

West Coast Community Trust
Financial Statements
for the Year Ended 31 March 2013

Contents

Chairperson's Report	1
Auditor's Report	2 & 3
Statement of Financial Position	4
Statement of Financial Performance	5
Statement of Movements in Equity	6
Statement of Accounting Policies and Notes	7 - 10
Schedule of Grants Approved	11 – 13
Annual Donation History & Distribution of Donations	14



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Chairperson's Report

On behalf of the Trustees I am pleased to present the 25th Annual Report for the West Coast Community Trust for the year ending 31 March 2013.

The Trust is celebrating 25 years of granting to our communities with over 3,736 organisations receiving \$2,956,952 funding since 1988. We would like to invite all organisations to attend an afternoon tea to celebrate this special occasion. Details are in the Annual Newsletter distributed mid August 2013 to all households and we look forward to your attendance.

Grants approved during the year totalled \$183,521.50 and 91 community organisations benefited from these grants. The distribution list and sectors are listed for your information. The trustees continue to support local organisations and endeavour to commit funding to the benefit of our region whilst meeting the trust's grant criteria. Development West Coast continued to fund the trust for \$90,000 and the grant criteria for this funding is available on our website. The on-line process whereby community organisations can apply on-line is expected to be available for the April 2014 funding round – we will be holding workshops closer to this time to assist organisations applying.

Investment returns for the year were \$338,214 compared to \$184,494 last year (an increase of \$153,720). Our capital base remains stable at \$5,669,271. The Trust calculates that an amount of \$1,921,390 is required to be retained to stabilise the original \$3m fund from inflation. Our current retained earnings of \$2,669,271 leaves \$747,881 as the growth of the trust in real terms. The trustees reviewed the Statement of Investment Policy Objectives (SIPO) and changed our Fund Managers to Bancorp Treasury Services Ltd and JB Were Ltd this financial year.

We said farewell to long serving trustees Dennis Straker and Tony Sullivan who have both contributed experience and guidance throughout the new Donation Management System for on-line granting. We welcome their replacements Michelle Lomax (Westport) and Warren Gilbertson (Greymouth). The West Coast Community Trust is governed by 9 Trustees who are appointed by the Minister of Finance on the basis of their contribution and understanding of their communities.

I would like to thank our Donation Advisor, Angela Keenan for her time and effort in reviewing the trust's granting process and adapting to the new granting system – Te Kete Putea.

A handwritten signature in blue ink, appearing to read 'Mark Lockington', is written over a faint yellow rectangular stamp.

Mark Lockington
Chairperson

'Helping West Coast Communities Make A Positive Difference'



Wilding Smith & Co.

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF THE WEST COAST COMMUNITY TRUST'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

We have audited the Financial Statements of the West Coast Community Trust on pages 4 to 13, that comprise the Statement of Financial Position as at 31 March 2013, the Statement of Financial Performance and Statement of Movements in Equity for the year ended 31 March 2013, and the Notes to the Financial Statements that include accounting policies, and other explanatory information and the Schedule of Grants approved.

Opinion

In our opinion the Financial Statements of the West Coast Community Trust on pages 4 to 13:

- comply with generally accepted accounting practice in New Zealand and
- fairly reflect the Trust's:
 - financial position as at 31 March 2013 and
 - financial performance the year ended on that date.

Our audit was completed on 19 August 2013 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 Trustees and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance 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 could reasonably be expected to affect a reader's 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 entity's financial statements that fairly reflect the matters to which they relate. We consider internal control 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 entity's internal control.

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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 judgments made by the Trustees;
- the adequacy of all 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.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Trustees

The Trustees are responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect Trust's financial position and financial performance.

The Board of Trustees is also 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 Trustees are also responsible for the publication of the financial statements, whether in printed or electronic form.

The Trustees' responsibilities arise from the Trustee Banks Restructuring Act 1988 and the Community Trusts Act 1999.

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.

Independence

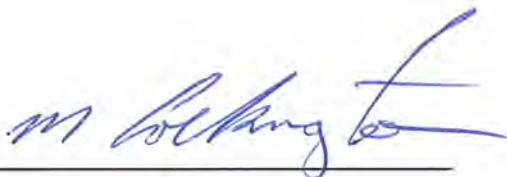
Other than the audit, we have no relationship with or interests in the West Coast Community Trust.



Wilding Smith & Co
Chartered Accountants
Hokitika

**West Coast Community Trust
Statement of Financial Position
as at 31 March 2013**

	2013 \$	2012 \$
<u>Current Assets</u>		
Bank - ASB Cheque Account	1,441	2,498
Bank – ASB 50 Account	162,260	-
Bank - ASB 61 Account	-	22,544
ASB Term Deposit	-	43,400
Accrued Interest	2,466	6,747
Accounts Receivable	-	3,693
Loan – Combined Community Trust Database System	<u>3,000</u>	<u>2,475</u>
	169,167	81,357
<u>Investments</u>		
J B Were Managed Funds	5,258,474	-
AMP Managed Funds	-	4,964,145
Bonds – Contact Energy	250,871	251,695
Bonds – ANZ/National Bank	<u>-</u>	<u>250,241</u>
(Note 8)	5,509,345	5,466,081
<u>Fixed Assets</u>		
Office Equipment	(Note 3)	133
		2,589
	<u>5,678,645</u>	<u>5,550,027</u>
<u>REPRESENTED BY</u>		
<u>Current Liabilities</u>		
Accounts Payable	2,250	665
Accruals	<u>7,124</u>	<u>-</u>
	9,374	665
<u>Trust Funds</u>		
Trust Corpus	2,000,000	2,000,000
Capital Profits	1,000,000	1,000,000
Retained Earnings	<u>2,669,271</u>	<u>2,549,362</u>
	5,669,271	5,549,362
	<u>5,678,645</u>	<u>5,550,027</u>



M Lockington – Chairperson

Dated:



R Caldwell - Trustee

Dated:

NOTE: This Statement is to be read in conjunction with the accompanying Notes

West Coast Community Trust
Statement of Financial Performance
for the Year Ended 31 March 2013

	2013	2012
	\$	\$
<u>GROSS REVENUES</u>		
Grant - Development West Coast	90,000	90,000
Interest Received	30,284	39,432
Income - AMP Managed Funds	123,519	145,062
Income - J B Were Managed Funds	<u>184,411</u>	<u>-</u>
<u>TOTAL REVENUE RECEIVED</u>	428,214	274,494
<u>LESS EXPENDITURE</u>		
<u>ADMINISTRATION/OPERATING COSTS</u>		
Accountancy Fees	4,767	4,708
Audit Fees (Note 5)	13,913	6,628
Advertising	5,761	5,194
Catering/Hall Hire	1,334	1,968
Computer – General	2,180	996
Conference Expenses	3,621	4,330
General Expenses	321	505
Membership Fees	575	575
Photocopier Lease	1,986	2,907
Postages	671	342
Printing & Stationery	223	873
Remuneration – Trustees (Note 6)	29,277	24,625
Secretarial	14,896	14,253
Training & Development	-	1,817
Travel	<u>5,538</u>	<u>4,653</u>
	85,063	73,374
<u>FINANCIAL AND STANDING CHARGES</u>		
Bank Fees	59	13
Insurance	3,600	4,364
Investment Advisory Fees	18,975	-
J B Were Management Fees	3,866	-
AMP Management Fees	<u>10,082</u>	<u>23,090</u>
	36,582	27,467
<u>TOTAL CASH EXPENSES</u>	<u>121,645</u>	<u>101,841</u>
Depreciation (Note 3)	<u>2,456</u>	<u>2,471</u>
<u>TOTAL EXPENDITURE</u>	124,101	104,312
<u>NET SURPLUS/(DEFICIT) FOR THE YEAR PRIOR TO DISTRIBUTIONS</u>	304,113	170,182
<u>LESS DISTRIBUTIONS</u>		
Grants approved for year (Note 9)	183,522	146,275
<u>NET SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</u>	<u>120,591</u>	<u>23,907</u>

NOTE: This Statement is to be read in conjunction with the accompanying Notes

West Coast Community Trust
Statement of Movements in Equity
for the Year Ended 31 March 2013

	2013 \$	2012 \$
Trust Funds at Start of Period	5,549,362	5,525,455
Net Surplus/(Deficit) before Tax	120,591	23,907
Trust Overseas Taxes Paid or Provided	<u>682</u>	<u>-</u>
Net Surplus/(Deficit) after Tax	119,909	23,907
<u>TRUST FUNDS AT END OF PERIOD</u>	<u><u>5,669,271</u></u>	<u><u>5,549,362</u></u>

NOTE: This Statement is to be read in conjunction with the accompanying Notes

West Coast Community Trust

Statement of Accounting Policies & Notes

for the Year Ended 31 March 2013

1. **FORMATION**

The West Coast Community Trust was formed on 30 May 1988 through the creation of a trust deed in compliance with the Trustee Banks Restructuring Act 1988. The Trust's original capital of \$3m came from the proceeds of the sale of Westland Bank Ltd. These accounts have been prepared in accordance with Generally Accepted Accounting Practices for a public benefit entity. The Trust has not adopted International Financial Reporting Standards and qualifies for Differential Reporting as it is not an issuer, does not have the power to tax, levy or rate and is not large as defined in the Framework for Differential Reporting.

The Trust has applied all the differential reporting exemptions allowed with the exception of SSAP3 – Accounting for Depreciation.

2. **MEASUREMENT SYSTEM**

The measurement system adopted is that of historical cost.

3. **PARTICULAR ACCOUNTING POLICIES**

The particular accounting policies adopted in the statements which have a significant effect on the results and financial position disclosed are:

a) **Income Determination**

Interest Income has been accrued to balance date on a daily basis.

b) **Valuation of Assets**

i. **Investments**

Investments are stated at net realisable value.

ii. **Fixed Assets**

All fixed assets are recorded at cost less accumulated depreciation to date.

c) **Depreciation**

Depreciation has been charged on a straight line basis allocated over an estimated economic life of the assets. Depreciation has been calculated as follows:

As at 31 March 2013:

<u>Asset</u>	<u>Cost</u>	<u>Depn</u> <u>to Date</u>	<u>Estimated</u> <u>Life</u>	<u>Opening</u> <u>Value</u>	<u>Additions</u> <u>Disposals</u>	<u>Depn</u>	<u>Accum</u> <u>Depn</u>	<u>Closing</u> <u>Book Value</u>
	\$	\$		\$		\$	\$	\$
Filing Cabinet	325	325	10 years	-	-	-	325	-
HP Probook 4720s	2,185	1,311	2.5 years	874	-	874	2,185	-
Website	3,956	2,241	2.5 years	1,715	-	1,582	3,823	133
	<u>6,466</u>	<u>3,877</u>		<u>2,589</u>	<u>-</u>	<u>2,456</u>	<u>6,333</u>	<u>133</u>

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2013

As at 31 March 2012:

<u>Asset</u>	<u>Cost</u>	<u>Depn</u> <u>to Date</u>	<u>Estimated</u> <u>Life</u>	<u>Opening</u> <u>Value</u>	<u>Additions</u> <u>Disposals</u>	<u>Depn</u>	<u>Accum</u> <u>Depn</u>	<u>Closing</u> <u>Book Value</u>
	\$	\$		\$		\$	\$	\$
Typewriter	2,019	2,019	5 years		- Scrapped	-	-	-
Photocopier	2,756	2,756	5 years		- Scrapped	-	-	-
Fax Machine	349	349	5 years		- Scrapped	-	-	-
Filing Cabinet	325	310	10 years	15	-	15	325	-
Computer Software	300	300	3.3 years		- Scrapped	-	-	-
HP Probook 4720s	2,185	437	2.5 years	1,748	-	874	1,311	874
Website	3,956	659	2.5 years	3,297	-	1,582	2,241	1,715
	<u>11,890</u>	<u>6,830</u>		<u>5,060</u>	<u>-</u>	<u>2,471</u>	<u>3,877</u>	<u>2,589</u>

d) **Goods and Services Tax**

The Trust is exempt from registration for Goods and Services Tax under Section 14 (b) of the Goods and Services Tax Act 1985.

These Financial Statements have therefore been prepared on a GST inclusive basis.

4. **TAXATION**

The Trust is exempt from Income Tax under section CB4(1)(m) of the Income Tax Act 1994. As a result the only taxation the Trust pays is in relation to imputation credits and withholding payments deducted from dividends and overseas earnings, which are not eligible to be refunded.

5. **CHANGES IN ACCOUNTING POLICIES**

There has been a change in Accounting Policies whereby the Audit Fees for the 2012/13 audit are required to be accrued into the 2012/13 Financial Statements. This has resulted in an additional \$7,124 showing under Audit Fees this year.

6. **TRUST GOVERNANCE**

The Board of the Trust comprises nine Trustees appointed by the Minister of Finance for terms of four years. It is possible to serve for more than one term.

The Board establishes the Trust's objectives, strategies and the overall investment and donation policy framework. The Secretary has delegated authority for the day-to-day management of the Trust.

West Coast Community Trust Statement of Accounting Policies & Notes for the Year Ended 31 March 2013

Trust Purpose

The Trust's purpose is for the Trustees to be responsible for the investment of the Trust Fund and apply it for charitable, cultural, philanthropic, recreational and other purposes being beneficial to the community principally in the West Coast region.

Conflicts of Interest

It is recognised that Trustees may have a wide range of involvement with the community and the potential of conflicts of interest will arise from time to time. A Trustee who has any direct or indirect association with any organisation is required to disclose that interest to the Board and have it recorded in the minutes of the meeting. The Trustees have adopted a Code of Conduct. There were no breaches of this code during the financial year ended 31 March 2013. A Register of Interest is available for public inspection.

Trustee Attendance - Meetings

Name of Trustee	Board Meetings		Honorarium and Meeting Fees	Honorarium and Meeting Fees
	Held	Attended	2013	2012
Mark Lockington	5	5	6,819	3,420
Mary Molloy	5	5	4,075	2,275
Rob Caldwell	5	5	2,883	675
Tim Mora	5	5	2,883	675
Barbara Greer	5	4	2,483	2,100
Coraleen White	5	4	2,383	675
Elizabeth Rock	5	4	2,383	2,275
Dennis Straker	3	3	1,984	5,455
Anthony Sullivan	3	3	1,984	2,275
Michelle Lomax	2	2	900	-
Warren Gilbertson	2	1	500	-
Carol Keogh	-	-	-	1,600
John Sturgeon	-	-	-	1,600
Rowan Sullivan	-	-	-	1,600
Total remuneration paid in the year ended 31 March			\$29,277	\$24,625

Rates of remuneration, including honoraria and meeting fees, are set by the Minister of Finance. The Trust has also insured all Trustees against liability to other parties that may arise from their position as Trustees, excluding liability for gross negligence or criminal actions.

Appointment and Retirement

Dennis Straker and Anthony Sullivan Resigned from 30 September 2012 and Warren Gilbertson and Michelle Lomax were appointed from 1 October 2012.

7. TRUST FUNDS

Although the Trust does not maintain an inflation reserve, it does seek to maintain the Trust capital in real terms. The Trust calculates that an amount of \$1,921,390 is required to be retained to stabilise the original \$3m fund from inflation. The Trust's current retained earnings is \$2,669,271 which leaves \$747,881 as the growth of the Trust in real terms.

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2013

8. **INVESTMENTS**

The value of investments which are held in equities and fixed interest are subject to market fluctuations. The total investment portfolio is diversified in a way such that over time reductions in value in particular asset classes should be more than offset by increases in other classes. Investments are disclosed at market value at balance date and any gains (losses) arising from that treatment are shown under Revenue in the Statement of Financial Performance. No provision has been made for potential gains or losses that could occur due to future market fluctuations. The investment portfolio as at 31 March 2013 is diversified as follows:

	2013		2012	
	\$000	%	\$000	%
New Zealand Equities	219	4.0	244	4.5
New Zealand Fixed Interest	1,683	30.5	1,611	29.5
New Zealand Enhanced Yield	-	-	1,218	22.3
New Zealand Cash	2,573	46.7	1,229	22.4
Global Equities	1,034	18.8	1,164	21.3
TOTAL	\$5,509	100.0	\$5,466	100.0

9. **DISTRIBUTIONS**

	2013	2012
Distributions made during the year	\$183,522	\$146,395
Less distributions returned/not banked during year	-	-120
Net Distributions made	\$183,522	\$146,275

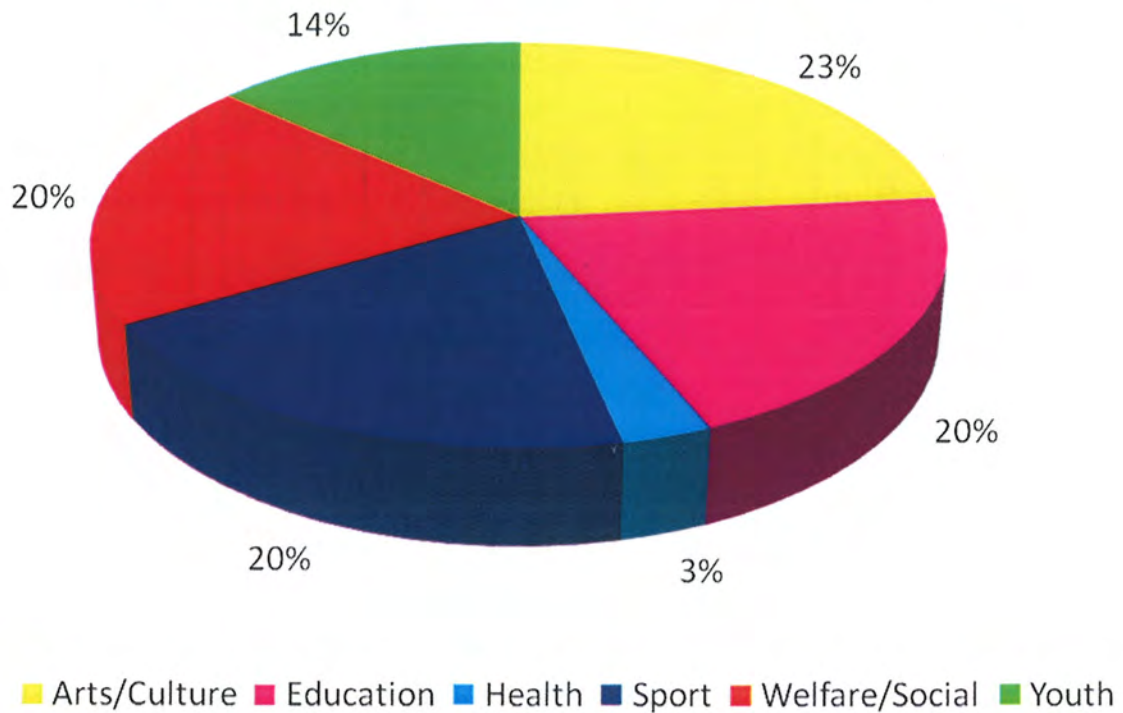
West Coast Community Trust - Grants Approved YTD 2013

Trust	No.	Organisation Name	GRANTED
WCCT	175	Autism New Zealand Incorporated	1,875.00
WCCT	249	Awahono School - Grey Valley	1,700.00
DWC	198	Big Brothers Big Sisters of Westland	3,000.00
WCCT	138	Blackball Swimming Club	600.00
WCCT	191	Buller Adult Learning Services Inc	700.00
WCCT	215	Buller Basketball Association	1,000.00
WCCT	140	Buller Indoor Bowling Association	700.00
WCCT	216	Buller Westland Playcentre Association Inc	2,000.00
WCCT	86	CCS Disability Action Canterbury West Coast Incorporated	900.00
WCCT	254	Citizens Advice Bureau Buller	1,800.00
WCCT	238	Coaltown Trust Incorporated	4,200.00
WCCT	179	Coast Buller Timber Sports Inc	950.00
WCCT	142	Combined Adolescent Challenge Training Unit & Support Trust (CACTUS)	850.00
DWC	193	Dare West Coast Incorporated	4,000.00
WCCT	263	Driftwood & Sand Beach Sculpture Event	1,000.00
WCCT	66	Enterprise Hokitika (Incorporated)	700.00
WCCT	251	Franz Josef Community Council Incorporated	1,000.00
DWC	243	Friends at Whataroa School	3,000.00
WCCT	242	Funding Information Service	49.50
DWC	89	Grey District Library	8,050.00
DWC	237	Greymouth Competition Society Incorporated	5,000.00
DWC	217	Greymouth District Pony Club	3,850.00
WCCT	91	Greymouth Golf Club Incorporated	700.00
DWC	181	Greymouth- Kumara Anglican Church T/A Greymouth Churches Community Youth Project	4,500.00
WCCT	180	Greymouth Municipal Band (Inc)	1,000.00
DWC	169	Greymouth SPCA	3,400.00
DWC	246	Hari Hari Community Association Trust	3,257.00
WCCT	219	Heritage Hokitika Incorporated	500.00
WCCT	220	Heritage West Coast Incorporated	500.00
WCCT	221	Hoki Hikers	585.00
WCCT	94	Hokitika Bowling Club Inc.	885.00
WCCT	95	Hokitika Dramatic Society Incorporated	1,000.00

Trust	No.	Organisation Name	GRANTED
WCCT	183	Hokitika Grey Power Association Incorporated	1,700.00
WCCT	241	Hokitika Gym Club	600.00
WCCT	223	Hokitika Indoor Bowling Association	1,000.00
DWC	189	Hokitika Land Search and Rescue Group	6,000.00
WCCT	98	Hokitika Rugby League Club Incorporated	500.00
WCCT	222	Hokitika Volunteer Fire Brigade	1,500.00
WCCT	100	Homebuilders West Coast Trust	1,500.00
DWC	240	Inangahua Tourism Promotions Incorporated T/A Inangahua Silver Band	3,000.00
DWC	101	Kaiata Community Centre Incorporated	3,000.00
WCCT	147	Kaniere Playcentre	1,600.00
WCCT	264	Lake Brunner School Board of Trustees	750.00
WCCT	104	Life Education Trust West Coast	2,500.00
WCCT	105	Lifeline Christchurch Charitable Trust	1,200.00
WCCT	150	Multiple Sclerosis West Coast Society Incorporated	1,000.00
WCCT	107	Muscular Dystrophy Association of New Zealand - Canterbury Branch	1,000.00
DWC	250	New Coasters Incorporated	3,300.00
WCCT	136	Parents Incorporated - Attitude division	1,500.00
WCCT	108	Paroa School Board of Trustees	1,500.00
WCCT	109	Paroa Tennis Club Incorporated	700.00
DWC	239	Patch'n Friends	3,000.00
WCCT	110	Post Polio Support Incorporated	400.00
DWC	186	Potikohua Charitable Trust	3,400.00
WCCT	248	Presbyterian Support Upper South Island	540.00
WCCT	226	Rape & Sexual Abuse Support (West Coast) Inc.	1,000.00
WCCT	156	Reefton Early Learning Centre	5,000.00
DWC	111	Reefton i-site Visitor Centre Incorporated	3,000.00
DWC	257	Reefton Rodeo Club Incorporated	6,400.00
WCCT	195	Ross Playgroup	500.00
WCCT	260	Ross School	3,000.00
WCCT	113	Ross Swimming Pool Committee	1,100.00
WCCT	210	Royal New Zealand Foundation of the Blind	2,200.00
WCCT	256	Runanga Playcentre	3,300.00
WCCT	259	Sacred Heart School	1,000.00
DWC	211	Scouts NZ Westland Buller Zone	3,000.00
DWC	229	Sergeants Hill Hall	3,900.00
DWC	228	South Westland Bowhunters Club	3,600.00
DWC	209	St Marys School T/A Westland Primary Schools Sports Cluster	3,800.00
WCCT	224	The Inangahua Children's Trust	1,000.00

Trust	No.	Organisation Name	GRANTED
WCCT	146	The Inangahua Children's Trust - Reefton Car Seat Hire	500.00
WCCT	163	The Salvation Army - Westport Corps	700.00
WCCT	120	Victim Support Buller	1,600.00
WCCT	121	Victim Support Grey/Westland District	2,100.00
WCCT	252	West Coast Alpine Club Incorporated	1,200.00
WCCT	122	West Coast Art In The Park	880.00
WCCT	165	West Coast Blue Penguin Trust	550.00
DWC	258	West Coast Historical and Mechanical Society Inc	3,900.00
DWC	164	West Coast Riding for the Disabled Inc.	3,000.00
DWC	231	West Coast Speedway Association Incorporated	3,500.00
WCCT	261	West Coast Vintage Car Club Inc	2,000.00
WCCT	232	Westland Arts Development Group Incorporated	750.00
WCCT	233	Westland Basketball Association	750.00
DWC	131	Westland Community Centre Incorporated	3,500.00
WCCT	234	Westland District Brass Incorporated	750.00
WCCT	235	Westland Genealogy Group Incorporated	1,100.00
WCCT	133	Westland Toy Library	900.00
WCCT		Westreap Buller	2,500.00
WCCT		Westreap Hokitika	5,000.00
WCCT	244	Whataroa Community Association	1,100.00
WCCT	245	Whataroa Rugby Football Club	1,000.00
<i>Total Grants Approved (91)</i>			<u><u>\$183,521.50</u></u>

Distribution of Annual Donations - 2013 YTD



Annual Donation History

