

WEST COAST COMMUNITY TRUST

2012

FINANCIAL STATEMENTS

West Coast Community Trust
Financial Statements
for the Year Ended 31 March 2012

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Chairperson's Report

On behalf of the Trustees I am pleased to present the 24th Annual Report for the West Coast Community Trust for the year ending 31 March 2012.

Our Trust's donation policy and grants budget is reviewed annually and has been set at \$100,000p.a. plus Development West Coast funding. (DWC has a funding agreement with our trust to assist with community funding i.e. they distribute \$90,000 annually to us for community grants).

Grants approved during the year totalled \$146,275 and 82 community organisations benefited from these grants. The distribution list and sectors are listed for your information. We continue to approve the majority of grants that apply and maintain our vision of 'Helping West Coast communities make a positive difference' to our community irrelevant of size.

Investment returns for the year were \$184,494 significantly down from last year (\$309,411) due to the volatile global conditions worldwide. Our capital base remains stable at \$5,549,362. The Trust calculates that an amount of \$1,976,127 is required to be retained to stabilise the original \$3m fund from inflation. Our current retained earnings of \$2,549,362 leaves \$573,235 as the growth of the trust in real terms. The trustees annually review the Statement of Investment Policy Objectives (SIPO) and recognise it has been a challenging year to grow the funds capital whilst striving to ensure sufficient income for grants.

We said farewell to long serving trustees John Sturgeon, Carol Keoghan and Rowan Sullivan and wish them well for the future. We welcome their replacements Coraleen White (Westport), Tim Mora and Rob Caldwell (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.

The new donation management system for loading and assessing grants is working well for our trust and applicants will be able to apply on-line from April 2013. We will be holding workshops early in the 2013 year to assist organisations with applying on-line.

I would like to thank our Donation Advisor, Angela Keenan for her continued knowledge and support she provides to trustees and organisations.

A handwritten signature in blue ink, appearing to read 'M Lockington'.

Mark Lockington
Chairperson

'Helping West Coast Communities Make A Positive Difference'



Wilding Smith & Co.

Chartered Accountants

THE WEST COAST COMMUNITY TRUST

Independent Auditor's 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 2012. 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 financial statements which give a true and fair view of the matters to which they relate and in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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 risks of material misstatement of the financial statements, whether due to fraud or error,
- Internal control relevant to the preparation of financial statements that give a true and fair view of the matters to which they relate 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.
- The significant estimates and judgements made by the Trustees in the preparation of the financial report, and

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- 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 International Standards on Auditing (New Zealand). 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.

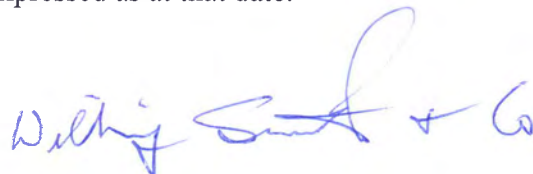
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Unqualified Opinion

In our opinion the financial statements give a true and fair view of the financial position of West Coast Community Trust as at 31 March 2012 and of its financial performance for the year then ended in accordance with generally accounting practice.

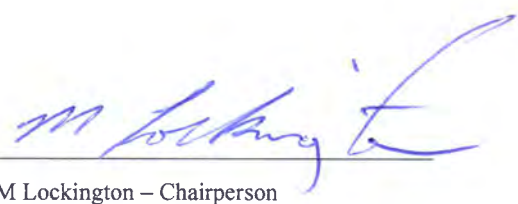
Our audit was completed on 22 August 2012 and our unqualified opinion is expressed as at that date.



Wilding Smith & Co
Chartered Accountants
Hokitika

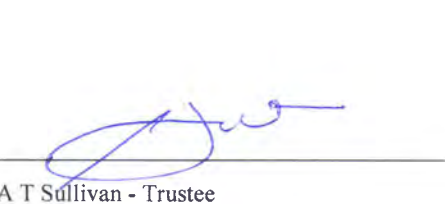
**West Coast Community Trust
Statement of Financial Position
as at 31 March 2012**

	2012 \$	2011 \$
<u>Current Assets</u>		
Bank - ASB Cheque Account	2,498	11,933
Bank - ASB Call Account	22,544	52,183
ASB Term Deposit	43,400	-
Accrued Interest	6,747	6,282
Accounts Receivable	3,693	3,548
Loan – Combined Community Trust Database System	2,475	2,475
	81,357	76,421
<u>Investments</u>		
AMP Managed Funds	4,964,145	4,942,319
Bonds – Contact Energy	251,695	252,518
Bonds – ANZ/National Bank	250,241	251,131
	5,466,081	5,445,968
<u>Fixed Assets</u>		
Office Equipment	2,589	5,060
	5,550,027	5,527,449
<u>REPRESENTED BY</u>		
<u>Current Liabilities</u>		
Accounts Payable	665	1,994
	665	1,994
<u>Trust Funds</u>		
Trust Corpus	2,000,000	2,000,000
Capital Profits	1,000,000	1,000,000
Retained Earnings	2,549,362	2,525,455
	5,549,362	5,525,455
	5,550,027	5,527,449



M Lockington – Chairperson

Dated: 21-8-12



A T Sullivan - Trustee

Dated: 21-8-12

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 2012

	2012	2011
	\$	\$
<hr/>		
<u>GROSS REVENUES</u>		
Grant - Development West Coast	90,000	-
Interest Received	39,432	39,690
AMP Managed Funds	145,062	269,721
<u>TOTAL REVENUE RECEIVED</u>	<u>274,494</u>	<u>309,411</u>
 <u>LESS EXPENDITURE</u>		
<u>ADMINISTRATION/OPERATING COSTS</u>		
Accountancy/Auditors Fees	11,336	10,739
Advertising	5,194	5,866
Catering/Hall Hire	1,968	1,975
Computer – General	996	-
Conference Expenses	4,330	-
General Expenses	505	1,046
Membership Fees	575	563
Photocopier Lease	2,907	2,875
Postages	342	-
Printing & Stationery	873	1,369
Remuneration - Trustees	24,625	22,270
Secretarial	14,253	13,822
Training & Development	1,817	-
Travel	4,653	7,267
	<u>74,374</u>	<u>67,792</u>
 <u>FINANCIAL AND STANDING CHARGES</u>		
Bank Fees	13	59
Insurance	4,364	4,307
AMP Management Fees	23,090	23,176
	<u>27,467</u>	<u>27,542</u>
 <u>TOTAL CASH EXPENSES</u>	<u>101,841</u>	<u>95,334</u>
Depreciation	2,471	1,127
<u>TOTAL EXPENDITURE</u>	<u>104,312</u>	<u>96,461</u>
 <u>NET SURPLUS/(DEFICIT) FOR THE YEAR PRIOR TO DISTRIBUTIONS</u>	<u>170,182</u>	<u>212,950</u>
 <u>LESS DISTRIBUTIONS</u>		
Grants approved for year	146,275	92,548
 <u>NET SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</u>	<u><u>23,907</u></u>	<u><u>120,402</u></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 2012

	2012 \$	2011 \$
Trust Funds at Start of Period	5,525,455	5,405,053
Net Surplus/(Deficit) before Tax	23,907	120,402
Trust Taxes Paid or Provided	-	-
Net Surplus/(Deficit) after Tax	23,907	120,402
<u>TRUST FUNDS AT END OF PERIOD</u>	<u>5,549,362</u>	<u>5,525,455</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 2012

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>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>

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2012

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 2012. A Register of Interest is available for public inspection.

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2012

Trustee Attendance - Meetings

Name of Trustee	Board Meetings		Honorary and Meeting Fees
	Held	Attended	
Dennis Straker	4	4	5,455
Mark Lockington	4	4	3,420
Elizabeth Rock	4	4	2,275
Anthony Sullivan	4	4	2,275
Mary Molloy	4	4	2,275
Barbara Greer	4	3	2,100
Carol Keoghan	2	2	1,600
John Sturgeon	2	2	1,600
Rowan Sullivan	2	2	1,600
Rob Caldwell	2	2	675
Tim Mora	2	2	675
Coraleen White	2	2	<u>675</u>

Total remuneration paid in the year ended 31 March 2012 **\$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

Carol Keoghan, John Sturgeon and Rowan Sullivan Resigned from 31 May 2011 and Coraleen White, Tim Mora & Rob Caldwell were appointed from 1 June 2011.

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 \$1,976,127 is required to be retained to stabilise the original \$3m fund from inflation. The trusts current retained earnings is \$2,549,362 which leaves \$573,235 as the growth of the trust in real terms.

West Coast Community Trust
Statement of Accounting Policies & Notes
for the Year Ended 31 March 2012

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 2012 is diversified as follows:

	2012		2011	
	\$000	%	\$000	%
New Zealand Equities (Strategic)	244	4.5	303	5.5
New Zealand Fixed Interest	1,611	29.5	1,639	30.1
New Zealand Enhanced Yield	1,218	22.3	1,247	22.9
New Zealand Cash Fund	1,229	22.4	1,242	22.8
Global Equities	1,164	21.3	1,015	18.7
TOTAL	\$5,466	100.0	\$5,446	100.0

9. **DISTRIBUTIONS**

Distributions made during the year	\$146,395
Less distributions returned/not banked during year	-120
Net Distributions made	<u>\$146,275</u>

West Coast Community Trust

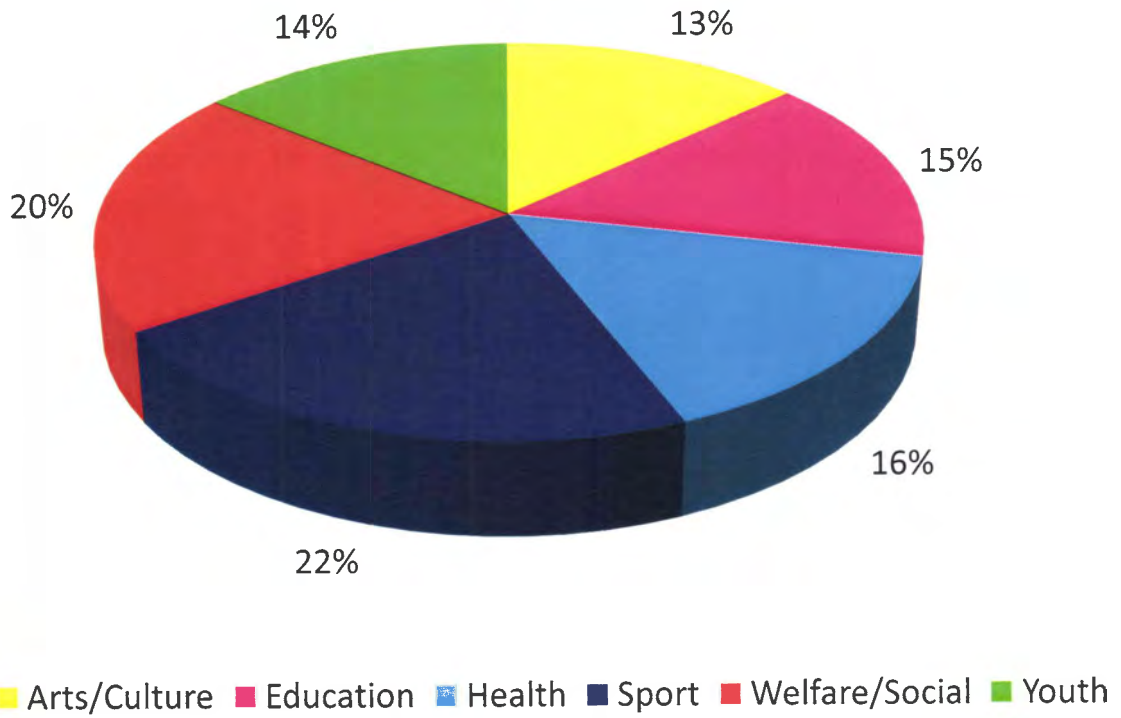
Schedule of Grants Approved 31 March 2012

TRUST	NO.	ORGANISATION	GRANTED
WCCT	174	Arthritis Foundation of New Zealand Incorporated	2,700.00
WCCT	175	Autism New Zealand Incorporated	1,500.00
WCCT	198	Big Brothers Big Sisters of Westland	700.00
WCCT	194	Blackball District Community Centre Inc	700.00
WCCT	137	Blackball Playcentre	1,000.00
WCCT	138	Blackball Swimming Club	850.00
WCCT	214	Blackball Workingmen's Club Cycling Section	600.00
WCCT	191	Buller Adult Learning Services Inc	1,100.00
WCCT	140	Buller Indoor Bowling Association	1,000.00
WCCT	141	Buller Netball Centre	1,250.00
WCCT	142	CACTUS Westland	1,000.00
WCCT	143	Cancer Society of NZ - Canterbury /West Coast	850.00
DWC	177	Canterbury West Coast Sports Trust	3,000.00
WCCT	86	CCS Disability Action Canterbury & West Coast Inc	550.00
DWC	179	Coast Buller Timber Sports Inc	3,000.00
WCCT	144	Coastguard West Coast Incorporated	1,000.00
WCCT	64	Community Alternative Resources for the Elderly	1,500.00
DWC	193	Dare West Coast Incorporated	4,000.00
WCCT	66	Enterprise Hokitika (Incorporated)	600.00
WCCT	206	Fox Glacier Emergency Services Charitable Trust	10,000.00
WCCT	168	Fox Glacier School	2,000.00
WCCT	192	Granity Ngakawau Playcentre	700.00
WCCT	89	Grey District Library	600.00
WCCT	79	Grey District Waitangi Day Community Celebration	2,000.00
WCCT	90	Grey District Wheelchair Van Organisation Inc.	1,400.00
DWC	181	Greymouth- Kumara Anglican Church T/A Greymouth Churches Community Youth Project	7,000.00
WCCT	180	Greymouth Municipal Band (Inc)	650.00
WCCT	169	Greymouth SPCA	9,000.00
WCCT	182	Greymouth Squash Rackets Club Inc	1,100.00
WCCT	145	Hokitika Bridge Club	290.00
WCCT	183	Hokitika Grey Power Association Incorporated	1,400.00

TRUST	NO.	ORGANISATION	GRANTED
WCCT	189	Hokitika Land Search and Rescue Group	2,400.00
WCCT	88	Hokitika Primary School (Friends of HPS)	700.00
WCCT	178	Hokitika Schools Choir	500.00
WCCT	147	Kaniere Playcentre	1,100.00
WCCT	184	Karamea Estuary Enhancement Project Inc	1,000.00
WCCT	185	Karamea Little Wanganui Axeman's Club	800.00
WCCT	104	Life Education Trust West Coast	3,400.00
WCCT	105	Lifeline Christchurch Charitable Trust	2,000.00
WCCT	149	Makura Croquet Club (Inc)	700.00
WCCT	148	McManus Junior Hockey Club	500.00
WCCT	150	Multiple Sclerosis West Coast Society Incorporated	1,000.00
WCCT	212	North School Parent Group	595.00
WCCT	151	Nuturing the Future Trust	850.00
WCCT	203	Paparoa Range School T/A Midland Line Schools Sports Cluster	1,300.00
WCCT	153	Paroa Junior Football Club	500.00
WCCT	154	Paroa Playcentre (Gm District)	6,000.00
WCCT	108	Paroa School Board of Trustees	750.00
WCCT	109	Paroa Tennis Club Incorporated	300.00
WCCT	110	Post Polio Support Incorporated	600.00
WCCT	186	Potikohua Charitable Trust	350.00
DWC	190	Rata Te Awhina Trust	5,000.00
WCCT	156	Reefton Early Learning Centre	1,000.00
WCCT	157	Reefton Junior Soccer	100.00
WCCT	207	Reefton Playcentre Association	680.00
WCCT	158	Reefton Toy Library	460.00
WCCT	111	Reefton Visitor Centre Incorporated	3,000.00
WCCT	159	Reefton Youth Centre	1,200.00
WCCT	160	Ross Community Society Incorporated	1,750.00
WCCT	195	Ross Playgroup	1,300.00
WCCT	161	Ross Squash Club	2,000.00
WCCT	210	Royal New Zealand Foundation of the Blind	1,500.00
WCCT	202	Royal NZ Plunket Society - Westland Branch Inc	1,000.00
WCCT	208	Scouts NZ Reefton	720.00

TRUST	NO.	ORGANISATION	GRANTED
DWC	211	Scouts NZ Westland Buller Zone	4,300.00
WCCT	187	Seddonville Rural Fire Service	750.00
WCCT	162	Soroptimist International of the South West Pacific	1,000.00
WCCT	209	St Marys School T/A Westland Primary Schools Sports	1,300.00
DWC	213	Sunset Speedway Club Incorporated	3,300.00
WCCT	146	The Inangahua Childrens Trust (Reefton Car Seat Hire)	700.00
WCCT	163	The Salvation Army - Westport Corps	1,100.00
DWC	119	The West Coast Society of Arts Incorporated	10,000.00
DWC	123	West Coast Basketball Association	3,000.00
WCCT	165	West Coast Blue Penguin Trust	800.00
WCCT	166	West Coast Disabilities Resource Service Charitable Trust (formerly WC Independent Living/Disability)	1,800.00
WCCT	164	West Coast Riding for the Disabled	1,500.00
WCCT	132	Westland District Library	400.00
WCCT	196	Westland High School	1,000.00
WCCT	199	Westland REAP Incorporated Society	1,400.00
WCCT	133	Westland Toy Library	1,000.00
WCCT	172	Westland United Soccer	950.00
DWC	188	Westport Yacht & Powerboard Club Inc	4,000.00
Total Grants (82)			\$146,395.00
Less Distributions Returned/Not Banked During Year			-120.00
Net Approvals			\$146,275.00

Distribution of Annual Donations - 2012 YTD



Annual Donation History

