We Care Community Trust Limited

Financial Report

For the Year Ended 31 December 2023

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Financial Report

For the Year Ended 31st December 2023

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We Care Community Trust Limited

Entity

As at 31 December 2023

Registered Office	27 Sovereign Street, Flat Bush, Auckland 2019 NZ	
Directors	Kirnpreet Kaur Kuldip Kaur Raghbir Singh	
NZBN Number	9429047656031	
Company number	7699617	
Auditors	JSA Audit Limited	
Accountants	Macro Accounting and Tax Advisors Limited 116 B Cavendish Drive Manukau Auckland 2104	
Bankers	Bank of New Zealand	
Solicitors	True Legal - Jarrod True PO Box 28043 Rototuna Hamilton	
Date of Formation	30 August 2019	
Shareholders	Kirnpreet Kaur Raghbir Singh	50 Ordinary Shares 50 Ordinary Shares
Class 4 Operator's Licence number	Gaming Licence GM 090000073	

Directors Report

The Directors of We Care Community Trust Limited ("The Company") present this Annual Report, being the financial statements of the Company for the year ended 31 December 2023, and the independent auditor's report thereon.

The shareholders of the Company have exercised their right under section 211(3) of the companies Act 1993, whereby pursuant to a decision of the shareholders of the Company who together hold 100% of the voting shares, they have agreed not to comply with the paragraphs (a) and (e) to (j) of section 211(1) or Section 211(2) of the Act.

Statement of Responsibility

The Directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related Information.

The Directors are responsible for, the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of. the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements.

Appropriate systems of Internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties, nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern in the foreseeable future. Please see Note 5(m) for further information.

In the opinion of the Directors:

-The Statement of Comprehensive Revenue and Expenses is drawn up so as to present fairly, in all material respects, the financial result of the Company for the financial year ended 31st December 2023,

- The statement of financial position is drawn so as to present fairly, in all material respects, the financial position of the Company as at 31st December 2023:

- The statement of cash flows is drawn up so as to present fairly in all material respects, the cash flow of the Company for the financial year ended 31st December 2023;
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

For and on behalf of the Directors:

Director Raghbir Singh
Date : 29/03/2024

Director Kirnpreet Kaur
Date : 29/03/2024

We Care Community Trust Limited

Statement of Service Performance
For the Year Ended 31 December 2023

We Care Mission or Purpose

We Care Community Trust grants funding to the Local Community from funds which have been raised within that Community.

Main Method Used by Entity to Raise Funds

We Care Community Trust derives its income from the operation of gaming machines in licenced premises.

We Care Outcomes

The distribution of funds are made according to the authorised purpose as set out in the We Care authorised purpose policy.

The Trust endeavours to provide safe, clean and enjoyable areas within its gaming venues.

We Care delivers Harm Minimisation and compliance training to venue staff to ensure that venues have sufficient skills to reduce harm from gambling.

The approval of grants is delivered to meet minimum legislative requirements.

We Care expect to increase venue numbers to increase the amount of funding available for distribution and to increase the Trust's financial viability.

We Care Outputs

Outcomes

Details	2023	2022
Gaming Machine Proceeds	$5.30 Million	$3.44 Million
Number of Venues	7	5
Number of Gaming Machines	103	85
Community Grants Distributed, Net	$2.12 Million	$1.38 Million
%age of Gaming Machine Proceeds Distributed	40.04%	40.11%

Output

Details	2023	2022
Total Application Received for Grants	178	130
Number of applications Approved	158	105
Number of applications Declined	20	25

Note 1 The full list of grants distributed are available on the We Care Community website.

Note 2 The Venue numbers have increase during 2023.

We Care Community Trust Limited

Statement of Comprehensive Revenue and Expenses
For the Year Ended 31 December 2023

	Note	*2023* $	*2022* $
REVENUE FROM EXCHANGE TRANSACTIONS			
Gaming Machine Income		5,303,394	3,439,633
Total Revenue		5,303,394	3,439,633
EXPENSES			
Depreciation	**8**	526,125	302,394
Loss / (Gain) on disposal of assets		-	14,946
Electronic Monitoring System		65,128	38,737
Gaming Machine Duty		1,219,781	791,116
Problem Gambling Levy		65,867	38,441
Repairs & Maintenance		18,675	8,639
Service Contracts		82,732	43,072
Venue Licence		86,689	65,591
Advertising		675	2,052
Audit Fees		7,675	8,050
Bank Charges		7,955	2,609
Computer Expenses		2,250	492
Consultancy		42,690	13,700
Compliance Fees		28,385	12,128
Freight & Courier		10,108	15,668
Management Fee		107,500	60,000
General Expenses		2,997	8,087
Insurance		20,165	4,393
Interest		(1)	118,767
Legal Expenses		11,023	11,011
Membership & Subscription		2,310	2,145
Venue Costs		846,600	547,376
Security		3,984	874
Telephone, Tolls & Internet		6,386	3,013
Travel - National		14,363	16,129
Total Expenses		3,180,062	2,132,388
Total Surplus for the year before distribution		2,123,331	1,307,245

The above financial statement should be read in conjunction with the notes to the financial statements. These financial statements have been subject to audit. Refer to the Independent Auditor's Report.

We Care Community Trust Limited
Statement of Comprehensive Revenue and Expenses
For the Year Ended 31 December 2023

	Note	*2023* *$*	*2022* *$*
Distributions made during the year		2,123,271	1,379,769
TOTAL COMPREHENSIVE REVENUE AND EXPENSES		**60**	**(72,524)**

The above financial statement should be read in conjunction with the notes to the financial statements. These financial statements have been subject to audit. Refer to the Independent Auditor's Report.

We Care Community Trust Limited

Statement of Changes in Net Assets / Equity
For the year ended 31 December 2023

	Note	Total Equity 2023 $	Total Equity 2022 $
Opening balance 1 January 2023		42,419	114,943
Total Comprehensive revenue and expenses		60	(72,524)
Closing equity as at 31 December 2023		42,479	42,419

The above financial statement should be read in conjunction with the notes to the financial statements. These financial statements have been subject to audit. Refer to the Independent Auditor's Report.

We Care Community Trust Limited

Statement of Financial Position

As at 31st December 2023

	Note	2023 $	2022 $
CURRENT ASSETS			
Cash and Cash equivalents		345,650	540,052
Receivables from exchange transactions	10	274,079	153,083
TOTAL CURRENT ASSETS		619,729	693,135
NON-CURRENT ASSETS			
Property Plant and equipment	8	2,176,533	1,952,936
TOTAL ASSETS		2,796,262	2,646,070
CURRENT LIABILITIES			
Trade and other payables	11	559,768	741,646
Term Loan - Current Portion	9	554,253	692,642
Total Current Liabilities		1,114,021	1,434,288
NON-CURRENT LIABILITIES			
Term Loans	9	1,639,763	1,169,363
Total Non-Current Liabilities		1,639,763	1,169,363
TOTAL LIABILITIES		2,753,783	2,603,651
NET ASSETS		$42,479	$42,419
ACCUMULATED EQUITY			
Retained Earnings		$42,479	$42,419
Share Capital			
TOTAL ACCUMULATED FUNDS		$42,479	$42,419

The above financial statement should be read in conjunction with the notes to the financial statements. These financial statements have been subject to audit. Refer to the Independent Auditor's Report.

We Care Community Trust Limited

Statement of Cash Flows

For the Year Ended 31st December 2023

	2023 $	2022 $
Operating Cash Flows		
Receipts from exchange transactions		
Gaming machine receipts	5,200,874	3,344,009
Other receipts (GST movements)	-	-
	5,200,874	3,344,009
Payments		
Authorised purpose distributions	(2,380,894)	(896,052)
Other operating payments	(2,596,669)	(1,765,429)
	(4,977,563)	(2,661,481)
Net Cash Inflow (Outflow) from Operating Activities	**223,311**	**682,528**
Investing Cash Flows		
Receipts		
Sale of non-current assets	-	-
	-	-
Payments		
Purchase of non-current assets	(749,724)	(1,821,250)
	(749,724)	(1,821,250)
Net Cash Inflow (Outflow) from Investing Activities	**(749,724)**	**(1,821,250)**
Financing Cash Flows		
Receipts		
Cash from financing activities	680,000	1,790,000
	680,000	1,790,000
Payments		
Cash applied to financing activities	(347,989)	(403,961)
	(347,989)	(403,961)
Net Financing Cash Flows	**332,011**	**1,386,039**
NET INCREASE (DECREASE) IN CASH	**(194,402)**	**247,317**
Add Opening Cash	540,052	292,735
CASH AS AT 31 DECEMBER	**345,650**	**540,052**

The above financial statement should be read in conjunction with the notes to the financial statements. These financial statements have been subject to audit. Refer to the Independent Auditor's Report.

1. REPORTING ENTITY

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

2. STATEMENT OF ACCOUNTING POLICIES

(a) Entity Reporting

These financial statements are for Gaming Society known as "We Care Community Trust Limited" ("the corporate society"). The Corporate Society was incorporated on **30 August 2019**. The operations under the gaming licence which commenced on **4 October 2021**.
These financial statements were approved and were authorised for issue by the Directors on 28th March 2024.

(b) Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standard RDR") as appropriate for Tier 2 not for profit public benefit entities and disclosure concessions have been applied as it does not have public accountability and it is not defined as large.

The Directors have elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

(c) Measurement Base

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

(d) Functional and presentation currency

The financial statements are presented in New Zealand Dollars ($), which is the functional and presentation currency, rounded to the nearest dollar. There has been no change in the functional currency of the company.

(e) Changes in Accounting Policies

There have been no changes to the Accounting Policies compared to the last year. All accounting policies are consistent with prior year.

(f) Basis of preparation

The financial statements have been prepared on a going concern basis, the validity of which depends on the company continuing to provide adequate operating revenue and cash flows from its gaming machines to cover the company's operating costs which include the payments required under the gaming machines finance agreements. Based on the budgeted cash flows for the next year, it is the considered view of the board of Directors that the gaming machines will continue to satisfy these requirements.

The company is subject to annual re-licencing by the Department of Internal Affairs.

3. PRINCIPAL ACTIVITY

The Company's principal activity is the operation of gaming machines for the purpose of generating surplus revenue to be distributed in accordance with the objectives of the company. Under the terms, the grants paid are required to be used for any charitable and non-commercial purpose that is beneficial to the whole or a section of the community. All gaming machine grants paid by the company have been appropriately used for the Authorised Purpose.

4. SIGNIFICANT JUDEMENTS AND ESTIMATES

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements:

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Classification of non-financial assets as cash generating assets or non-cash generating assets

For the purpose of assessing impairment indicators and impairment testing, the company classifies non-financial assets as either cash generating or non-cash generating assets. The company classifies a non-financial asset as cash generating assets if the primary objective of the asset is to generate commercial return. All other assets are classified as non-cash generating assets.

The majority of property, plant and equipment held by the company is classified as cash-generating assets.

b) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

When the fair values of the financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where it is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful lives and residual lives

The useful lives and residual values of the assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of the Directors of the Company
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Changes in accounting estimates

There have been no changes in the accounting estimates for the current reporting period.

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that materially affect the measurement of the financial performance, financial position and cash flows are set out below:

a) Revenue

Revenue is recognised to the extent that is probable that the economic benefits or service potential will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from exchange transactions

Interest revenue
For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the effective interest method. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets or liability.

Interest revenue is included in finance income in the statement of Comprehensive Revenue and Expenses.

Gaming machine revenue
Revenue shown in the statement of financial performance comprise the amounts received and receivable for gaming services supplied to customers in the ordinary course of business. Revenue recognised in relation to the gaming proceeds is recognised on daily basis. Gaming profits represents the net win to the company from gaming activities, being the difference between the amounts wagered and amounts won by the gaming patrons.

ii) Revenue from non-exchange transactions

The company did not receive any non-exchange revenue during the current financial period.

b) Finance Costs

Finance costs comprise interest expense on financial liabilities.

c) Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.
The company also derecognises financial assets and liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

The financial assts and liabilities are offset and the net amount presented in the statement of financial position when, and only when the company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The company classifies financial assets as loans and receivables.

The company recognises financial liabilities at amortised cost.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below:

i) Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents and receivables.
Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalent as defined above.

ii) Amortised cost financial liabilities
Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified at amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise payables, loans and finance lease payable.

d) Impairment of non-derivative financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the company on terms that the company would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Financial assets classified as loans and receivables

The company considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specially impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the company uses historical trends of probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flow discounted at the asset's original effective interest rate. Losses are recognised in the statement of comprehensive revenue and expense and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive revenue and expense.

e) Goods and Services Tax (GST)

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

(f) Property, Plant & Equipment

i) Recognition and measurement

Items of property, plant and equipment are initially measured at cost, except those acquired through non exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment cost includes expenditure that is attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have difference useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised as surplus or deficit in the statement of comprehensive revenue and expenses.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is possible that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance is expensed as incurred.

iii) Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value.

Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in statement of comprehensive revenue and expense on a straight-line basis over the estimated useful lived of each component of an item of property, plant and equipment. Leased assets are depreciated over the Term of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives are:

Gaming Machines & Equipment	3-5 years

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

(g) Impairment of non-financial assets

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

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows (for cash-generating assets) or future remaining service potential (for non-cash-generating assets) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risk specific to the asset.

Impairment losses are recognised in statement of comprehensive revenue and expense. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no Impairment loss had been recognised.

(h) Equity

Equity is the Shareholder's interest in the company measured as the difference between total assets and liabilities.

Equity is made up of the following component:

Accumulated Comprehensive revenue and expense
Accumulated comprehensive revenue and expense is the Company's accumulated surplus or deficit since the formation of the Company adjusted for transfers to/from specific reserves.

(i) Taxation

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

(j) Leases

i) Classification and treatment

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases.

Finance Leases

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to the initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

(k) Distributions to the Community

Distributions to the community as are recorded as an appropriation of the surplus for the year.

Net surplus generated by the company is to be paid out in accordance with the Gambling (Class 4 net proceeds) regulation s 2004. The regulation stipulates that all or nearly all net surplus must be distributed during the financial year and any remainder of net surplus with 3 months after the end of the each of its financial years. In addition, the company is expected to generate net surplus equal to 40% of its GST exclusive of gross receipts in each financial year.

For the current financial year, the company has generated net surplus equal to 40.04 % of its GST exclusive gross receipts (2022: 38.01 %). All net surplus generated from last financial year has been distributed in the current year.

Payment requires approval by the Board of Directors that the recipient has requested the donations for an “authorised purpose” as defined by the Gambling Act 2003.

(l) Statement of Cash Flows

The Statement of Cash flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Comprehensive Revenue and Expenses.

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

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

(m) Going concern

These financial statements have been prepared on the basis that the company is a going concern as determined by the Directors of the Company. The Directors consider that the Company would satisfy the solvency requirements of the Companies Act 1993. The Board has reviewed the carrying value of fixed assets and consider that these assets are not impaired. At the end of the year there is a working capital deficit. The Directors and Shareholders are committed to bring in contribution as and when required to keep the entity in operation, for at least 12 months. The Company is also committed to meet the DIA Requirements.

7. RELATED PARTIES

From time to time, the directors may be involved at governance level in grant recipient organisations.
The following process is adopted :
Directors abstain from discussion and decisions regarding grants to entities in which they have an interest.
Below are the transactions with related parties. A Director is common to both We Care Community Trust and AKAL Financial Services, and another Director with Four Winds Foundation Limited up to 30 Sep 2022.

During the year Company entered into the following transactions with related parties.

Related Party	Transaction Type	Transaction Amount 2022	Balance Owed 2022
AKAL Financial Services	Loan acquistion	1,790,000	1,862,005
AKAL Financial Services	Interest paid	1,188,767	-
Raji Singh	Reimbursement of expense	148,686	2,253
Raji Singh	Independent Contractor	13,700	-
Four Winds Foundation Ltd	Management Services	40,500	-
Four Winds Foundation Ltd	Purchase of Gaming Equipment	28,320	-

Related Party	Transaction Type	Transaction Amount 2023	Balance Owed 2023
AKAL Financial Services	Loan acquistion	680,000	2,194,016
AKAL Financial Services	Interest paid	-	-
Raji Singh	Reimbursement of expense	-	-
Raji Singh	Independent Contractor	57,391	-
Four Winds Foundation Ltd	Management Services	107,500	10,925

Key Personnel

Key management personnel include the Directors and the Senior Management. The aggregate level of remuneration paid and number of persons (measured in full time-equivalents' (FTE's)) in each class of key management personnel is presented below:

2022	$	FTE
Board Of Directors	-	0.65
Senior Management	-	-
	-	0.65

2023	$	FTE
Board Of Directors	-	0.65
Senior Management	-	-
	-	0.65

Key management services are provided by Raghbir Singh (2022: Four Winds Foundation and Raghbir Singh). Amounts are indicated above

8. PROPERTY, PLANT & EQUIPMENT

	2023	*2022*
	$	*$*
Plant & Equipment - Gaming		
Cost		
Opening balance at the beginning of the year	2,277,080	473,950
Additions during the year	749,724	1,821,250
Disposals		(18,120)
Closing balance at the end of year	3,026,804	2,277,080
Depreciation		
Opening balance at the beginning of the year	324,144	24,925
Depreciation for the year	526,126	302,394
Disposals		(3,174)
Less accumulated depreciation	850,270	324,144
Carrying Amounts		
At the beginning of the year	1,952,936	449,025
At end of year	2,176,533	1,952,936

9. TERM LIABILITIES

Term Liabilities, including finance leases, are detailed below along with the original term, as at balance date.

	2023	*2022*
	$	***$***
Term liabilities, excluding finance leases, at balance date:		
Term Loan No. 1 – Akal Financial Services Limited	1,328,078	323,079
Term Loan No. 2 – Akal Financial Services Limited	226,188	255,504
Term Loan No. 3 – Akal Financial Services Limited	248,639	272,046
Term Loan No. 4 – Akal Financial Services Limited	252,273	289,845
Term Loan No. 5 – Akal Financial Services Limited	88,838	451,531
Term Loan No. 6 – Akal Financial Services Limited	50,000	270,000
Total Term Loan	**2,194,016**	**1,862,005**
Repayable as follows:		
Within one year	554,253	692,642
Greater than one year	1,639,763	1,169363
Total	**2,194,016**	**1,862,005**

10. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2023	*2022*
	$	*$*
Accrued Income		
Accounts Receivable	109,113	121,703
Grants Receivables	126,118	-
Prepayments	38,848	31,380
	274,079	153,083

11. TRADE AND OTHER PAYABLES

	2023	*2022*
	$	*$*
GST due for payment	75,340	49,336
Accounts Payable	111,187	69,747
Accrued Expenses	246,832	622,563
Gaming Duty Provision	126,409	-
	559,768	741,646

12. SHARE CAPITAL

The company has issued capital of 100 shares and all these shares are fully paid. All shares have ordinary voting rights.

13. CONTINGENCIES

After year-end, a letter for financial compliance assessment was received by We Care Community Trust Limited from the DIA. This is still on-going. As at signing of these financial statements, We Care is awaiting Official Information Act (OIA) information from the DIA (2022: Nil). We Care Community Trust Limited has not granted any securities in respect of liabilities payable by any other party whatsoever.

14. COMMITMENTS

Grants - There were $234,145 grants which were approved as at 31st December 2023 and were not paid out.

Capital commitments contracted for but not yet incurred at balance date is nil.

15.EVENTS AFTER THE REPORTING DATE

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

16. WORKING CAPITAL

The Working Capital of 0.55:1 (2022: .048:1) at balance date is within the maximum amount allowed by the Department of Internal Affairs in order to comply with the requirements of the Gaming Act.

17. COMPARATIVES

Where appropriate, prior year comparatives have been reclassified to make disclosure consistent to current year.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of We Care Community Trust Limited

Opinion

We have audited the general purpose financial report of We Care Community Trust Limited (the Company), which comprise the financial statements on pages 5 to 24 and the statement of service performance on page 4. The complete set of financial statements comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expenses, statement of changes in net assets/equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended;
- the service performance for the year ended 31 December 2023 in accordance with the Company's service performance criteria

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 The Audit of Service Performance Information (NZ). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the General Purpose Financial Report* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm has also provided other assurance services to the Company in relation to the review of the Company's forecast financial statements for the year ending 31 December 2024. The firm has no other relationship with, or interest in, We Care Community Trust Limited.

Emphasis of Matter – Going Concern

We draw attention to Note 5m to the financial statements, which describes the ability of the Company to continue to operate as a going concern in the foreseeable future. Our opinion is not modified in respect of this matter.

Information Other than the general purpose financial report and Auditor's Report thereon

The Directors are responsible for the other information. The other information comprises the Entity'Information on page 2 and the Directors' Report and Statement of Responsibility for Financial Statements on page 3, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the General Purpose Financial Report

The Directors are responsible on behalf of the Company for:

(a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board;
(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards; and
(c) such internal control as the Directors determine is necessary to enable the preparation of financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the statement of service performance are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

As part of an audit in accordance with ISAs (NZ) and NZ AS 1, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to audit of the financial statements and the service performance information 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Obtain an understanding of the process applied by the Company to select what and how to report its service performance.

- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with Public Benefit Entity Standards.

- Evaluate the overall presentation, structure and content of the general purpose financial report and whether the general purpose financial report represents the underlying transactions, events and service performance in accordance with Public Benefit Entity Standards in a manner that achieves fair presentation.

- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the general purpose financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Use

This report is made solely to the Company's Shareholders, as a body. Our audit has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

JSA AUDIT LTD

JSA Audit Limited
Parnell, Auckland
30 March 2024