James

Tina Karaitiana

Berys Ross

Outcome Statement

The social and economic well-being of the Bay of Plenty/Gisborne communities is enhanced and community participation is encouraged.

Committee Priorities

The Bay of Plenty/Gisborne Lottery Community Committee will support organisations and groups delivering programmes, activities and services that contribute to the following outcomes:

- people are supported to reach their potential
- Māori are achieving their cultural aspirations and building whānau and hapū capability
- by working together people, communities and groups increase their capabilities and attain their aspirations
- the well-being, safety and quality of life for individuals, whānau (families) and communities is enhanced
- the rurally and socially isolated are connected and engaged.

Priority for funding is also given to support digital literacy.

Meeting Community Needs

The Committee acknowledges the connection between an outcomes focus, the new online system and updated Committee priorities that will further support the application process for groups and the decision making of the Committee. The emphasis on outcomes will allow the Committee to focus on decisions that will have the greatest benefit for the community.

The amount of funding requested by groups has increased significantly this year though the number of groups making grant requests has remained constant. This has often impacted on the ability of the Committee to allocate funds at the requested amount.

The Committee continued to support their diverse urban and rural communities over the last year, taking a considered approach to allocation decisions to enhance community well-being.

The allocation of \$16,000 by the Committee to the Rotorua Community Menz Shed will help bring men together in one community space to share their skills and learn new ones, and work on practical tasks individually (personal projects) or as a group (for the community). There are few other places for men, particularly older men, to socialise together in the type of environment that impacts positively on their health and well-being. The group has a number of men on limited incomes and men from elder-care homes participating in this friendship-based opportunity which also gives them a great sense of purpose.

Te Ora Hou Te Tairāwhiti Trust was allocated a multi-year grant of \$141,000 spread over three years. The group supports the positive development opportunities for Māori young people, their whānau and Kaiti South (Gisborne) community.

Te Ora Hou takes a strength-based approach and celebrates the positive aspects of the community while providing a range of youth and whānau mentoring programmes including the weekly Girls Club and Boys Club. Young people lead, run and participate in community activities which develop their skills, knowledge and pride in their community. The group provides a hub and supervision at the local skate park and at youth-led events, and provides a sense of belonging for young people, families and the wider community.

Committee

Committee members adapted to the new online system and found that the meeting was completed more quickly.

The Committee thanks the Department of Internal Affairs staff from the Gisborne and Rotorua Offices for their advisory work within communities and for their continued support of the Committee, particularly with training in the new system.

We acknowledge the contribution of Jacky James who has completed five years as a Committee Member. Jacky has decided to step down this year and will be greatly missed. We wish her well in the future.

The Committee looks forward to having a fifth member appointed to complement the skills, knowledge and experience of remaining members who continue to ensure quality decisions are made.

Wendy Tozer
Presiding Member
*Bay of Plenty/Gisborne
Community Committee*

2014/15 Allocation	\$3,135,174
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$52,488
Total amount available for distribution	\$3,187,662
Total amount requested	\$16,610,247
Total amount approved	\$3,137,979
Percentage of amount requested that was approved	19%
Applications	
Number of applications received	227
Number of applications considered	198
Number of applications approved	191
Percentage of considered applications approved	96%
Smallest approved grant	\$1,000
Average approved grant	\$16,429
Largest approved grant	\$210,000

Canterbury/Kaikoura Community



Committee Members

Quentin Hix (*Presiding Member*)

Jane Broughton

Terry Donaldson

Christine Korako

Dugald McLean

Outcome Statement

The Lottery Canterbury/Kaikoura Community Committee will enhance the social, cultural and economic well-being of the Canterbury/Kaikoura communities.

Committee Priorities

- Organisations that demonstrate collaboration
- Elderly
- Canterbury earthquake recovery
- Rural communities
- Salaries

Meeting Community Needs

Earthquake recovery continues to be a community need, especially in Christchurch City and surrounding areas. The Committee has met this need through grants to organisations such as the Christchurch Migrants' Centre Trust which provides a support and information service for migrant workers involved in the Christchurch re-build programme. Approximately 15,000 new workers are expected to assist with the re-build during the period 2012–2017. The Christchurch Migrants' Centre runs a successful support service for the 1,150 Filipino workers who are already in the city. It is expanding this service to include migrant workers from other countries such as Ireland, China and India. The service assists with accommodation and employment issues, provides settlement guides in the migrant's language, and provides welcome events for new migrant workers. The service also links new arrivals with more established migrants from their own country to support them in building relationships and integrating effectively.

The Canterbury/Kaikoura region covers a large geographic area that includes many small rural communities. The Committee has provided support through grants to key agencies that provide and improve access to a range of services in these communities. One such service is the Fairlie Community Vehicle Trust which provides affordable transport for rurally isolated people, especially those with mobility issues due to age, disability or disadvantage. The service is run by volunteers, including the drivers, and helps to keep people socially connected and able to access services such as hospital appointments outside their community.

The region has a high proportion of older people compared with the national average and social isolation is a significant and growing issue for many older people. The Committee recognised the need for them to stay socially connected by providing grants to organisations which support older people. It made a grant of \$35,000 to Age Concern Canterbury Inc which provides a Social Connection service. In 2014 the service provided minibus trips and outings to reduce social isolation and loneliness for a total of 3,620 older people.

Committee

Membership of the Committee has remained stable over the past year. The Committee took a focused and disciplined approach to decision making, and members worked well together to prioritise the needs of the region in the post-earthquake environment.

Quentin Hix
Presiding Member
*Canterbury/Kaikoura
Community Committee*

2014/15 Allocation	\$3,986,006
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$20,179
Total amount available for distribution	\$4,006,185
Total amount requested	\$10,853,525
Total amount approved	\$4,002,323
Percentage of amount requested that was approved	37%
Applications	
Number of applications received	302
Number of applications considered	268
Number of applications approved	202
Percentage of considered applications approved	75%
Smallest approved grant	\$1,000
Average approved grant	\$19,813
Largest approved grant	\$90,000

Hawke's Bay Community



Committee Members

Di Petersen (*Presiding Member*)
 Jackie Black (*from March 2015*)
 Benita Cairns
 Trish Giddens
 Tom Johnson (*until April 2014*)
 Tom Mulligan

Outcome Statement

Mitigate the adverse effects of Hawke's Bay's high levels of disadvantage and deprivation by supporting effective community groups and services.

Committee Priorities

- Salaries for essential service delivery positions
- Organisations that demonstrate collaboration
- Support for volunteers
- Organisations which demonstrate a community need, isolated communities, aged, youth, disabled
- Projects which promote cultural diversity and cultural well-being of the community
- New initiatives which demonstrate community support
- Digital literacy.

Meeting Community Needs

The Committee continued to support established groups with good governance and management practices and with evidence of positive community outcomes.

There was strong community demand for services addressing poverty and family violence. There were also a significant number of requests from the youth, elderly and disability sectors.

Hawke's Bay will be hosting the biennial Te Matatini festival early in 2017 with many local marae accommodating the expected large number of visitors. The Committee has responded to requests for mattresses and new kitchen and dining room equipment with small grants to individual marae. Some Marae have minor capital works projects which do not qualify for Marae Heritage and Facilities funding because they are less than \$30,000, and the Committee will also consider these requests.

In April 2015, the Committee granted \$55,000 to Hohepa Homes Trust Board (Hohepa) toward the start-up costs of a new project.

Established in Napier about 60 years ago, Hohepa provides education opportunities and residential care for people with intellectual disabilities in Hawke's Bay, Auckland and Canterbury.

With the co-operation of local councils and the Department of Conservation, a new service has been developed to re-establish native plants around wetlands, streams and rivers. Plantings will be carried out and maintained by Hohepa while landowners will contribute to the costs involved. It is expected that the project will result in meaningful employment for up to 20 Hohepa clients.

DOVE Hawke's Bay has been providing counselling services for over 20 years.

In 2012 DOVE introduced a pilot programme, Kainga Pasifika (KP), to address family violence in Pacific Island communities. Rather than being generic, the KP programme is tailored for each Island community.

Key volunteers and leaders are recruited and trained, becoming role models and contact points for families experiencing violence. Some of these volunteers are graduates of the KP programme.

While KP receives core funding from a CYF contract, the Committee has supported DOVE's activities for many years.

After a positive evaluation of the pilot, a grant of almost \$39,000 was provided in 2014 to fully establish the KP programme.

A further grant of \$70,000 was made in 2015 following continued positive feedback about the programme.

Additional funding from Lottery has enabled DOVE to expand the programme to meet rising community demand.

Committee

Tom Johnson's term came to an end during 2014, and Jackie Black joined for the last meeting of the financial year in April 2015. Two long serving members, Diana Petersen and Tom Mulligan, are scheduled to step down from the Committee in January 2016.

Diana (Di) Petersen

Di Peterson
 Presiding Member
 Hawke's Bay Community Committee

2014/15 Allocation	\$1,412,200
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$2,742
Total amount available for distribution	\$1,414,942
Total amount requested	\$5,655,017
Total amount approved	\$1,414,847
Percentage of amount requested that was approved	25%
Applications	
Number of applications received	126
Number of applications considered	119
Number of applications approved	80
Percentage of considered applications approved	67%
Smallest approved grant	\$609
Average approved grant	\$17,686
Largest approved grant	\$80,000

Manawatu/Whanganui Community



Committee Members

Bernard Wanden (*Presiding Member*)

Dot McKinnon

Mavis Mullins

Ruth Rainey

Nikki Speedy

Outcome Statement

In the Manawatu and Whanganui region, the Committee aims to contribute to the building of strong sustainable communities, with an emphasis on social and cultural wellbeing and development.

Committee Priorities

- Programmes that build strong, sustainable communities
- Support of social services
- Support of cultural wellbeing and development
- Support of geographically and culturally isolated communities
- Digital literacy.

Meeting Community Needs

The funding area is widely spread and has a diversity of needs. There is a combination of both rural and urban requirements and the area is home to relatively high numbers of refugees and migrants. For these reasons the focus of funding was split to ensure a balance between the provision of social services, particularly in high-need urban areas, supporting geographically isolated communities, and supporting resilience within the varied ethnic and cultural groups in the area.

Whanganui District continued to stand out as the area of highest financial need in the distribution region, accounting for more than \$5 million of the total funds requested and receiving 28 per cent of the total amount allocated.

The Castlecliff Community Charitable Trust received a multiyear grant of \$56,000 over two years towards their community development project. The Castlecliff project is developing a new community facility which will incorporate sporting, recreational, health, education and community services on one site. The Trust has employed a community development manager to oversee programmes, facilitate community meetings and engage with local residents on this project.

The Committee supported the introduction of Te Horowhenua Trust's "A Day Out in Town" bus service with a grant of \$10,000. The service is designed to give the geographically isolated townships in the Horowhenua district an affordable bus service. The bus runs every Friday and stops in Shannon, Foxton Beach, Foxton, Waitarere Beach and Levin.

The Committee continued to prioritise high impact, multi-year grants this year and approved 11 multi-year grants totalling \$1,047,606. The majority of multiyear grants contributed towards generating ongoing financial sustainability of organisations, with the expectation that their needs would reduce as a result of the investment. The successful organisations demonstrated to the Committee that multi-year funding would benefit the wider community, not just the applicant organisation.

Committee

The move towards funding for outcomes has seen a measurable change in the way that the Committee made decisions. For those groups awarded a grant, the average percentage of the requested amount funded by the Committee increased from

39.5 per cent at the September allocation meeting to 70.6 per cent at the meeting in April. Organisations with projects showing evidence of significant impact, affordable and realistic funding expectations, and proof of partner funding benefitted most from this change.

Bernard Wanden
Presiding Member
Manawatu/Whanganui Community Committee

2014/15 Allocation	\$2,281,765
Grants written back during 2014/15	\$30,000
Grants refunded during 2014/15	\$29,095
Total amount available for distribution	\$2,340,860
Total amount requested	\$10,215,792
Total amount approved	\$2,313,676
Percentage of amount requested that was approved	23%
Applications	
Number of applications received	240
Number of applications considered	216
Number of applications approved	153
Percentage of considered applications approved	71%
Smallest approved grant	\$1,100
Average approved grant	\$15,122
Largest approved grant	\$120,000

Northland Community



Committee Members

Neil Clements (*Presiding Member*)

Murray Broadbelt

Peter Jensen

Gwen Te Pania-Palmer

Patsy Thornton

Outcome Statement

The social, economic and physical wellbeing of Northland's communities is enhanced.

Committee Priorities

- Programmes that assist in building strong, sustainable communities
- The social, economic and physical wellbeing of communities
- Community health.

Meeting Community Needs

When making decisions the Committee is always aware of the unique geographic and demographic needs of the area. Northland remains one of the least urbanised regions in New Zealand.

The Committee considered all grant allocations as an opportunity to make a significant contribution to long-term community benefits. The Committee made 137 grants with an average allocation of \$13,792. The Miriam Centre: Child Abuse Research & Treatment Trust and the Special Needs Educational Resource Library Charitable Trust received the largest single year grants of \$50,000 each, as a contribution towards their running costs. The smallest grant was \$849, awarded to Citizens Advice Bureau Far North Inc. for the replacement of computer equipment. The Committee approved a multi-year grant (of two years) to Tai Tokerau Emergency Housing Charitable Trust to assist with their administration costs, wages, training, supervision and domestic travel. This grant provided the Trust with increased financial certainty for service provision.

The Committee also supported Opononi School which hosted the annual Tai Tokerau Secondary Schools Kapa Haka festival for its 40th anniversary at the end of March 2015. The Kapa Haka festival, one of the biggest events for secondary schools in Northland, showcased the talent of young Māori and promoted Māori performing arts. More than 1,500 students performed at the festival and over 3,000 spectators attended.

Committee

Membership of the Committee has remained stable over the past year. The Committee is proud of its commitment to the Northland region over the past year and the range of skills and community knowledge of all Committee members has ensured that the aims of the Lottery Grants Board have been achieved.

The Committee has continued to operate efficiently and effectively this year and has responded well to the challenge of allocating funding in a fair and equitable manner.

The Committee would like to acknowledge and thank the Department of Internal Affairs staff from the Whangarei and Kaitiaki offices for their work with communities and the support they provided to the Committee.

Neil Clements

Presiding Member

Northland Community Committee

2014/15 Allocation	\$1,874,713
Grants written back during 2014/15	\$8,000
Grants refunded during 2014/15	\$3,785
Total amount available for distribution	\$1,886,498
Total amount requested	\$6,166,060
Total amount approved	\$1,889,498
Percentage of amount requested that was approved	31%
Applications	
Number of applications received	205
Number of applications considered	179
Number of applications approved	137
Percentage of considered applications approved	77%
Smallest approved grant	\$849
Average approved grant	\$13,792
Largest approved grant	\$100,000

Otago/Southland Community



Committee Members

Nigel Moore (*Presiding Member*)

Beverley Evans

Margot Hishon (*from March 2015*)

David McKenzie

Hamish Walker (*from March 2015*)

Outcome Statement

The work we do enhances the social and economic wellbeing of the Otago and Southland communities.

Committee Priorities

- Salaries for frontline service delivery staff
- Travel costs
- Volunteers.

Meeting Community Needs

This Committee covers a wide geographic area that includes a mix of isolated rural communities, small towns and cities. Queenstown Lakes, Central, South and North Otago, Southland, Invercargill and Dunedin are all part of the area covered by the Committee.

During the year the Committee contributed towards the needs and opportunities identified by local communities, including isolation, access to services, changes in community such as growth or decline, and innovative projects.

Murihiku Young Parents Learning Centre received a grant towards the establishment of a social support worker who will assist young teenage mothers to continue their education, gain parenting skills and obtain relevant support information.

The Blueskin Resilient Communities Trust is involved in a number of innovative projects aimed at strengthening the community through an emphasis on energy, food, water and community resilience. Projects include healthy homes, edible gardens and the establishment of energy generation by way of a wind cluster and solar systems. The Trust received a grant of \$20,000 towards project coordinator wages, travel, training and volunteer expenses.

FoodShare is a perishable food rescue organisation based in Dunedin. It collects quality excess food from commercial businesses (including supermarkets, farmers markets, and catering companies) and distributes it, free of charge, to local charities and social service agencies. The rescued food provides vital assistance for vulnerable men, women and children. FoodShare received a grant of \$30,000 for domestic travel, salaries and volunteer expenses.

The Upper Clutha Senior Citizens Club provides a range of activities for older people living in an isolated rural community. The Committee supported the work of the Club including day trips, activities, home meetings and speakers. It also supported the work of the Wakatipu Abuse Prevention Network which provides a range of services throughout Wakatipu and Central Otago including support, information and education about family violence.

Committee

During the past year the Committee experienced an increased demand for funding which impacted on the Committee's ability to fund multi-year requests. A number of new customers, previously funded through the Lottery National Community Committee, applied to this Committee. The high demand also meant that many groups received a reduced amount and the Committee had to focus closely on its priorities when making decisions.

While the number of approved multi-year grants decreased, the Committee continued to support funding for wages and travel for frontline positions, particularly in rural areas where limited services are available. The Committee also supported projects that involved volunteers and volunteer development.

The Committee welcomed two new members this year: Margot Hishon and Hamish Walker.

They bring further skills and experience to the community focussed Committee.

The Committee has appreciated the high level of administrative support from local Department of Internal Affairs staff particularly around the introduction of the new online grant system and the high calibre of advisor assessments.

Nigel Moore
Presiding Member
Otago/Southland Community Committee

2014/15 Allocation	\$2,405,161
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$8,130
Total amount available for distribution	\$2,413,291
Total amount requested	\$8,225,896
Total amount approved	\$2,406,022
Percentage of amount requested that was approved	29%
Applications	
Number of applications received	250
Number of applications considered	228
Number of applications approved	180
Percentage of considered applications approved	79%
Smallest approved grant	\$1,000
Average approved grant	\$13,367
Largest approved grant	\$31,500

Taranaki Community



Committee Members

Turitea Bolstad (*Presiding Member*)

Janette Brocklehurst

Lynn Bublitz

Beverley Gibson (*from March 2015*)

Nicola Luxton

Outcome Statement

Contributing towards strong and sustainable communities with an emphasis on applications that clearly demonstrate outcomes that are beneficial to the communities within Taranaki.

Committee Priorities

- Address social and physical isolation across Taranaki and increase participation for ethnic, disabled, and rural communities
- Encourage and support volunteer activity in the community
- Support community well-being for families/whānau, youth, and older people
- Contribute to mental health awareness and suicide prevention.

Meeting Community Needs

The Taranaki Committee covers the three territorial authorities of New Plymouth, Stratford and South Taranaki. Taranaki includes a number of rurally isolated communities, particularly in South Taranaki where many small townships lack access to services.

Taranaki is seen as an affluent region due to the oil and gas industries and stable dairy farming. There has been an increase in migrants from different ethnic groups settling in the region and there are identified pockets of high deprivation.

The Committee continued to receive applications from many sectors, with the majority of applications from regional organisations requesting assistance with salaries. This year the Committee saw an increase in the number of applications received compared with last year.

Funding was approved for applications which aligned closely with the Committee's priorities of addressing isolation and increasing participation for families and whānau, youth, and older people.

The Committee also funded a number of projects that increased participation for ethnic and rural communities. In Patea a number of community groups collaborated to host a Waitangi Day celebration – Patea Paepae in the Park.

Te Roopu Pukaaka Kapahaka Roopu held a Puanga festival in Waitara. Over three days the celebrations included kapahaka, hangi and other activities, allowing Māori to showcase their cultural heritage and enabling the wider community to join in this event. The small rural farming community of Okato and surrounding districts organised Okato 150 Celebrations over Taranaki Anniversary Weekend, stepping back in time to celebrate their history and settlement over the past 150 years.

Vaimoana Pasifika hosted an event for Pacific people and the wider community, celebrating Pacific culture through traditional sports and music.

Owae and Te Potaka Marae were supported in their need to upgrade resources in their whareniui so they could continue to host visitors. Newly established Migrant Connections Taranaki will continue to work with Citizens Advice Bureau to identify gaps and provide a face to face service for new migrant families in the Taranaki region.

Committee

A new member, Beverley Gibson, joined the Committee in March 2015. Beverley brings an extensive knowledge of the community and will contribute further to the range of experience, skills and local knowledge currently within the Committee.

Training in the new grants and client management system was well received by the Committee and they adapted well to the challenge. They have made significant advances in outcomes-focused decision making and developed a more strategic approach when setting priorities for the coming year.

Turitea Bolstad

Presiding Member

Taranaki Community Committee

2014/15 Allocation	\$1,024,081
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$2,963
Total amount available for distribution	\$1,027,044
Total amount requested	\$3,045,860
Total amount approved	\$1,027,044
Percentage of amount requested that was approved	34%
Applications	
Number of applications received	92
Number of applications considered	85
Number of applications approved	68
Percentage of considered applications approved	80%
Smallest approved grant	\$500
Average approved grant	\$15,104
Largest approved grant	\$35,000

Waikato Community



Committee Members

Sue King (*Acting Presiding Member from February 2015*)

Simon Lockwood (*from April 2015*)

Beryl Lusty (*Presiding Member until February 2015*)

Jason Sebastian (*from April 2015*)

Marijke Westphal

Outcome Statement

The social and economic well-being of Waikato communities is enhanced.

Committee Priorities

High priority is given to organisations that have good governance, show a clear separation between governance and management, and demonstrate good financial sustainability.

Support is given to organisations and groups delivering programmes and services that add value to their communities and contribute to the following outcomes:

- working collaboratively with organisations that have similar goals
- providing opportunities for elders to participate in and contribute to family/whānau and community
- providing opportunities for youth to engage, participate and add value in their community
- volunteers are recognised and valued, receive training and are well supported
- strengthening rural isolated communities through improved services, infrastructure and technology.

Lower priority is given to administration and operational costs.

Meeting Community Needs

The geographic area covered by the Committee includes the districts of Thames-Coromandel, Hauraki, Matamata-Piako, Waipa, Waikato, South Waikato, Waitomo, Otorohanga, Taupo and Hamilton City. The region is geographically diverse encompassing both urban and rural areas, which face their own unique challenges.

Over the past year, the Committee has noted that while application numbers have remained steady, the amount requested has increased significantly. While there is no limit to the amount that an organisation can apply for, Lottery Waikato Community Committee is rarely able to provide funding to the level requested. It is more likely to consider a contribution towards the project because of pressure on funds. The amount of funding granted is at the Committee's discretion and dependent on the funds available and the number and quality of requests received.

The Committee, through a multi-year grant, is contributing \$25,000 each year for three years towards the salaries of Karitane Nurses at the Waikato Family Centre. The Centre is a Hamilton-based organisation providing a free, medically-based and integrated family health service to Waikato families/whānau with babies and toddlers.

The Centre receives referrals from other health professionals and helps with issues such as feeding, allergies and slow weight gain in babies, sleep, weaning, parent education and post natal depression.

There is support for teenage mums and dads and a weekly young mothers group. The Waikato Family Centre, its professional staff and its early intervention strategies play a key role in supporting Waikato families and helping to keep babies and toddlers happy, healthy and safe.

Committee

Beryl Lusty, the well-respected former Presiding Member of the Waikato Committee, passed away after a sudden illness in February 2015. Beryl made a significant contribution towards the Waikato Committee and to the Lottery Grants Board over many years.

Sue King has been the Acting Presiding Member since February. In April 2015, we welcomed two new Committee members, Jason Sebastian and Simon Lockwood.

In September 2014, Lottery Community saw the introduction of the new online Grants and Client Management System (GCMS). The new system allows for all applications and processing to occur online, reducing paperwork and double handling of applications. The new system has been very successful and has been well received by community organisations and by Committee members.

Looking forward to 2015/2016 financial year, the Committee encourages community groups to become familiar with the new Lottery Grants Board funding policy and the updated Committee priorities.

Sue King
Acting Presiding Member
Waikato Community Committee

2014/15 Allocation	\$3,826,855
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$34,348
Total amount available for distribution	\$3,861,203
Total amount requested	\$11,768,882
Total amount approved	\$3,836,224
Percentage of amount requested that was approved	33%
Applications	
Number of applications received	309
Number of applications considered	255
Number of applications approved	193
Percentage of considered applications approved	76%
Smallest approved grant	\$350
Average approved grant	\$19,877
Largest approved grant	\$152,400

Wellington/Wairarapa Community



Committee Members

David Ogden (*Presiding Member*)

Bernard Cleary

Elizabeth Sneyd

Elizabeth Tanielu

Mele Wendt

Outcome Statement

The Wellington/Wairarapa Community Committee contributes to the building of strong, sustainable communities by encouraging or enabling:

- community self-reliance, capacity-building and stability
- opportunities for social, recreational, civil or cultural participation and reducing or overcoming barriers to such participation.

Committee Priorities

Priority for funding is given to organisations that demonstrate collaboration, sustainable operating practices and effectiveness when delivering programmes or services that:

- are new and innovative in responding to an identified gap within the community
- support the strengthening and self-sufficiency of families, and protects children and older persons
- enable young people to achieve education, training and/or employment outcomes, and make positive contributions to the community
- enhance the quality of life and encourage greater community participation of people who are considered to be disadvantaged or hard to reach
- promote opportunities for volunteering, and build skills and capabilities of volunteers.

Meeting Community Needs

The Wellington/Wairarapa area is characterised by the large urban areas of Wellington, the Hutt Valley, and Porirua, and includes the Kapiti Coast and Wairarapa. When making funding decisions the Committee considers the unique needs put forward by the different communities it serves.

The Wellington/Wairarapa Community Committee's focus on funding essential social services was maintained and contributions to organisations working in the social sector area increased. The Committee also changed the way it awarded grants. Instead of grants for specific costs, global contributions were made at the second meeting of the year, taking into account an outcomes focused approach. The Committee viewed the grants they approved as an investment in positive and sustainable outcomes for the Wellington region, as opposed to solely a contribution to an output.

For example, in September 2014 the Cannons Creek Youth Charitable Trust received their first Lottery Community grant of \$20,000 from the Committee. The organisation has opened a boxing academy for young boys and young men following the success of Billy Graham's boxing academy in Naenae. The grant was a contribution to the salary of the head coach who works directly with the participants.

The Committee has maintained its commitment to the well-being of women and children experiencing family violence, while also making contributions to violence prevention. For example, Hutt City Women's Refuge received a grant of \$50,000 for their services, and Stopping Violence Services Wairarapa received \$40,000 towards their programmes.

The Committee has been a strong supporter of multi-year grants. Another three organisations were awarded multi-year grants taking the total approved by the Committee to eighteen. Four of the multi-year grant terms expired in June 2015. This represented the successful completion of the first multi-year grants that were awarded in 2012.

Committee

Until February 2015 the Committee consisted of four members. Elizabeth Sneyd was appointed at that time to fill a vacancy and she contributes to the broad range of skills and local knowledge of the Committee.

David Ogden
Presiding Member
Wellington/Wairarapa Community
Committee

2014/15 Allocation	\$3,261,637
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$42,792
Total amount available for distribution	\$3,304,429
Total amount requested	\$9,160,631
Total amount approved	\$3,293,051
Percentage of amount requested that was approved	36%
Applications	
Number of applications received	241
Number of applications considered	207
Number of applications approved	179
Percentage of considered applications approved	86%
Smallest approved grant	\$1,000
Average approved grant	\$18,397
Largest approved grant*	\$120,000

*Multi-year grant

West Coast/Nelson-Marlborough Community



Committee Members

Alison McAlpine (*Presiding Member*)

Jim Mears (*until July 2014*)

Viveyan Tuhimata-Weke

Maria Williams

Pam Woodward

Outcome Statement

The social and economic well-being of West Coast/Nelson-Marlborough communities is enhanced.

Committee Priorities

Priority for funding is given to support:

- Salaries
- Travel for geographically isolated communities
- Volunteers
- Staff supervision and training, including external training
- New programmes
- Organisations that demonstrate collaboration.

Meeting Community Needs

The West Coast/Nelson-Marlborough area is a large and diverse region which includes urban and rural communities facing unique challenges. The Committee supports the need for rurally isolated communities to have access to services.

This year the Committee continued to prioritise funding towards salaries as it recognised that the funding of salaries is essential for many community groups to function. The Committee primarily supported salaries for positions with a direct service delivery focus. However, it also acknowledged the need for funding other roles in organisations.

The Committee funded several minor capital works projects which it considered had significant community benefit. These included a contribution to a new roof for Millerton Hall which was damaged by a tornado earlier in the year and a heat pump pool heater for the Murchison Area School pool. This pool is used by the wider community and it will now be open for a longer period over summer.

A number of multi-year funding requests were made, but the Committee decided to fund these applicants for a single year due to pressure on funds.

This year the Committee experienced a 20 per cent increase in requests, mostly as a result of requests which were previously made to the Lottery National Community Committee now being considered by this Committee.

Committee

Jim Mears resigned from the Committee in July 2014. During his four year term, Jim made a valuable contribution to Committee decisions about the allocation of funding to community groups. The Committee members bring an extensive knowledge of their communities to the meetings and this awareness of community needs across the region assists them in making focused and positive decisions. Prior to the meeting in September, the new online grants management system was introduced and all committee members were trained to use this system which has enhanced their decision making process.

Alison McAlpine
Presiding Member
*West Coast/Nelson-Marlborough
Community Committee*

2014/15 Allocation	\$1,520,360
Grants written back during 2014/15	\$0
Grants refunded during 2014/15	\$6,824
Total amount available for distribution	\$1,527,184
Total amount requested	\$5,647,771
Total amount approved	\$1,521,775
Percentage of amount requested that was approved	27%
Applications	
Number of applications received	135
Number of applications considered	120
Number of applications approved	94
Percentage of considered applications approved	78%
Smallest approved grant	\$2,000
Average approved grant	\$16,189
Largest approved grant	\$50,000

Statutory Bodies

Three statutory bodies – Sport New Zealand, Creative New Zealand, and the New Zealand Film Commission – receive a percentage of New Zealand Lottery Grants Board funding every year to assist New Zealand’s artistic and sporting talent. Details of the expenditure of the Board’s allocation to each of these bodies is reported in their individual annual reports tabled in the House of Representatives under the Crown Entities Act 2004.

An independent charitable trust, Ngā Taonga Sound & Vision, also receives a percentage of New Zealand Lottery Grants Board funding. Ngā Taonga Sound & Vision was formed by the amalgamation of three of New Zealand’s major audiovisual archives: the New Zealand Film Archive Ngā Kaitiaki O Ngā Taonga Whitiāhūa, Sound Archives Ngā Taonga Kōrero, and the Television New Zealand Archive. The New Zealand Film Archive previously had been a part of the New Zealand Film Commission. Ngā Taonga Sound & Vision is not required to table its annual report in the House of Representatives.

Sport New Zealand

New Zealand is among the most active countries in the world in terms of sport and recreation. This in turn delivers a broad range of benefits to individuals and communities. The ongoing support of the Lottery Grants Board is crucial in making sure that remains the case.

During 2014/15 the Lottery Grants Board distributed \$39.7 million to help Sport New Zealand achieve its goal of making New Zealand the world’s most successful sporting nation. Those funds helped Sport New Zealand, among many other things, to:

- Offer participation opportunities to more than 870,000 children and young people through KiwiSport initiatives.
- Provide development opportunities for 102 coaches from 27 different sports at a community level through the Performance Coach Advance Programme. Meanwhile the Coach Developer Training Programme saw 48 ‘coach developers’ get essential training to support community coaches across the country.
- Continue to progress the acclaimed Sport in Education project, with sport participation increasing by more than 9% in the original pilot schools – well above the national average of 1%.
- Invest \$1.8m into He Oranga Poutama (HOP) initiatives in 12 Māori communities. HOP promotes the development and implementation of physical recreation and sport in a way that is culturally appropriate to Māori.
- Provide expert advice to the Board for funding applications involving sport and recreation facilities.

With the important and continuing challenge of protecting our sporting heritage, the support of the Lottery Grants Board remains vital in ensuring New Zealand maintains high levels of participation in sport and recreation.

Creative New Zealand

New Zealanders are creative people who believe being involved in the arts makes their lives better and their communities stronger.

Approximately nine in ten adult New Zealanders agree the arts are good for them and eight in ten agree that the arts help to improve New Zealand society. These results were part of Creative New Zealand’s triennial survey, *New Zealanders and the Arts: Attitudes, attendance and participation in 2014*. Nine in ten New Zealanders are either attending or participating in the arts, which is a record high since the survey began in 2005.

In 2014/15 Creative New Zealand invested \$43.6 million in the arts and arts organisations. This was done with the contribution of \$29.8 million from the New Zealand Lottery Grants Board.

Of the 82 organisations in Creative New Zealand’s multi-year investment programmes, 63 (with continuous funding agreements) presented 7,280 events and performances which were attended by an audience of more than 910,000 throughout New Zealand.

In addition, Creative New Zealand awarded more than 500 grants and other opportunities, such as residencies and fellowships, to individuals and organisations.

As a key funder of community arts, Creative New Zealand provides opportunities for all New Zealanders to be actively involved in the arts. More than \$6.8 million was invested in projects and initiatives that encourage New Zealanders to participate in the arts. This includes the Creative Communities Scheme, run in conjunction with local authorities, which awarded more than \$3.3 million to 1,680 arts projects throughout New Zealand.

Examples of community arts include Southland’s Murihiku Polyfest which has grown from a small one-day festival to a five-day celebration of Māori and Pasifika culture engaging the whole Southland community.

During 2014/15 our New Zealand artists supported by Creative New Zealand achieved international success. More than 200 New Zealand artists participated in seven different Edinburgh festivals. The NZ at Edinburgh season made a strong impact with awards, sold-out shows, high media awareness and positive reviews. Relationships were built with international

presenters and partners and several companies secured onward international touring opportunities as a result.

The New Zealand pavilion at the 2015 Venice Biennale presented Simon Denny's exhibition *Secret Power*. The exhibition attracted the attention of the international art world and influential media such as the *Guardian* UK, the *New York Times* and *Frieze* magazine, with numerous international publications recommending it as a "must-see".

New Zealand Film Commission

The New Zealand Film Commission (NZFC) is proud to be able to support New Zealand filmmaking and the New Zealand screen sector with the help of the Board. This year the NZFC was allocated \$12.9 million from the Board.

The NZFC invests in original and culturally significant films, encourages talented New Zealand filmmakers through developing career pathways and facilitating connections offshore, and works to increase the number of people seeing New Zealand films here and overseas. It supports the growth of economic activity and helps ensure New Zealand has sustainable screen sector businesses operating within an internationally competitive screen sector. The NZFC also helps negotiate co-production treaties and certifies co-productions and New Zealand films for tax purposes.

In the past 12 months, the NZFC has committed production funding to 16 feature films and has seen nine NZFC-supported films released in New Zealand cinemas. These include *The Dark Horse*, *The Dead Lands*, *Fantail* and *Housebound*. New Zealand films and talent were well-represented internationally with NZFC supported films screening at the Toronto, Rotterdam, Sundance and South by Southwest film festivals, among others. *The Dark Horse* won the Audience Award for Best Film at the 2015 Rotterdam International Film Festival. At the 2015 Sundance Film Festival, New Zealand/UK co-production, *Slow West*, took the World Cinema Jury Prize: Dramatic. New Zealand / Canadian co-production *Turbo Kid* won the Midnighter Award at SXSW.

In total, 12 new short films were funded during the year, and nine short films were selected for A-List international film festivals. These included Hamish Bennet's *Ross and Beth*, which screened at ImagiNATIVE, Flickerfest and the Melbourne International Film Festival and Alyx Duncan's *The Tide Keeper* which screened at the 2015 Annecy International Animation Festival and at the Palm Springs Film Festival.

NZ Film on Demand, a transactional VOD service which features a range of New Zealand films, from recent cinema releases to newly digitised classics, celebrated a successful first year by expanding into the UK and Australia. The platform not only makes New Zealand films more accessible to domestic and international audiences, but also offers new distribution possibilities for New Zealand filmmakers.

The NZFC administers the New Zealand Screen Production Grant and its predecessors, the Screen Production Incentive Fund and Large Budget Screen Production Grant on behalf of the Government. In the past year these grants supported a number of domestic and international productions, including *Zoo Moo Season 1*, *Power Rangers Megaforce/Super Megaforce*, *Slow West*, *China's Lost Tomb* and *Life Force 2*.

Ngā Taonga Sound & Vision

Ngā Taonga Sound & Vision is New Zealand's audiovisual archive. The archive was formed by the amalgamation of the collections and staff of the New Zealand Film Archive Ngā Kaitiaki O Ngā Taonga Whitiāhūa; the Sound Archives Ngā Taonga Kōrero; and the Television New Zealand Archive.

This new organisation, launched in August 2014, is a charitable trust and was built on the foundations of the former Film Archive. The merged collection holds a large and diverse range of moving image and audio items, along with related documentation (publicity materials, stills, posters, production records, props, costumes and equipment). The collections date from 1895 and span our sound and moving image history – from the earliest days of cinema, audio recording and television, to contemporary film, television, advertisements, music videos, computer games and radio productions.

In 2014/15 Ngā Taonga Sound & Vision received over \$993,000 in funding from the New Zealand Lottery Grants Board. This helped us to achieve our mission to collect, protect and connect New Zealand's audiovisual heritage with the widest possible audience.

Highlights for the year included the discovery of a very early Pathe Colour film, *La Petite Rosse*. This film was assessed as being in such good condition that it was sent to George Eastman House in Rochester New York for inclusion in the Nitrates Picture Show, an annual exhibition of original nitrate films being projected as they would have been 100 years ago.

Ngā Taonga Sound & Vision also contributed to the "Waitangi 175" commemorations. There were screenings of *Rere Ki Uta Rere Ki Tai* and *Wāka: An Awakening Dream* at its Wellington cinema and at the Auckland War Memorial Museum. There was a steady programme of engagement with iwi early in the year, particularly Ngāti Porou, Ngāi Tāmanuhiri and Waikato/Tainui. A number of significant iwi collections were received and are currently undergoing preservation to enable access to taonga of great cultural value.

Some 400 screenings and events were presented in public and private screenings in Wellington. Offsite, partnership screenings with Heritage New Zealand continued to be well received.

Without the substantial funding we receive from the Board, our work would take longer and not be available for so many New Zealanders to enjoy.

Financial Statements

New Zealand Lottery Grants Board

For the year 1 July 2014 to 30 June 2015

Independent Auditor's Report

To the readers of the New Zealand Lottery Grants Board's financial statements for the year ended 30 June 2015

The Auditor-General is the auditor of the New Zealand Lottery Grants Board (the Board). The Auditor-General has appointed me, Clare Helm, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Board on her behalf.

Opinion on the financial statements

We have audited the financial statements of the Board on pages 39 to 44, that comprise the statement of financial position as at 30 June 2015, the statement of comprehensive revenue and expense for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the Board:

- present fairly, in all material respects:
 - its financial position as at 30 June 2015; and
 - its financial performance for the year then ended; and
- comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with the Public Benefit Entity Accounting Standards.

Our audit was completed on 30 October 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Secretary for Internal Affairs and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand).

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Board's financial statements 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 Board's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Secretary for Internal Affairs and the Board;
- the adequacy of the disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also, we did not evaluate the security and controls over the electronic publication of the financial statements.

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

Responsibilities of the Secretary for Internal Affairs

The Secretary for Internal Affairs is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand and the Public Benefit Entity Accounting Standards; and
- present fairly the Board's financial position and financial performance.

The Secretary for Internal Affairs' responsibilities arise from the Gambling Act 2003 and the Public Finance Act 1989.

The Secretary for Internal Affairs is responsible for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Secretary for Internal Affairs is also responsible for the publication of the financial statements, whether in printed or electronic form.

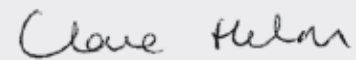
Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Gambling Act 2003.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Board.



Clare Helm
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Responsibility

The Secretary for Internal Affairs is responsible for the preparation of the New Zealand Lottery Grants Board's (Board) financial statements and for the judgements made in them.

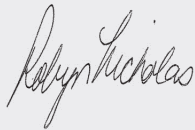
The Secretary for Internal Affairs has the responsibility for any end-of-year performance provided by the Board under section 19A of the Public Finance Act 1989.

The Secretary for Internal Affairs has the responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Secretary of Internal Affairs' opinion, these financial statements fairly reflect the financial position and operations of the Board for the year ended 30 June 2015.



Colin MacDonald
Secretary for Internal Affairs
30 October 2015



Robyn Nicholas
Secretary, New Zealand Lottery Grants Board
30 October 2015

Statement of Purpose

The Board makes decisions on the allocation of profits received from New Zealand Lotteries.

These decisions are limited to the allocations to Lottery distribution committees, the Minister of Internal Affairs (Discretionary Fund) and the three statutory bodies in accordance with Sections 276, 278 and 279 of the Gambling Act 2003 and are detailed in Note 5 of the financial statements for Profits of New Zealand Lotteries. The three statutory bodies named in Section 279 of the Gambling Act 2003 are Creative New Zealand, Sport New Zealand and the New Zealand Film Commission (including Ngā Taonga Sound & Vision).

These financial statements comprise the accounts of the Board.

The operations of Lottery distribution committees and the Minister's Discretionary Fund are reported in the financial statements of Profits of New Zealand Lotteries. The operations of the statutory bodies are reported in the annual accounts of those entities.

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2015

	Note	Actual 2015 \$	Budget 2015 \$	Actual 2014 \$
Revenue				
Lotto and Lottery Profits	3	198,602,924	225,100,000	231,157,125
Total Revenue		198,602,924	225,100,000	231,157,125
Expenditure				
Distribution to Profits of New Zealand Lotteries		198,544,596	224,969,060	231,121,241
Board Members' Fees	5	36,794	55,260	12,464
Fees for Presiding Members' Policy Advisory Group Meetings	5	18,441	55,680	12,939
Other Expenses	6	3,093	20,000	10,481
Total Expenditure		198,602,924	225,100,000	231,157,125
Total Comprehensive Revenue and Expense	7	-	-	-

The notes form an integral part of, and should be read in conjunction with, these financial statements

Statement of Financial Position

As at 30 June 2015

The Board does not have any assets or liabilities as at 30 June 2015 (2014: Nil).

Statement of Commitments

As at 30 June 2015

The Board has no significant commitments as at 30 June 2015 (2014: Nil).

Statement of Contingent Assets and Liabilities

As at 30 June 2015

There were no contingent assets or liabilities as at 30 June 2015 (2014: Nil).

The notes form an integral part of, and should be read in conjunction with, these financial statements

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Statement of Accounting Policies

Reporting Entity

The New Zealand Lottery Grants Board (Board) is a fourth schedule entity in terms of the Public Finance Act 1989. These financial statements have been prepared in accordance with the Public Finance Act 1989, the Gambling Act 2003 and the Crown Entities Act 2004. For the purposes of financial reporting the Board is a Public Benefit Entity (PBE).

The Board's primary objective is to make decisions on the allocation of profits received from the New Zealand Lotteries Commission. The operations of the Lottery Distribution Committees are reported in the financial statements of Profits of New Zealand Lotteries. The operations of the Statutory Bodies are reported in the annual accounts of these entities.

The Secretary of Internal Affairs is Trustee of the Profits Received from the New Zealand Lotteries Commission under the Gambling Act 2003.

Reporting Period

The reporting period for these financial statements is the year ended 30 June 2015, and was approved by the Secretary for Internal Affairs on 30 October 2015.

Basis of Preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

These financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice and prepared in accordance with and comply with Tier 1 Public Benefit Entity (PBE) accounting standards.

These financial statements have been prepared in accordance with the Public Finance Act 1989, the Gambling Act 2003 and the Crown Entities Act 2004.

These financial statements are the first financial statements prepared in accordance with the new PBE accounting standards.

Measurement Base

The financial statements have been prepared on an historical cost basis.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Judgements and Estimates

The preparation of financial statements in conformity with Tier 1 PBE accounting standards requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Budget Figures

The budget figures are those approved by the Minister of Internal Affairs, as Presiding Member, at the beginning of the financial year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Secretary for Internal Affairs for the preparation of the financial statements.

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Functional and Presentation Currency

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

Standards Issued

In May 2013, the External Reporting Board (XRB) issued a new suite of PBE accounting standards for application by private sector entities for reporting on or after 1 July 2014. The Board has applied these standards in preparing the 30 June 2015 financial statements.

Note 2: Significant Accounting Policies

Revenue

Revenue comprises the profits of the New Zealand Lotteries Commission, revenue from investments and other miscellaneous revenue. Revenue is measured at the fair market value of consideration received or receivable.

Revenue is recognised when earned and is reported in the financial period to which it relates.

All revenue is deemed to be non-exchange revenue as per the definition in the new PBE standard IPSAS 23.

Board Expenses

Board expenses are the costs of the Board including Members, fees and travel costs, room hire and sundry expenses. Board expenses are measured at the fair market value of consideration paid.

Goods and Services Tax (GST)

These accounts have been prepared on a GST exclusive basis.

Note 3: Distribution to Profits of New Zealand Lotteries

Revenue less Board expenses is distributed to Profits of New Zealand Lotteries. It is recognised as expenditure in the financial statements of the Board and as revenue in the financial statements of Profits of New Zealand Lotteries.

The 2015 distribution to Profits of New Zealand Lotteries was funded by profits of \$198,602,924 (2014: \$231,157,125) received from the New Zealand Lotteries Commission during the year.

At its meeting on 2 July 2014, the Board approved specific allocations to the Distribution Committees and the Minister of Internal Affairs (Discretionary Fund) and the guaranteed minimum percentage allocation to the Statutory Bodies based on the 2015 forecast New Zealand Lotteries Commission profit.

No special purpose lotteries were conducted during the year (2014: Nil).

Note 4: Related Parties and Key Management Personnel

The Board enters into transactions with other entities on an arm's length basis. Transactions that occur are within a normal supplier or client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the Board would have adopted if dealing with those unrelated entities at arm's length.

The Department of Internal Affairs provides administrative services to the Board, Distribution Committees and the Minister of Internal Affairs on an arm's length basis.

The key management personnel are the six members of the Board. Any fees paid to these members are paid from the Board and not from the Profits of New Zealand Lotteries (see note 5 below).

There were no grants approved relating to key management personnel during the year ended 30 June 2015 (2014: Nil). Therefore, there was no exercise of control or influence in the approval process.

Note 5: Disclosure of Fees

The total fees paid to the three non-minister board members for attendance at Board meetings during the year 1 July 2014 to 30 June 2015 are shown below, these equate to 0.03 FTE (2014: 0.03):

Lottery Grants Board Members' Fees	Actual 2015 \$	Actual 2014 \$
Burrill, M.	-	1,080
Smaill, A.	1,620	1,080
Wehipeihana-Wilson, T. M.	540	-
Total Fees Paid	2,160	2,160
Additional Meeting expenses	34,634	10,304
Total	36,794	12,464

These fees are based on actual paid fees for the 2015 financial year. Any fees processed after year end will appear in the 2016 annual report. Of the six key management personnel three are Hon Peter Dunne, Hon Trevor Mallard, Hon Maggie Barry (part year) and Scott Simpson MP (part year). Members of Parliament do not receive remuneration or other benefits for their roles as members of the Board.

Fees for attendance at the Presiding Members Policy Advisory Group Meetings	Actual 2015 \$	Actual 2014 \$
Bourke, M.K.	-	435
Burrill, M.	-	1,800
Clements, N.V.	435	715
Darby, J.D.	435	-
Dodunski, H.	-	715
Donaldson, T.	-	250
Hix, Q.	435	390
Joyce, B.D.	435	435
Lusty, B.C.	435	715
Macauley, S.G.	-	870
Mahoney, J.G.	-	269
McAlpine, A.M.	435	390
Moore, N.J.	435	780
Noble, K.A.	-	715
Ogden, D.K.	435	-
Petersen, D.M.	435	780
Powell, C.L.	435	-
Sciascia, M.S.	-	435
Smaill, A.	-	540
Taylor, D.	435	435
Tozer, W.A.	435	715
Wanden, B.P.	435	715
Williams, M.E.	-	300
Young, S.	-	540
Total Fees Paid	5,655	12,939
PMPAG Travel	12,786	0
Total	18,441	12,939

These fees are based on actual paid fees for the 2015 financial year. Any fees processed after year end will appear in the 2016 annual report. For the 2015 financial year the actual costs for PMPAG travel have been separated from the administration costs to allow for more transparent reporting in this and future financial years.

Note 6: Other Expenses

	Actual 2015 \$	Actual 2014 \$
Bank Fees	3,093	1,607
Printing	-	8,874
Total Other Expenses	3,093	10,481

Note 7: Total Comprehensive Revenue and Expense

The Board had no comprehensive revenue and expense for the year ended 30 June 2015 (2014: Nil). The Board expenses were paid from a bank account operated by Profits of New Zealand Lotteries. At year end all surplus is distributed to the Profit of New Zealand Lotteries. Therefore, it is not appropriate for the Board to produce a Statement of Changes in Net Assets/Equity or Statement of Cash Flows.

Note 8: Events after Balance Date

There were no significant events after the balance date (2014: Nil).

Note 9: Adjustments arising on transition to the new PBE accounting standards

There have been no reclassifications on the face of the financial statements in adopting the new PBE accounting standards.

Financial Statements

Profits of New Zealand Lotteries

For the year 1 July 2014 to 30 June 2015

Independent Auditor's Report

To the readers of the Profits of New Zealand Lotteries' financial statements for the year ended 30 June 2015

The Auditor-General is the auditor of the Profits of New Zealand Lotteries. The Auditor-General has appointed me, Clare Helm, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Profits of New Zealand Lotteries on her behalf.

Opinion on the financial statements

We have audited the financial statements of the Profits of New Zealand Lotteries on pages 48 to 61, that comprise the statement of financial position as at 30 June 2015, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion:

- the financial statements of the Profits of New Zealand Lotteries:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2015; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Accounting Standards.

Our audit was completed on 30 October 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Secretary for Internal Affairs and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand).

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Profits of New Zealand Lotteries' financial statements 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 Profits of New Zealand Lotteries' internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Secretary for Internal Affairs;
- the adequacy of the disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also, we did not evaluate the security and controls over the electronic publication of the financial statements.

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

Responsibilities of the Secretary for Internal Affairs

The Secretary for Internal Affairs is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand and Public Benefit Entity Accounting Standards; and
- present fairly the Profits of New Zealand Lotteries' financial position, financial performance and cash flows.

The Secretary for Internal Affairs' responsibilities arise from the Gambling Act 2003.

The Secretary for Internal Affairs is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Secretary for Internal Affairs is also responsible for the publication of the financial statements, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Gambling Act 2003.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Profits of New Zealand Lotteries.



Clare Helm
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Responsibility

The Secretary for Internal Affairs is responsible for the preparation of the Profits of New Zealand Lotteries financial statements and for the judgements made in them.

The Secretary for Internal Affairs has the responsibility for any end-of-year performance provided by the Profits of New Zealand Lotteries under section 19A of the Public Finance Act 1989.

The Secretary for Internal Affairs has the responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Secretary of Internal Affairs' opinion, these financial statements fairly reflect the financial position and operations of the Profits of New Zealand Lotteries for the year ended 30 June 2015.



Colin MacDonald
Secretary for Internal Affairs
30 October 2015



Robyn Nicholas
Secretary, New Zealand Lottery Grants Board
30 October 2015

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2015

	Note	Actual 2015 \$	Budget 2015 \$	Actual 2014 \$
Revenue				
Revenue and Expense		198,544,596	224,969,060	231,121,241
Interest Revenue	3	4,814,228	4,200,000	4,522,881
Other Revenue		630,690	-	7,276
Total Revenue		203,989,514	229,169,060	235,651,398
Expenditure				
Administration Expense		10,129,000	10,129,000	9,224,718
Audit Fee		46,460	46,460	45,080
Distribution Committee Fees	11	146,173	212,488	177,504
Grants Approved		201,009,189	207,832,597	256,262,472
Total Expenditure		211,330,822	218,220,545	265,709,774
Total Comprehensive Revenue and Expense		(7,341,308)	10,948,515	(30,058,376)

Explanations of significant variances against budget are detailed in note 12.

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Statement of Financial Position

As at 30 June 2015

	Note	Actual 2015 \$	Budget 2015 \$	Actual 2014 \$
Assets				
<i>Current assets</i>				
Cash and Cash Equivalents	6	80,071,587	59,757,000	91,421,304
Short Term Investments	6	61,000,000	85,000,000	69,000,000
GST Receivable		754,256	500,000	7,034,481
Accounts Receivable	7	2,200,509	-	10,745,644
Accrued Interest		1,339,197	600,000	766,515
Total Current Assets		145,365,549	145,857,000	178,967,944
<i>Non-Current Assets</i>				
Total Non-Current Assets		-	-	-
Total Assets		145,365,549	145,857,000	178,967,944
Liabilities				
<i>Current Liabilities</i>				
Grants Payable		106,481,306	95,148,000	132,386,448
Creditors and Other Payables	8	978,219	922,000	1,334,164
Total Current Liabilities		107,459,525	96,070,000	133,720,612
<i>Non-Current Liabilities</i>				
Total Non-Current Liabilities		-	-	-
Total Liabilities		107,459,525	96,070,000	133,720,612
Equity				
Accumulated Funds		37,906,024	49,787,000	45,247,332
Total Equity		37,906,024	49,787,000	45,247,332
Total Liabilities and Equity		145,365,549	145,857,000	178,967,944

Explanations of significant variances against budget are detailed in note 12.

Statement of Changes in Equity

For the year ended 30 June 2015

	Note	Actual 2015 \$	Budget 2015 \$	Actual 2014 \$
Movement in Equity for the year ended 30 June 2015				
<i>Equity as at 1 July 2014</i>		45,247,332	38,838,485	75,305,708
Total Comprehensive Revenue and Expense for the year ended 30 June 2015		(7,341,308)	10,948,515	(30,058,376)
Equity as at 30 June 2015		37,906,024	49,787,000	45,247,332

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Statement of Cash Flows

For the year ended 30 June 2015

	Note	Actual 2015 \$	Actual 2014 \$
Cash Flows from Operating Activities			
<i>Cash was Provided From:</i>			
Lottery Profits		207,148,060	238,304,238
Interest Received		4,241,545	4,384,810
Other Revenue		630,690	7,276
Goods and Services Tax (Net)		6,280,225	-
Total		218,300,520	242,696,324
<i>Cash was Distributed to:</i>			
Grants Paid		226,914,330	198,782,107
Suppliers		10,735,907	9,294,714
Goods and Services Tax (Net)		-	2,382,457
Total		237,650,237	210,459,278
Net Cash Flows from Operating Activities		(19,349,717)	32,237,046
Cash Flows from Investing Activities			
<i>Cash was Provided from:</i>			
Maturity of Investments		216,120,354	182,471,351
Total		216,120,354	182,471,351
<i>Cash was Distributed to:</i>			
Purchase of Investments		208,120,354	230,895,159
Total		208,120,354	230,895,159
Net Cash Flows from Investing Activities		8,000,000	(48,423,808)
Movement in Cash			
Opening Cash and Cash Equivalents		91,421,304	107,608,066
Add Net Increase/(Decrease) in Cash Held		(11,349,717)	(16,186,762)
Closing Cash and Cash Equivalents		80,071,587	91,421,304

Statement of Commitments

As at 30 June 2015

There are no significant commitments as at 30 June 2015 (2014: Nil).

Statement of Contingent Assets and Liabilities

As at 30 June 2015

There are no contingent assets or liabilities as at 30 June 2015 (2014: Nil).

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Statement of Accounting Policies

Reporting Entity

Under the provisions of the Gambling Act 2003, the Secretary for Internal Affairs is responsible for keeping the accounts of the Profits of New Zealand Lotteries.

The operations of the Lottery Distribution Committees are reported in the financial statements of Profits of New Zealand Lotteries. The Board's primary objective is to make decisions on the allocation of profits received from the New Zealand Lotteries Commission.

These financial statements have been prepared in accordance with the Public Finance Act 1989. For the purposes of financial reporting, Profits of New Zealand Lotteries is a Public Benefit Entity (PBE).

Reporting Period

The reporting period for these financial statements is the year ended 30 June 2015. The financial statements were approved by the Secretary for Internal Affairs on 30 October 2015.

Basis of Preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

These financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice and prepared in accordance with and comply with Tier 1 PBE accounting standards.

These financial statements are the first financial statements prepared in accordance with the new PBE accounting standards.

Basis of Measurement

The financial statements have been prepared on a historical cost basis.

Functional and presentation Currency

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

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Tier 1 PBE accounting standards requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an on-going basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if revision affects both current and future periods.

Budget Figures

The budget figures for the Statement of Comprehensive Revenue and Expenses are those approved by the Minister of Internal Affairs, as Presiding Member, at the beginning of the financial year. The budget figures for the Statement of Financial Position have been derived from these and have been adopted by the Board.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Secretary for Internal Affairs for the preparation of the financial statements.

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Standards issued

In May 2013, the External Reporting Board (XRB) issued a new suite of PBE accounting standards for application by private sector entities for reporting on or after 1 July 2014.

Standards, Amendments, and Interpretations Issued that are not yet effective and have not been early adopted

In October 2014, the PBE suite of accounting standards was updated to incorporate requirements and guidance for the not-for-profit sector. These updated standards apply to PBEs with reporting periods beginning on or after 1 April 2015. The New Zealand Lottery Grants Board will apply these updated standards in preparing its 30 June 2016 financial statements. The New Zealand Lottery Grants Board expects there will be minimal or no change in applying these updated accounting standards.

Note 2: Significant Accounting Policies

The following significant policies have been applied:

Revenue

Revenue comprises the profits of the New Zealand Lotteries Commission, interest revenue for investments and other miscellaneous revenue. Revenue is measured at the fair market value of consideration received or receivable.

Profits from the New Zealand Lotteries Commission are recognised when advised by the Commission, while investment and other revenue are recognised on an accrual basis when earned and is reported in the financial period to which it relates.

Interest Received is deemed to be Exchange revenue; all other revenue is deemed to be non-exchange revenue as per the definition in the new PBE standard IPSAS 23.

Financial Instruments

Financial assets and financial liabilities are measured at fair value (including any associated transaction costs). Any profit or loss from the financial transaction is recognised in the Statement of Comprehensive Revenue and Expense.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, cash in transit, deposits held on call with banks and other short-term, highly liquid investments, with maturities of three months or less. The carrying value of these assets approximates their fair value.

Receivables

Accounts receivable have been designated as receivables. Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Receivables entered into with duration of less than 12 months are recognised at their nominal value. At each balance date, the Secretary for Internal Affairs assesses whether there is any objective evidence that receivables are impaired. Any impairment losses are recognised in the Statement of Comprehensive Revenue and Expenses as doubtful debts.

Investments

Premiums or discounts on investments are amortised over the life of the investment on a yield to maturity basis.

At each balance date the Board assesses whether there is any objective evidence that any investments are impaired.

Goods and Services Tax (GST)

These accounts have been prepared on a GST exclusive basis, except for accounts receivable and payable. GST is presented as a net figure in the balance sheet.

Taxation

Profits of New Zealand Lotteries are exempt from the payment of income tax in terms of the Income Tax Act 2007. Accordingly, no charge for income tax has been provided.

Grants Approved

The net grants approved by the Distribution Committees in the financial period are recognised as an expense in the Statement of Comprehensive Revenue and Expenses. The grants are discretionary, with administrative conditions and are recognised as expenditure when they have been both approved by the Distribution Committees and the approval has been communicated to the applicant.

Note 3: Interest Revenue

	Actual 2015 \$	Actual 2014 \$
Bank of New Zealand Current Account	423,359	183,514
Money Market Investment	4,390,869	4,339,367
Total Interest Revenue	4,814,228	4,522,881

Note 4: Total Funds Employed (Equity)

Funds Allocated to Distribution Committees

These are funds available to Committees to distribute during the year.

	Actual 2015 \$	Actual 2014 \$
Undistributed Committees' Funds as at 1 July	-	28,022,095
Transfer from Accumulated Funds to Committees	-	-
Transfer from Committees' to Accumulated Funds	(4,221,259)	(3,674,487)
Funds after Transfer	(4,221,259)	24,347,608
Add Funds Allocated for the year (refer to Note 5)	205,230,448	231,914,864
Less Grants Approved for the year	(201,009,189)	(256,262,472)
Undistributed Committees' Funds as at 30 June	-	-

Accumulated Funds

These are reserves available to the Board to meet planned allocations to Distribution Committees.

	Actual 2015 \$	Actual 2014 \$
Accumulated Funds as at 1 July	45,247,332	47,283,613
Net Surplus/(Deficit)	(7,341,308)	(30,058,376)
Transfer from Committees Funds	4,221,259	3,674,487
Add Grants Approved for the year	201,009,189	256,262,472
Less Funds Allocated for the Year	(205,230,448)	(231,914,864)
Accumulated Funds As at 30 June	37,906,024	45,247,332

Note 5: Fund Allocations

The Profits of New Zealand Lotteries distributes funds by way of Distribution Committees. The funding allocation to these committees is set out below:

	Actual 2015 %	Actual 2014 %	Actual 2015 \$	Actual 2014 \$
Distribution Committees				
Community Committee				
National	6.4%	7.2%	13,069,940	16,766,755
Regional Community Committees				
Northland	0.9%	0.8%	1,874,713	1,747,741
Auckland	5.0%	4.1%	10,301,699	9,603,976
Waikato	1.9%	1.5%	3,826,855	3,567,666
Bay of Plenty/Gisborne	1.5%	1.3%	3,135,174	2,922,832
Taranaki	0.5%	0.4%	1,024,081	954,721
Hawke's Bay	0.7%	0.6%	1,412,200	1,316,553
Manawatu/Whanganui	1.1%	0.9%	2,281,765	2,127,223
Wellington/Wairarapa	1.6%	1.3%	3,261,637	3,040,730
West Coast/Nelson-Marlborough	0.7%	0.6%	1,520,360	1,417,388
Canterbury/Kaikoura	1.9%	1.6%	3,986,006	3,716,038
Otago/Southland	1.2%	1.0%	2,405,161	2,242,262
National Committees				
Community Facilities	7.4%	6.7%	15,231,531	15,631,800
Community Sector Research	0.3%	0.0%	535,989	-
WWI, Environment and Heritage	7.7%	4.7%	15,718,380	11,000,048
Health Research	1.8%	1.7%	3,733,713	3,831,831
Individuals with Disabilities	2.5%	2.3%	5,173,234	5,309,181
Marae Heritage and Facilities	3.9%	3.6%	8,066,861	8,278,850
Minister's Discretionary Fund	0.2%	0.2%	369,071	378,770
Significant Projects	7.3%	12.9%	15,000,000	30,000,000
Outdoor Safety	3.4%	3.4%	6,906,665	7,890,778
Sports NZ - Water Safety	1.0%	0.9%	2,063,000	2,063,000
Distribution to Statutory Bodies				
Creative New Zealand	14.5%	15.0%	29,790,454	34,673,568
Sport New Zealand	19.4%	19.9%	39,720,605	46,231,424
New Zealand Film Commission (including Film Archive for 2014)	6.3%	7.0%	12,909,196	16,180,998
Ngā Taonga Sound and Vision	0.5%	0.0%	993,015	-
Other				
GST**	0.4%	0.4%	919,143	1,020,731
Total Allocations	100%	100%	205,230,448	231,914,864

* Percentages shown based on Allocation totals not Income received, Statutory Bodies received 42% of actual revenue received.

** Allocations approved by the Board to fund non-recoverable GST expenses incurred by applicants.

Note 6: Financial Instrument Categories

The carrying amount of financial assets and liabilities in each of the financial categories are as follows:

	Actual 2015 \$	Actual 2014 \$
Loans and Receivables		
Cash and Cash Equivalents	80,071,587	91,421,304
Short Term Investments	61,000,000	69,000,000
Accounts Receivable	2,200,509	10,745,644
Total Loans and Receivables	143,272,096	171,166,948
Financial liabilities measured at amortised cost		
Accounts Payable	107,459,525	133,720,612
Total Payables	107,459,525	133,720,612

The market value of Term Deposit Investments as at 30 June 2015 was \$86,339,197 (2014: \$75,766,515). Term Deposits reported in Short Term Investments (2015:\$61,000,000; 2014:\$69,000,000) and in Cash and Cash Equivalents (2014: \$24,000,000; 2015 \$6,000,000)

Market Risk

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. There is no currency risk given that all of the financial instruments dealt with are denominated in New Zealand dollars.

Credit Risk

Credit risk is the risk that a third party will default on its obligations, causing the Profits of New Zealand Lotteries to incur a loss.

Credit risk is reduced by investing up to fixed limits, only in New Zealand Government Stock, Government Guaranteed Stock Bank Deposits, Promissory Notes carrying Standard and Poor's rating of not less than A2 and Commercial Papers issued or endorsed by selected registered banks in New Zealand. These limits reduce the credit risk exposure to any one financial institution and/or financial instrument.

Concentration of credit risk with respect to accounts receivable is high, due to the reliance on the New Zealand Lotteries Commission for 99% of revenue for Profits of New Zealand Lotteries. Reliance is placed on the fact that the New Zealand Lotteries Commission is a going concern. In addition the distribution of grants by Committees is closely monitored to ensure that commitments are matched by revenue.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Profits of New Zealand Lotteries invest only in fixed interest rate money market investments.

Liquidity Risk

Liquidity risk is the risk that Profits of New Zealand Lotteries will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, Profits of New Zealand Lotteries maintains a target level of investments that must mature within specified timeframes to meet projected grants payments and other accounts payable (refer to Note 8).

As grants payable recognises grants approved but unpaid as at balance date, due to grants conditions not having been met, the timing of these payments is not certain. Payments are typically settled within a year of Board approval. Other accounts payable are typically settled within 30 days of receipt of an invoice.

Contractual cash flows for term deposits and commercial papers include the interest revenue on the investments at maturity date. The carrying amount of term deposits with maturity less than 12 months approximate their fair value.

Note 7: Receivables

	Actual 2015 \$	Actual 2014 \$
Accounts Receivable - Other	2,200,509	10,745,644
Accounts Receivable - Aotearoa Marae	-	29,529
Provision for Doubtful Debts	-	(29,529)
Total Accounts Receivable	2,200,509	10,745,644

Debtors and other receivables are non-interest bearing, non-exchange revenue related, and receipts are within the normal terms; therefore the carrying value of debtors and other receivable approximates their fair value. There is no impairment provision for investments.

The ageing profile of receivables at year end is detailed below.

	Actual 2015			Actual 2014		
	Gross \$	Impairment \$	Net \$	Gross \$	Impairment \$	Net \$
Not past due	2,200,509	-	2,200,509	10,745,644	-	10,745,644
Past due 1-30 days	-	-	-	-	-	-
Past due 31-60 days	-	-	-	-	-	-
Past due 61-90 days	-	-	-	-	-	-
Past due over 90 days	-	-	-	29,529	(29,529)	-
Total Accounts Receivable	2,200,509	-	2,200,509	10,775,173	(29,529)	10,745,644

All receivables greater than 30 days in age are considered past-due. Due to the nature of the receivables, the impairment assessment is generally performed on an individual basis, based on past collection history and write-offs.

Movements in the provision for doubtful debts are as follows:

	Actual 2015 \$	Actual 2014 \$
Opening Doubtful Debts as at 1 July	29,529	29,529
Receivables written off during the year	-	-
Provision released during the year	(29,529)	-
Additional Provisions made during the year	-	-
Closing Doubtful Debts as at 30 June	-	29,529

Note 8: Creditors and Other Payables

	Actual 2015 \$	Actual 2014 \$
Department of Internal Affairs	844,083	1,120,493
Other Suppliers	130,274	211,902
Inland Revenue	3,862	1,769
Creditors and Other Payables	978,219	1,334,164

Creditors and other payable are non-interest bearing and payments are within the normal terms; therefore the carrying value of account payables approximates their fair value.

Note 9: Reconciliation of Net Cash Flows from Operating Activities with Total Comprehensive Revenue and Expense

	Actual 2015 \$	Actual 2014 \$
Total Comprehensive Revenue and Expense	(7,341,308)	(30,058,376)
<i>Add/(deduct) Movement in Working Capital Items</i>		
(Increase)/Decrease in Debtors and Other Receivables	8,545,135	7,147,113
(Increase)/Decrease in Accrued Interest	(572,683)	(138,071)
(Increase)/Decrease in GST Receivable	6,280,225	(2,382,456)
Increase/(Decrease) in Grants Payable	(25,905,141)	57,480,365
Increase/(Decrease) in Creditors and Other Payables	(355,945)	188,471
	(12,008,409)	62,295,422
Net Cash Flows from Operating Activities	(19,349,717)	32,237,046

Note 10: Related Parties Transactions and Key Management Personnel

The Secretary for Internal Affairs is Trustee of the profits received from the New Zealand Lotteries Commission under the Gambling Act 2003.

The Profits of New Zealand Lotteries enters into transactions with other entities on an arm's length basis. Transactions that occur are within supplier or client relationships on terms and conditions no more or less favourable than those which it is reasonable to expect Profits of New Zealand Lotteries would have adopted if dealing with unrelated parties at arm's length. Further, transactions with other government agencies are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Department of Internal Affairs provides administration services to the Board, Distribution Committees and the Minister of Internal Affairs. The services provided by the Department include personnel, the provision of assets, accommodation, administration and other services costing \$10,129,000 in the 2015 year (2014: \$9,224,718). At 30 June 2015 Profits of New Zealand Lotteries owed \$844,083 in relation to services provided by the Department of Internal Affairs (2014: \$1,120,493).

The key management personnel are the six members of the Board. Any fees paid to these members are paid from the Board and not from the Profits of New Zealand Lotteries.

Note 11: Disclosure of Fees

Fees are paid for attendance at Committee meetings and for reading materials. Distribution Committee members' fees for the year 1 July 2014 to 30 June 2015 are shown below.

	Actual 2015 \$	Actual 2014 \$
Annear, J.M.	1,075	860
Barriball, P.	-	645
Black, J.M.	300	-
Bolstad, D.C.T.	825	600
Bourke, M.K.	1,450	1,595
Broadbelt, M.R.	300	650
Brocklehurst, J.M.	300	600
Broughton, J.R.	700	600
Brown, M.J.	-	300
Bublitz, L.R.	300	300
Burrill, M.A.	540	6,300
Burrill, R.J.	550	400
Cairns, B.T.	600	600
Campbell, L.H.	322	323
Catchpole, D.R.	-	600
Chateau, M.	-	429
Clarke, J.H.	430	613
Clarricoats, G.	645	-
Cleary, B.F.	600	600
Clements, N.V.	390	975
Cordery, C.J.	322	-
Cunningham, C.W.	4,320	4,770
Darby, J.D.	3,117	2,448
Delaney, T.J.	2,418	2,150
Docherty, B.M.	3,240	3,510
Dodunski, H.J.	-	780
Donaldson, T.	700	300
Dowie, S.M.	-	300
Ellison, E.W.	752	215
Evans, B.M.	600	600
Fourie, P.	860	538
Giddens, P.M.	600	600
Grammer, B.M.	-	2,465
Guy, N.J.	-	600
Hamilton, B.N.	1,160	1,290
Hishon, M.	300	-
Hix, Q.	910	780
Jackson, K.L.	483	-
James, J.A.	300	850
James, A.	300	-
Jensen, P.F.	300	600
Johnson, T.W.	-	600

	Actual 2015 \$	Actual 2014 \$
Joyce, B.D.	1,015	435
Karaitiana, T.	600	300
King, S.H.	820	600
Korako, C.D.	500	600
Lockwood, S.G.	400	-
Lusty, B.C.	390	780
Luxton, N.T.	300	600
Macauley, S.G.	-	1,740
Mahoney, J.G.	1,612	1,950
McAlpine, A.M.	780	780
McKenzie, D.J.C.	600	600
McKinnon, D.M.	700	400
McLean, D.S.A.	700	300
Mears, J.A.	300	400
Moore, N.J.	780	780
Mulligan, T.E.W.	300	600
Mullins, M.R.	100	300
Murrell-McMillan, K.A.	3,240	3,578
Nankervis, J.	322	645
Noble, K.A.	1,300	1,375
Ogden, D.K.	1,360	780
O'Rourke, H.V.	950	1,050
Parkin, R.H.	-	1,290
Patel, R.	950	650
Paterson, R.J.	806	-
Petersen, D.M.	780	780
Plunkett, W.	1,075	1,183
Powell, C.L.	-	870
Prime, K.S.	752	538
Rainey, F.R.	400	400
Ross, B.M.	600	550
Ryan, D.S.	1,612	1,290
Sciascia, M.S.	-	323
Scoggins, B.A.	-	1,148
Sebastian, J.L.	400	-
Smail, A.G.	5,580	6,375
Smellie, G.S.	322	323
Smith, S.J.	1,612	1,725
Sneyd, E.	300	-
Sole, J.P.	-	520
Southwick, M.R.	1,620	3,510
Speddy, N.	800	-

	Actual 2015 \$	Actual 2014 \$
Steele, T.D.	300	600
Sue, G.	1,075	1,398
Tanguay, H	322	-
Tanielu, E.S.	300	300
Taylor, D.	2,175	870
Tepania-Palmer, G.	300	650
Thornton, P.M.	300	600
Tozer, W.A.	780	780
Tuhimata-Weke, V.R.	600	900
Vaha, M.A.M.	900	700
Von Dadelszen, A.	1,075	1,183
Wanden, B.P.	910	780
Webber, J.H.	2,311	2,204
Wehipeihana, N.N.F.	322	538
Wehipeihana-Wilson, T. M.	215	540
Wendt, M.L.	600	300
Westphal, M.J.	700	600
White, T.T.	322	645
Williams, C.R.	-	2,150
Williams, M.E.	300	600
Woodward, P.A.	600	600
Young, S.	3,240	3,240
Total Fees Paid	82,334	100,632
Additional Meeting expenses	63,839	76,872
Total	146,173	177,504

These fees are based on actual paid fees for the 2015 financial year. Any fees processed after year end will appear in the 2016 annual report.

Note 12: Explanation of Significant Variances against Budget

Explanations of significant variances between Actual and Budget for the year ending 30 June 2015 are as follows:

Statement of Comprehensive Revenue and Expense

Distribution from Lottery Grants Board

Revenue budgets were based on New Zealand Lotteries Commission forecast at the start of the year. New Zealand Lotteries Commission profits were lower than the budget and this shortfall was passed onto the Board. (The variance represents a shortfall in revenue of \$26.4 million).

Interest Revenue

Increased cash on hand early in the financial year and active investment management meant that interest earned was higher than expected.

Other Revenue

The NZ 1990 Scholarship Trust was closed during 2014/15 and Treasury repaid remaining funds from a grant that set up the Trust.

Statement of Financial Position

Accrued Interest

Active investment management has resulted in a higher level of accrued interest.

Grants Payable

This is the funding committed but not yet paid to grant recipients. This is forecast to remain higher than in past years due to the milestone payments nature of the capital works based project grants.

Note 13: Events after Balance Date

There were no significant events after the balance date (2014: Nil).

Note 14: Adjustments arising on transition to the new PBE accounting standards

There have been no reclassifications on the face of the financial statements in adopting the new PBE accounting standards.



Lottery Grants Board

Te Puna Tahua

LOTTO FUNDS FOR YOUR COMMUNITY

New Zealand Lottery Grants Board

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