



Gambling (Licensed Promoters) Regulations 2005

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 27th day of June 2005

Present:

Her Excellency the Governor-General in Council

Pursuant to section 219 of the Gambling Act 2003, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and on the advice of the Minister of Internal Affairs after consultation with persons or organisations that appear to the Minister to be representative of the interests of persons likely to be substantially affected by these regulations, makes the following regulations.

Contents

| | | | |
|---|---|----|---|
| 1 | Title | 8 | Audit of trust account for each class 3 gambling activity |
| 2 | Commencement | 9 | Secretary may direct immediate audit of trust account |
| 3 | Interpretation | 10 | Licensed promoter must provide information for audit |
| 4 | Agreement between society and licensed promoter to promote class 3 gambling | 11 | Duties of auditor |
| 5 | Maximum reward that may be paid to licensed promoter | 12 | Costs of audit |
| 6 | Licensed promotion may be supervised | | <i>Revocation</i> |
| | <i>Audit provisions</i> | 13 | Revocation |
| 7 | Annual audit of licensed promoter's trust account | | |

Regulations

1 Title

These regulations are the Gambling (Licensed Promoters) Regulations 2005.

2 Commencement

These regulations come into force on 1 August 2005.

3 Interpretation

- (1) In these regulations, **Act** means the Gambling Act 2003.
- (2) Unless the context otherwise requires, terms and expressions that are used but not defined in these regulations but that are defined in the Act have the same meaning as in the Act.

4 Agreement between society and licensed promoter to promote class 3 gambling

An agreement between a society and a licensed promoter referred to in section 188(3) of the Act must include the following information:

- (a) the name and contact details of the society;
- (b) the name and contact details of the licensed promoter;
- (c) the reward that the licensed promoter will be paid by the society for promoting class 3 gambling on the society's behalf;
- (d) a list of items that may be claimed by the licensed promoter as expenses for promoting class 3 gambling on the society's behalf.

5 Maximum reward that may be paid to licensed promoter

The maximum reward that may be paid by a society to a licensed promoter for promoting class 3 gambling on its behalf is the lesser of—

- (a) the amount applied to authorised purposes from the class 3 gambling activity promoted; or
- (b) 10% of the gross proceeds (including goods and services tax) from actual ticket sales for the class 3 gambling activity.

6 Licensed promotion may be supervised

- (1) A gambling inspector or member of the police may supervise the determination of the winner of a class 3 gambling activity promoted by a licensed promoter.
- (2) Subclause (1) does not apply to the determination of a winner in an instant game promoted by the licensed promoter.

*Audit provisions***7 Annual audit of licensed promoter's trust account**

- (1) Each year, a licensed promoter must arrange for an auditor to conduct an annual audit of the licensed promoter's trust account.
- (2) The annual audit must be conducted within 3 months of the expiry of the licensed promoter's licence.

8 Audit of trust account for each class 3 gambling activity

- (1) A licensed promoter must arrange for an auditor to conduct an audit of the licensed promoter's trust account for each class 3 gambling activity promoted by the licensed promoter.
- (2) The audit must be conducted,—
 - (a) in the case of a prize competition or lottery promoted by the licensed promoter, within 3 weeks after the result of the prize competition or lottery has been determined; and
 - (b) in the case of an instant game promoted by the licensed promoter, within 6 weeks after the last date for claiming a prize in the game.

9 Secretary may direct immediate audit of trust account

- (1) The Secretary may direct that an immediate audit of a licensed promoter's trust account be conducted if—
 - (a) the licensed promoter has surrendered a licensed promoter's licence under section 214 of the Act; or
 - (b) a person holds a temporary licence under section 215 of the Act; or
 - (c) a person's temporary licence is revoked under section 216 of the Act; or
 - (d) the licensed promoter is unable or unwilling to complete a promotion under section 217 of the Act; or
 - (e) there are reasonable grounds to suspect that—

- (i) the licensed promoter has done 1 or more of the things listed in section 196(1) of the Act; or
 - (ii) any of the grounds to suspend or cancel the licensed promoter's licence under section 206(1) of the Act exist; or
 - (iii) the society is failing, or has failed, to comply with the Act, these regulations, the conditions of its class 3 operator's licence, or the licensed promoter's agreement.
- (2) The audit must be conducted by an auditor nominated by the Secretary.

10 Licensed promoter must provide information for audit

A licensed promoter who is being audited under regulation 7, 8, or 9 must provide to the auditor conducting the audit—

- (a) the monthly balances of the licensed promoter's trust account; and
- (b) if required by the auditor, any of the following information:
 - (i) any trust account statements relating to the licensed promoter's trust account;
 - (ii) the full details of all tickets relating to the class 3 gambling promoted by the licensed promoter (including any butts relating to those tickets, any claimed prize-bearing tickets, and any unsold tickets);
 - (iii) the full details of all expenditure relating to the class 3 gambling promoted by the licensed promoter.

11 Duties of auditor

- (1) In conducting an audit under regulation 7, 8, or 9, the auditor must examine the licensed promoter's trust account and be satisfied that—
- (a) all trust account money has been properly paid into the account by the licensed promoter;
 - (b) all money in the trust account has been properly accounted for by the licensed promoter.
- (2) Within 2 weeks after conducting the audit, the auditor must provide a letter to the Secretary stating whether—

- (a) the licensed promoter's trust account is in order; and
- (b) the licensed promoter has complied with regulation 10; and
- (c) the licensed promoter has complied with the licensed promoter's agreement.

12 Costs of audit

- (1) The licensed promoter must meet the costs of an audit conducted under regulation 7.
- (2) The licensed promoter must meet the costs of an audit conducted under regulation 8, unless the licensed promoter has agreed in writing with the society that the society will meet the costs.
- (3) The Secretary must meet the costs of an audit conducted under regulation 9.

Revocation

13 Revocation

The Gaming and Lotteries (Licensed Promoters) Regulations 1978 (SR 1978/144) are revoked.

Diane Morcom,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 August 2005, revoke and replace the Gaming and Lotteries (Licensed Promoters) Regulations 1978.

These regulations—

- prescribe the content of a licensed promoter's agreement;
- specify the maximum reward that may be paid by a society to a licensed promoter for promoting a class 3 gambling activity;
- provide that a licensed promotion may be supervised by a gambling inspector or member of the police:

- provide for the audit of a licensed promoter's trust account on an annual basis, after the promotion of each class 3 gambling activity promoted by the promoter, and on the direction of the Secretary for Internal Affairs:
 - specify who must meet the costs of an audit of a licensed promoter's trust account.
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Issued under the authority of the Acts and Regulations Publication Act 1989.

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These regulations are administered in the Department of Internal Affairs.
