

WEST COAST COMMUNITY TRUST

2011

FINANCIAL STATEMENTS

**West Coast Community Trust
Financial Statements
for the Year Ended 31 March 2011**

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Chairperson's Report

On behalf of the Trustees I am pleased to present the 23rd Annual Report for the West Coast Community Trust for the year ending 31 March 2011.

Grants approved during the year totalled \$92,548 and 76 community organisations benefited from these grants. This year represents the 23rd anniversary of the formation of the trust and it is particularly satisfying to note that the total donations to the Westland, Grey and Buller communities over the 23 year period equal \$2,625,935.00.

Trustees are mindful of the effort a large number of volunteers give to their communities through the organisations that we fund. We are pleased to be able to assist these organisations in an effort to help others make a difference to our communities.

Investment returns for the year were \$309,411 giving us a capital base of \$5,525,455. The Trustees constantly strive to protect and grow the funds capital while also generating sufficient income each year to enable grants to be made. We work closely with our fund manager AMP Capital Investors (New Zealand) Ltd, as well as our investment in bonds. The Trust calculates that an amount of \$1,961,243 is required to be retained to stabilise the original \$3m fund from inflation. Our current retained earnings of \$2,525,455 leaves \$564,212 as the growth of the trust in real terms.

Trustees Mark Lockington and Elizabeth Rock were reappointed for another 4 yr term. We farewelled Eunice Brown upon completion of her term as a trustee and welcomed Barbara Greer as her replacement. 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. The Trust will see some exciting developments in the next year as well as three new trustees.

The trust's new on-line Donation and Financial system went live in October 2010 and has improved the processing and reporting of donations. We are continuing to work towards organisations applying on-line via our website – www.wccomtrust.org.nz – and hope to have this option available in 2012. Please visit our website and download an application form if required.

I also want to acknowledge the leadership and support provided by our secretary, Angela Keenan.

A handwritten signature in blue ink that reads 'D. K. Straker'.

D Straker
Chairperson



Wilding Smith & Co.

Chartered Accountants

THE WEST COAST COMMUNITY TRUST

Audit Report

To the Readers of the financial report of the West Coast Community Trust:

We have audited the financial report of the Trust on pages 4 to 13. The financial report provides information about the past financial performance of the West Coast Community Trust and its financial position as at 31 March 2011. This information is stated in accordance with the accounting policies set out in the financial report.

Trustees' Responsibilities

The Trustees are responsible for the preparation of a financial report which gives a true and fair view of the financial position of the West Coast Community Trust as at 31 March 2011 and the results of operations for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the financial report presented by the Trustees and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Trustees in the preparation of the financial report, and
- whether the accounting policies are appropriate to the West Coast Community Trust circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by

fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Wilding Smith & Co has no interest in the West Coast Community Trust other than as auditor.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion

- proper accounting records have been kept by the West Coast Community Trust as far as appears from our examination of those records; and
- the financial report
 - complies with generally accepted accounting practice:
 - gives a true and fair view of the financial position of the West Coast Community Trust as at 31 March 2011 and the results of operations for the year ended on that date.

Our audit was completed on 4 August 2011 and our unqualified opinion is expressed as at that date.

A handwritten signature in blue ink that reads "Wilding Smith & Co". The signature is written in a cursive style with a long, sweeping flourish above the word "Smith".

Wilding Smith & Co
Chartered Accountants
Hokitika

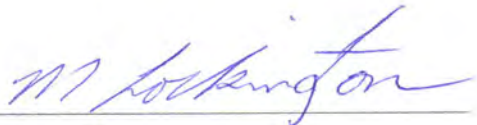
**West Coast Community Trust
Statement of Financial Position
as at 31 March 2011**

	2011 \$	2010 \$
<u>Current Assets</u>		
Bank - ASB Cheque Account	11,933	2,848
Bank - ASB Call Account	52,183	56,496
Accrued Interest	6,282	6,266
Accounts Receivable	3,548	4,074
Loan – Combined Community Trust Database System	2,475	1,767
	76,421	71,451
<u>Investments</u>		
AMP Tracker Fund	-	-
AMP WINZ Fund	-	-
AMP Managed Funds	4,942,319	4,830,248
Bonds – Contact Energy	252,518	253,342
Bonds – ANZ/National Bank	251,131	252,021
	5,445,968	5,335,610
<u>Fixed Assets</u>		
Office Equipment	5,060	46
	5,527,449	5,407,107
<u>REPRESENTED BY</u>		
<u>Current Liabilities</u>		
Accounts Payable	1,994	2,055
	1,994	2,055
<u>Trust Funds</u>		
Trust Corpus	2,000,000	2,000,000
Capital Profits	1,000,000	1,000,000
Retained Earnings	2,525,455	2,405,052
	5,525,455	5,405,052
	5,527,449	5,407,107



D Straker – Chairperson

Dated: 2/8/2011



M Lockington - Trustee

Dated: 2/8/2011

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 2011

	2011 \$	2010 \$
<hr/>		
<u>GROSS REVENUES</u>		
Interest Received	39,690	33,049
AMP Managed Funds	269,721	509,448
<u>TOTAL REVENUE RECEIVED</u>	309,411	542,497
 <u>LESS EXPENDITURE</u>		
<u>ADMINISTRATION/OPERATING COSTS</u>		
Accountancy/Auditors Fees	10,739	9,894
Advertising	5,866	5,192
Catering/Hall Hire	1,975	1,314
Conference Expenses	-	2,541
Donations	-	1,000
General Expenses	1,046	1,584
Investment Advisory Fees	-	3,375
Membership Fees	563	563
Photocopier Lease	2,875	2,844
Printing, Postages & Stationery	1,369	1,415
Remuneration - Trustees	22,270	24,597
Secretarial	13,822	13,304
Travel	7,267	8,932
	67,792	76,555
 <u>FINANCIAL AND STANDING CHARGES</u>		
Bank Fees	59	46
Insurance	4,307	4,073
AMP Management Fees	23,176	22,383
	27,542	26,501
 <u>TOTAL CASH EXPENSES</u>	95,334	103,056
Depreciation	1,127	31
<u>TOTAL EXPENDITURE</u>	96,461	103,087
 <u>NET SURPLUS/(DEFICIT) FOR THE YEAR PRIOR TO DISTRIBUTIONS</u>	212,950	439,410
 <u>LESS DISTRIBUTIONS</u>		
Grants approved for year	92,548	70,425
 <u>NET SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</u>	120,402	368,985

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 2011

	2011 \$	2010 \$
Trust Funds at Start of Period	5,405,053	5,036,067
Net Surplus/(Deficit) before Tax	120,402	368,985
Trust Taxes Paid or Provided	<u>-</u>	<u>-</u>
Net Surplus/(Deficit) after Tax	120,402	368,985
 <u>TRUST FUNDS AT END OF PERIOD</u>	 <u><u>5,525,455</u></u>	 <u><u>5,405,052</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 2011

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 the 1993 Financial Reporting Act. 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:

<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>Depn</u>	<u>Accum</u> <u>Depn</u>	<u>Closing</u> <u>Book Value</u>
	\$	\$		\$		\$	\$	\$
Typewriter	2,019	2,019	5 years	-	-	-	2,019	-
Photocopier	2,756	2,756	5 years	-	-	-	2,756	-
Fax Machine	349	349	5 years	-	-	-	349	-
Filing Cabinet	325	279	10 years	46	-	31	310	15
Computer Software	300	300	3.3 years	-	-	-	300	-
HP Probook 4720s	2,185	-	2.5 years	-	2,185	437	437	1,748
Website	3,956	-	2.5 years	-	3,956	659	659	3,297
	<u>11,890</u>	<u>5,703</u>		<u>46</u>	<u>6,141</u>	<u>1,127</u>	<u>6,830</u>	<u>5,060</u>

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2011

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.

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

4. **TAXATION**

From 1 April 2004 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 have been no changes in Accounting Policies.

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.

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 2011. A Register of Interest is available for public inspection.

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2011

Trustee Attendance - Meetings

Name of Trustee	Board Meetings		Honorary and Meeting Fees
	Held	Attended	
Dennis Straker	3	3	4,837
Mark Lockington	3	2	2,268
John Sturgeon	3	3	2,100
Rowan Sullivan	3	3	2,100
Anthony Sullivan	3	3	2,100
Carol Keoghan	3	3	2,100
Mary Molloy	3	3	1,767
Elizabeth Rock	3	2	1,675
Eunice Brown	1	1	1,425
Peter Kerridge	0	0	1,223
Barbara Greer	2	2	<u>675</u>

Total remuneration paid in the year ended 31 March 2011 **\$22,270**

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

Eunice Brown Resigned on 31 May 2010 and Barbara Greer was Appointed on 1 June 2010. Peter Kerridge resigned on 30 September 2009 therefore the Honorary was apportioned to him for the number of months he was Chairman.

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 \$1,961,243 is required to be retained to stabilise the original \$3m fund from inflation. The trusts current retained earnings is \$2,525,455 which leaves \$564,212 as the growth of the trust in real terms.

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2011

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 2011 is diversified as follows:

	2011		2010	
	\$000	%	\$000	%
New Zealand Equities (Strategic)	303	5.5	344	6.5
New Zealand Fixed Interest	1,639	30.1	1,601	30.0
New Zealand Enhanced Yield	1,247	22.9	1,218	22.8
New Zealand Cash Fund	1,242	22.8	1,127	21.1
Global Equities	1,015	18.7	1,045	19.6
TOTAL	\$5,446	100.0	\$5,335	100.0

9. **DISTRIBUTIONS**

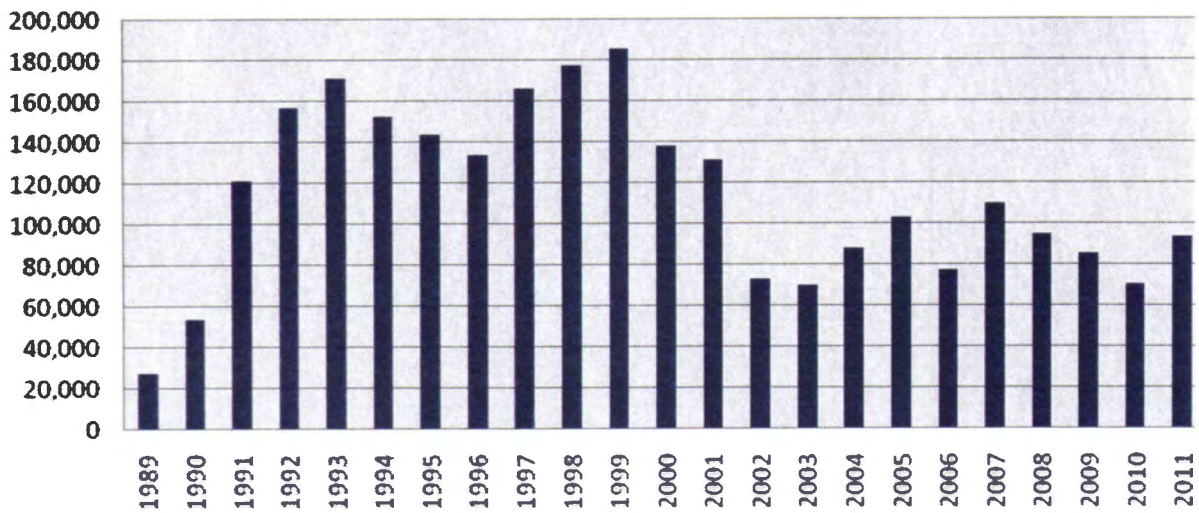
Distributions made during the year	\$93,648.00
Less distributions returned/not banked during year	-1,100.00
Net Distributions made	<u>\$92,548.00</u>

West Coast Community Trust
Schedule of Grants Approved 31 March 2011

NO.	ORGANISATION	GRANTED
1	Arthur's Pass Rescue	3,000.00
2	Barnardos New Zealand (Greymouth Early Learning Centre)	700.00
3	Blackball Museum of Working Class History Charitable Trust	1,000.00
4	Blackball Playcentre	600.00
5	Blackball Swimming Club	620.00
6	Bruce Bay Hall Board	5,000.00
7	Buller Adult Reading Incorporated	200.00
8	Buller Community Singers	500.00
9	Buller Indoor Bowls Association	600.00
10	C.A.C.T.U.S (Combined Adolescent Challenge Training Unit & Support Trust)	1,000.00
11	Carters Beach Recreational Reserve Board	2,300.00
12	Community Alternative Resources for the Elderly (C.A.R.E.)	1,000.00
13	Dare West Coast	950.00
14	Enterprise Hokitika (Incorporated)	700.00
15	Friends of John Paul II High School	750.00
16	Granity-Ngakawau Playcentre	1,000.00
17	Grey District Library	500.00
18	Grey District Waitangi Day Committee Celebrations	700.00
19	Grey District Wheelchair Van Organisation Inc	1,500.00
20	Grey United Tennis Club	600.00
21	Greymouth Churches Community Youth Project	1,100.00
22	Greymouth Golf Club Incorporated	850.00
23	Greymouth Operatic Society Incorporated	500.00
24	Greymouth S.P.C.A	950.00
25	Greymouth Toy Library	1,500.00
26	Hari Hari War Memorial Rooms	1,000.00
27	Hokitika Bowling Club	700.00
28	Hokitika Dramatic Society Incorporated	900.00
29	Hokitika Hockey Club	300.00
30	Hokitika Scout & Guide Den	5,000.00
31	Hokitika SPCA	2,250.00
32	Homebuilders West Coast Trust	1,150.00
33	Inangahua Childrens Trust-Reefton Car Seat Hire	850.00
34	Kaiata Community Centre Incorporated	1,500.00
35	Kaniere Playcentre	900.00
36	Karamea Historical Society Incorporated	650.00
37	Karamea Playcentre Association	500.00
38	Lake Kaniere Lodge Trust	300.00
39	Life Education Trust West Coast	5,000.00
40	Lifeline Christchurch	1,200.00
41	Multiple Sclerosis West Coast Society Inc.	600.00
42	Muscular Dystrophy Association of NZ - Canterbury Branch	750.00
43	North School Parent Group (formerly Wpt North School)	500.00
44	Paroa Junior Football Club	750.00

NO.	ORGANISATION	GRANTED
45	Paroa School Board of Trustees	900.00
46	Paroa Tennis Club Incorporated	650.00
47	Post Polio Support Incorporated	725.00
48	Potikohua Charitable Trust	900.00
49	Reefton Who Cares Incorporated	1,000.00
50	Reefton Youth Centre (Gateway Trust)	1,100.00
51	Ross Goldfields Information - Heritage Centre (formerly Friends of Ross Walkway)	1,500.00
52	Ross Swimming Pool	1,000.00
53	South Westland Triathlon Committee	1,500.00
54	Supporting Families in Mental Illness (Schizophrenia Fellowship) West Coast	1,400.00
55	The Kokatahi Band	5,000.00
56	The Kumara Community Trust	875.00
57	The Royal NZ Plunket Society Westport Branch Inc.	1,500.00
58	The Salvation Army	650.00
59	The West Coast Society of Arts (Incorporated)	1,400.00
60	Tuhonohono a Iwi	750.00
61	Victim Support Buller	1,000.00
62	Victim Support Grey/Westland	1,000.00
63	West Coast Art In The Park Incorporated	900.00
64	West Coast Basketball Association	878.00
65	West Coast Gem & Mineral Club Incorporated	600.00
66	West Coast Historical & Mechanical Society Inc. (T/A Shantytown Tourist Attraction)	5,000.00
67	West Coast Provincial Fire Brigades Association	2,000.00
68	West Coast Tennis Association	800.00
69	Westland District Library	500.00
70	Westland Industrial Heritage Park Inc.	1,200.00
71	Westland Rural Education Activities Programmes Inc. (Westreap)	1,500.00
72	Westland Toy Library	1,000.00
73	Westport South School	1,000.00
74	Westport Toy Library	950.00
75	Westport Yacht & Powerboat Club Inc.	550.00
76	Youth Music Development Trust	1,000.00
	Total Granted YTD (76)	\$93,648.00
	Less Distributions returned/Not banked during the year	-1,100.00
	Net Approvals	<u>\$92,548.00</u>

Annual Donation History



Distribution of Annual Donations 2011

