



# Application for a NEW Licence to Operate Gaming Machines

The Information Notes attached to this form will assist applicants complete this application. Please read them carefully. The licence fees due are shown on the remittance advice sheet which accompanies this form. You will receive a receipt when your licence is issued.

**Privacy Act 1993:** The particulars in this form which relate to individuals is personal information in terms of the Privacy Act. This information is required so that the Department of Internal Affairs can consider the society's application under the Gaming and Lotteries Act 1977. The information will be held by the Department and may also be disclosed to the Police for character checking. Any person about whom this information is collected has the right of access to, and correction of, that information.

## 1 Society Details *Refer to Information Note 1*

Name of Society

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Postal Address

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If your society has been issued a gaming licence within the last 2 years, provide the licence number:

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If *not*, please supply a copy of your society's constitution, or trust deed or funding document, and a copy of the minutes of a recent meeting.

## 2 Personal Information *Refer to Information Note 2*

Provide the names of **three** trustees or principal officers of the society.

Name	Position in Society	Trustee	Officer	Cheque Signatory
<hr/>	<hr/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<hr/>	<hr/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<hr/>	<hr/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Each of the above persons should complete a personal information sheet. Three sheets are enclosed with this application.

Yes, I have attached Personal Information Sheets for each of the above persons.

## 3 Authorised Purposes *Refer to Information Note 3*

Purpose for which funds are being raised - please be specific.

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Continue on a separate sheet if necessary, and attach to this booklet.

## Financial Summary *Refer to Information Note 4*

Detail anticipated gaming machine revenue and operating costs for the next 12 months.

NOTES: The issue of a licence does not constitute approval of an expense deduction.

All figures GST *Exclusive*. See Remittance Advice Sheet for fees expressed as GST exclusive.

	NEXT 12 MONTHS
<b>Income (all GST <i>Exclusive</i>)</b>	
Total Gaming Machine Revenue (total turnover minus total wins GST excl.)	_____ (1)
Interest on Funds Placed on Deposit	_____
Gain on Sale of Asset(s)	_____
Other Income (resulting from gaming machine operations)	_____
<b>TOTAL INCOME</b>	_____ (2)
<b>Expenses(all GST <i>Exclusive</i>)</b>	
Licence Fee	_____
Licence Amendment Fees	_____
Machine Fees	_____
Problem Gambling Levy	_____
Gaming Machine Duty (22.5% of figure 1)	_____
Audit Fees	_____
Authorised Employee Payments: Society	_____
Site	_____
Other salaries/wages	_____
Honoraria	_____
Administration costs: Society	_____
Site	_____
Site Rental	_____
Insurance	_____
Electricity	_____
Service and Repair of Equipment	_____
Freight of Gaming Machine Equipment	_____
Depreciation: Gaming Machine	_____
Other	_____
Interest on Loan(s)	_____
Lease Payments for Ancillary Equipment (operating lease only)	_____
Loss on Sale of Asset(s)	_____
Other (provide breakdown on a separate sheet for items over \$5,000)	_____
<b>TOTAL EXPENSES</b>	_____ (3)
<b>NET INCOME</b> (2 minus 3)	_____ (4)
Loan Principal repayment(s)	_____ (5)
<b>FUNDS AVAILABLE FOR DISTRIBUTION</b> (4 minus 5)	_____ (6)
Funds Distributed or Applied to Authorised Purpose(s)	_____ (7)
Undistributed Funds c/f to Next Year (6 minus 7)	_____ (8)
<b>RETURN TO AUTHORISED PURPOSE</b> (7 divided by 1)	_____ (9)
<b>Equipment Purchased Directly from the Gaming Machine Account</b>	
Gaming Machine(s)/Jackpot Equipment	_____
Ancillary Equipment (includes coin changers)	_____
Other	_____



# 6

## Source of Purchase Finance *Refer to Information Note 6*

For *each* item of gaming equipment purchased you must provide:

- receipt or invoice, and;
- finance agreement *(where applicable)*

Will the society solely and wholly own the equipment, or the right to operate the equipment if under hire purchase in the name of the society?

Yes  No

If you answered *no* give details of proposed arrangements:

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How does your society propose to finance the purchase of gaming equipment?

*Please tick the appropriate box.*

Bank loan  Gift  Finance company  Other

If you answered *other* give details:

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# 7

## Site Information *Refer to Information Note 7*

Provide the following information for **each** site. *Continue on separate sheet if necessary.*

Name of Premises

Street Address

Town/City

Site Contact

Telephone

Day

Evening

Is access to minors restricted?

Yes

No

Does the site have a liquor licence?

Yes

No

If the site has a liquor licence, enclose a copy of the licence

Is the site owned or leased by the society?

Yes

No

If the premises are not owned or leased by the society, enclose a copy of a signed site agreement between the society and site owner.

## Declaration *Refer to Information Note 8*

In submitting this application on behalf of the society I declare that I believe all the details entered in this application are true and correct.

Full Name of Trustee or Principal Officer  
(block letters)

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Signature

Date

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## Return Address

Please return your application form and remittance advice to:

**Gaming Licensing Office**

State Insurance Building  
46 Waring Taylor Street  
PO Box 10-095  
Wellington  
Tel: (04) 494-0700

## Checklist

Further information may be required if there are any issues raised by your application. Have you enclosed the following documents and fees where applicable?:

- personal information sheets (Section 2)
- receipts or invoices for each new item of gaming machine equipment purchased (Section 6)
- finance agreement(s) (Section 6)
- liquor licence(s) (Section 7)
- site agreements(s) (Section 7)
- licence application fee, gaming machine fees, and problem gambling levy.

# Application for a NEW Licence to Operate Gaming Machines

Read these Information Notes before completing the attached Application Form

## General Information

Applications may take up to 3 weeks to process. This is a guideline as to the minimum time required to consider your application. If your application is complex or unusual, longer than 3 weeks may be required.

### Note 1 Society Details

Under the Gaming and Lotteries Act 1977 only a society, as defined by the Act, may apply for a licence to operate gaming machines. A society is a charitable organisation which is established and conducted entirely for non-commercial purposes. If granted, the licence will be sent to your society's postal address. Please enclose your society's constitution with your application. The department may request further evidence to establish the bonafide nature of your society.

### Note 2 Personal Information

Three trustees or office bearers must be named. These people should be the primary officers of the society who will control and organise the gaming machine operation and who will be the primary contact persons with the Department.

#### Suitability Criteria

The Department seeks to ensure that the gaming machine industry is free from corruption, fraud and dishonesty and that each gaming machine operation is run in a professional manner and the profits for authorised purposes are maximised.

A society will be assessed to ensure it is suitable to receive a licence and that the society's trustees and office holders are fit and proper people to operate a gaming machine licence.

The criteria which will be applied are itemised in the Personal Information Form.

### Note 3 Authorised Purposes

#### Expectation of Licensees

The Society is expected to distribute or apply no less than 33% of gaming machine profit for the licensing period to the authorised purpose(s) shown on the Licence.

Where the society returns below the minimum amount of profit, the renewal of a licence may be subject to review by the Department. Each case will be assessed on its particular merits. The society will be required to satisfy the Department that the genuine intention of the society in operating gaming machines is to meet the object of the Act, specifically, to raise money for the authorised purpose and not for the commercial advantage of any party. The society should ensure that it implements good business practices while acting as guardian of gaming machines profits.

#### Liability of Trustees / Officer Holders

If the society operates its gaming machine at a loss, individual trustees may be personally liable for any outstanding debts or expenses. The Department recommends seeking legal advice where appropriate.

#### Tax Exemption

Your club, trust or organisation is required to meet the definition of 'society' under the Gaming and Lotteries Act. This does not, however, qualify your society for charitable tax exempt status under laws administered by the Inland Revenue Department. Applicants are urged to seek their own tax advice from IRD.

#### What Constitutes an Authorised Purpose?

An authorised purpose is defined by the Act as "any charitable, philanthropic cultural or party-political purpose or any other purpose that is beneficial to the community or section of it". The purpose must be broadly charitable and non-commercial in nature.

It is a society's obligation to ensure that grants made from gaming machine proceeds comply with the Gaming and Lotteries Act 1977. Societies risk licence cancellation and/or prosecution if they are found to be making illegal grants.

The following are examples of purposes which would **not be valid** authorised purposes in terms of the Act:

- purchase or subsidy of alcohol, including provision of inventory for a hotel.
- stake money for any type of races.
- payment of legal expenses incurred by a site operator.
- construction or alteration work to premises/areas that gaming machines are located in (other than the gaming machine installation expenses as allowed for in the licence conditions).
- maintenance or provision of bar facilities.
- funding of advertising or marketing schemes for operator sites.
- cost associated with staging 'after match' functions for sporting groups.

The following are examples of purposes which in many cases are **unlikely to be valid** authorised purposes in terms of the Act:

- a purpose which will result in a clear commercial gain (i.e., more than incidental) for any individual or organisation
- grants to further the activities of professional sports persons (except where such a donation is made for any coaching, training or development purpose for an amateur sport or community organisation).
- any individual sports person unless the grant is made to, and administered by, an incorporated sporting body to which the individual is affiliated.
- lobbying activities by groups other than for party political purposes or purposes that benefit the community.
- family reunions.
- events or trips which are predominantly social in nature.
- purchase or subsidy of vehicles primarily intended for commercial or social purposes.
- prizes for sporting events with the exception of trophies, or modest non-cash-prizes for use in genuine community sporting events. (The definition of 'modest' will in each case be determined by the size of the event concerned).

## Note 4 Financial Summary

A major factor in achieving the goal of maximising returns to authorised purposes is prudent management of operating costs. Societies should at all times endeavour to negotiate favourable contracts with service providers, at the best price possible. The Department may ask for any contract, document or any other information to confirm an expense deduction, to ensure that all deductions are of an actual and reasonable nature.

Please note that the issue of a licence does not constitute approval of an expense deduction.

Figures are to be GST **exclusive** and, where applicable to be shown as accrual amounts. An example is **depreciation**. If gaming or ancillary equipment has been purchased directly from the gaming machine account the cost is to be applied as depreciation over the useful life of the equipment.

All deductions from the gaming machine account are expected to be actual, reasonable and necessary. If you require advice as to the appropriateness of any proposed expense deduction please contact the Gaming Licensing Office.

## Note 5 Gaming Equipment

Complete a separate line for each new item of equipment (gaming machine, game or jackpot) to be installed.

It is important that machine approval numbers, machine serial numbers and game approval numbers are entered. Machine approval and serial numbers are to be found on the compliance plate attached to the outside of a machine.

From June 1995 each game will also have been allocated a distinct game approval number. Games with the same names may be allocated different approval numbers according to different prize levels and other characteristics. Game approval numbers are not physically recorded on the equipment but dealers and manufacturers should be able to advise societies of game approval numbers at the time of purchase. Games approved by the Department before June 1995 may not have been allocated approval numbers.

Please note that before a society is licensed to operate any item of gaming equipment, that model must first be approved by the Department. If you have any doubt whether or not equipment has been approved, please contact the Wellington Gaming Licensing Office.

## Note 6 Purchase Finance

Receipts or invoices relating to the purchase of gaming machine equipment must be submitted with your application. Each should clearly state details of the equipment purchased and the cost.

If a society raised finance to purchase machines it must provide a copy of the financial agreements detailing the amount, finance rate, interval and term of the finance. The Gaming Licensing Office will determine the suitability of these arrangements and no deduction in this regard may be made without the Department's prior approval.

## Note 7 Site Information

If you wish to apply for more than one site please supply site details as required in this section for **each** site and attach this to your application as a separate schedule.

### Site Policy

The maximum number of machines which may initially be located on a single site is 8, although consideration will be given to allow up to 18 machines to operate on any site providing the site has operated in accordance with all licence conditions for a 3 month period.

In general, gaming machines must only be sited at premises which have some form of restriction on access, and in areas of the premises to which the restriction applies. This restriction is usually based on the liquor licence (i.e. an on-liquor licence or club liquor licence pursuant to the Sale of Liquor Act), but may be based on some other authority, such as a local authority by-law. An important consideration is restriction of access to children under the age of 16 to the gaming machines.

The Department will also consider the primary purpose of the site, its viability in raising funds for authorised purposes, the relationship between the society and the site (if any) and the site's ability to be properly supervised, audited and inspected.

## Note 8 Declaration

The Chairperson or Secretary or authorised officer should sign the application on behalf of the society. It is important that the information you provide is true and correct.

If a gaming licence is obtained by fraud, false representation or the concealment of any material fact, the society may have its licence cancelled.

### Process of Consideration

The Department will assess each application on its merits and base its consideration on all information disclosed by the society, the Police or any other agency or source. Additional information or clarification may be sought during the process of consideration. Should the Department propose to decline the application or refuse to accept as suitable any member of the society as principal office bearers or trustees then the Department will convey in writing to the society the reasons for that decision. The Department will invite the society to make submissions on the matter in writing, within 20 working days, or within such further period as may be specified by the Department.

The Department will consider any submission before reaching a final decision as to whether a licence will be granted or declined and then confirm the final decision in writing.

### What a successful applicant will receive

If granted, the society will receive a folder which includes:

**Society Licence** - valid for 12 months;

**Site Approval** - issued for each site approved as suitable for the operation of gaming machines;

**Licence - Conditions** - detailing the legal obligations of the society;

**Guidelines** - which provide further explanation and interpretation of the licence conditions;

**Information on Operational Procedures** - which covers site operation, recording procedures, and accounting procedures for authorised purposes.