THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Contents of Financial Statements

For the Year Ended 31 March 2024

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As at 31 March 2024

Nature of Business	THE COMMUNITY TRUST OF MID AND SOUTH CANTERBURY INC was incorporated as a Charitable Trust in accordance with the provisions of the Trustee Banks Restructuring Act 1988. The purpose of the Community Trust is to provide charitable, cultural, philanthropic and recreational benefits to the community.
Trustees	Nathan Mills (Chairperson); BBC - Journalism Alistair Wing (Deputy Chairperson); JP, B Ag Com, FNZIV, FPINZ Janine Holland; BA, Dip Journalism Pauline Luyten; LLB Bsc, PG Dip Spt Med Gail Thompson Tina Stevenson; Dip Business, Dip Accounting, ACA Mark Adams Diana Hay; Dip Business, Cert Journalism, Cert Adult Education
Chief Executive Office	Elizabeth Shea; JP, Dip Bus
Investment Advisor	Michael Chamberlain, MCA NZ Ltd, Auckland
Investment Managers	Forsyth Barr Nikko Asset Management Hunter Investment Management Global Fund Elevation Capital
Custodians	BNP Paribas Public Trust
Accountants	HC Partners LP Chartered Accountants 39 George Street TIMARU
Auditor	BDO Christchurch Chartered Accountants PO Box 246 Christchurch 8140
Bankers	Westpac Bank, Timaru
IRD Number	051-648-994

Trustees

The Trustees are associated with the following organisations:

2024

Name	*Organisation*	*Association*
Adams, Mark	Sustainability SC	Client Connection
	The Burkes Pass Heritage Trust	Personal Connection
Hay ,Di	Raptor Trust	Professional Connection
	The Royal NZ SPCA	Work Connection
Holland, Janine	Digital Waitaha Charitable Trust	Professional Connection
	Sustainability SC	Client Connection
	Victim Support	Client Connection
Luyten, Pauline	Presbyterian Support Services	Professional Connection
	Te Aitarakihi Trust	Client Connection
	Rakaia Rugby Club	Personal Connection
	Aoraki Foundation	Client Connection
	Fale Pasifika o Aoraki	Professional Connection
	Life Education Trust Mid & SC	Client Connection
	Raptor Trust	Professional Connection
	Timaru Sports Club	Professional Connection
Mills, Nathan	Gleniti Golf Club	Personal Connection
	YMCA South & Mid Canterbury	Board Member
	Waimate Golf Club	Personal Connection
Thompson, Gail	YMCA South & Mid Canterbury	Work Connection
	Geraldine Sculpture Trail	Professional Connection
	Geraldine Golf Club	Personal Connection
	Glenvue Golf Club	Personal Connection
	Tinwald Golf Club	Professional Connection
Wing, Alistair	BDO Auditors	Personal Connection

The above Trustees were absent from any decision making involving their associated organisation.

2023

Name	*Organisation*	*Association*
Adams, Mark	Catchment Collective SC	Chairperson
	Fairlie Museum	Personal Connection
Argyle-Reed, Jane	Ashburton Borough School	Personal Connection
	Ashburton Community Alcohol & Drug Services	Chairperson
	Ashburton Senior Centre Trust	Member
	Mid Canterbury Netball	Personal Connection
Hay ,Di	Plunket Society	Member
Holland, Janine	Methven Swimming Pool	Personal Connection
Luyten, Pauline	Multicultural Association	Client Connection
	Te Aitarakihi Trust	Work Connection
	Waimate Rugby Club	Work Connection
Mills, Nathan	South Canterbury Gym	Personal Connection
	YMCA South & Mid Canterbury	Board Member
Quigley, Janine	Timaru Girls High School	Work Connection
Stevenson, Tina	Waimate Rugby Club	Personal Connection
Thompson, Gail	YMCA South & Mid Canterbury	Work Connection
Wing, Alistair	BDO Auditors	Personal Connection

The above Trustees were absent from any decision making involving their associated organisation.

CHAIRMAN'S REPORT FOR THE YEAR ENDING 31 MARCH 2024

Whilst recent financial years have seen records set in terms of total annual grants made (in dollar terms) to support our community organisations and charitable groups through COVID and the economic malaise that followed, 2024 was a year where a more cautious stance from the Trust was required, and could be taken given:

- Other community funders were returning to more traditional financial patterns, enabling them to revert to typical granting patterns alongside us, and
- Community Trust of Mid and South Canterbury (*'CTMSC'*) had a tougher job to do, in managing the diametrically opposed priorities of granting into our communities versus maintaining the Trust's inflation adjusted capital base for future generations. This difficult task was partly thanks to a smaller 'buffer' of funds held above the inflation adjusted capital base from 2023, and secondly the ongoing 'drain' of persistent inflation, impacting on our requirements to apportion greater funds across to that reserve to protect the Fund's baseline capital for future generations.

Given where we landed at year's end, I'm satisfied the trustees and staff navigated that ongoing juxtaposition well.

INVESTMENT PERFORMANCE

The Trust receives 'Income' from Dividends, Net Gains on Investments (realised), and Net Gains on Investments (unrealised).

The FY24 year provided markedly different returns from the previous financial year, as follows:

	FY24	FY23
Dividends / Interest Income	$1,559,849	$1,657,079
Net Gains on Investments (realised)	$147,144	-$1,159,585
Net Gains on Investments (unrealised)	$3,799,707	-$2,581,094
Other Investment Income	-$182,772	-$661
Investment Operations Income	$5,323,927	-$2,084,261

From this 'income' from investments, together with modest returns from tenancies of Community House, Timaru, CTMSC funds its operating and granting activities, and this year CTMSC recorded a profit after those commitments were met of $3,463,159 (-$3,957,448), a very welcome return to profitability.

That together with the requirement to account for inflation when adjusting our capital base has seen the financial position at year end emerge as follows:

	FY24	**FY23**
Initial capital Fund (as at 1st April 1996)	$32,087,148	$32,087,148
Inflation Reserve	$25,887,373	$23,657,584
Residual Surplus (Buffer)	$3,631,463	$2,398,094
Residual Surplus (Buffer) %	5.89%	4.12%
Total Equity	$61,605,984	$58,142,826

The Trust continues to meet the underlying measure of maintaining its capital base on an inflation adjusted basis, and in fact added over $1.3m to the buffer after adding another ~ $2.2m into the inflation reserve.

GRANTS

The Trust approved grants totaling $1,858,542 to 112 recipients in FY24, slightly back from the $1,938,277 granted in FY23. The FY22 total of $2,513,119 remains a record year and reflected our desire to support communities and organisations through COVID.

Those 112 (114) successful recipients came from a total number of applications received of 162 (154), so 69% of applicants received at least a portion of what they requested from us this year, slightly below the 74% achieved in FY23.

A couple of comments I made in last year's Chairmans Report remain pertinent, being:

- trustees have and will continue to favour applicants that are raising or earning funds from their activities independent of the Trust's grants. We're not as enamoured with organisations that repeatedly come back to us with 'their handout' with minimal evidence of them trying to support themselves through independent fundraising activities.
- Applicants with significant balance sheets and financial means which come to us claiming said funds are 'tagged for other endeavors will also likely find it difficult to receive a positive response from CTMSC.

Grants made of note include:

Mōkihi Hauora *$127,000*

A Timaru-based mental health and addiction services charity which provides a range of services to people in need in South Canterbury, including:

- Residential support and treatment for people experiencing significant harm because of their alcohol or drug use
- Outreach support to assist people in reducing the impact of substance abuse
- Regular group meetings to help reduce the impact of addiction

What trustees liked about this application is that this organisation was borne out of two previous charities that identified they had a lot in common, and through amalgamation they rationalized their combined operation, providing efficiency gains. Through that amalgamation it also meant funders like the CTMSC can achieve greater 'bang for their buck' by funding one fewer organisation operating in the same field. Simultaneously, by pooling their resources Mōkihi Hauora was able to acquire a bespoke property which really suited its needs well, and our grant supported upgrading of the property and its surrounds to bring it up to a suitable standard for their purpose.

The Burkes Pass Heritage Trust *$17,480*

This charitable entity was established in 2000 with a goal of preserving, restoring and advocating for Burkes Pass heritage, including physical, social and environmental 'assets' of the area. CTMSC funded the Trust to enable clearing of felled Willow trees which had stood along a ~ 1km length of the Upper Opihi River near the source of the confluence of three creeks at Burkes Pass township. Once cleared, the Group would complete riparian planting/restoration of the area and establish a public walking track facilitating access alongside this significant local asset.

The John Anderson Arboretum Trust *$11,037*

This charitable organisation maintains a QEII covenanted arboretum near Albury which has around 260 varieties of conifers planted, of which 12 are endangered and 4 are critical. The Trust manages seed and cutting sources for these threatened varieties (and others) and works with Lincoln University and other institutions exploring the impact of climate change on trees and local environments. CTMSC's grant assisted with expanding the forest, assisting with general upkeep and maintenance. It was our first ever grant to this organisation.

IMPACT INVESTMENT – GERALDINE HEALTH HUB

The most significant development in 2024 for CTMSC, saw it make its first ever 'impact investment', where we're investing funds into a project which will provide a financial return, but also do social good within the community it sits.

Alongside our partners the Geraldine District Foundation, we formed the Geraldine Health Limited Partnership, and together we're building a bespoke medical hub in Geraldine (on the former Town and Country Club site), which will house a doctor's surgery, a dental practice and provide other offices and rooms available for hire to community groups and businesses.

The Trust has committed $2.7m to the project, and as at balance date, $1.382m had been outlaid. Post balance date, the building is almost complete, and tenants are scheduled to move in within the next month or two.

Post balance date, CTMSC has also agreed to fund some of Geraldine District Foundation's share of the build commitment, enabling them extra time to raise additional funds for their share of the build.

This facility will effectively future proof the delivery of health services into the Geraldine and surrounding communities, including Woodbury, Orari, Kakahu and Rangitata Island for decades to come.

CLIMATE CHANGE

CTMSC is a signatory to the 'Funders Commitment on Climate Change', which incorporates a commitment to encourage and facilitate a timely transition towards global net zero emissions, and to alleviate the consequences of the transition to the vulnerable sectors of our communities.

Our policies are designed to provide a framework to help us meet our responsibilities to deliver the goals of the Paris Agreement[1] and ensure a just transition.

Part of CTMSC's commitment relates to the investments we make within our various investment portfolios, and how those invested entities impact upon our long-term goal to attain a 'net-zero' investment portfolio by 2050.

Actions taken by trustees to date include:

- A range of changes to our SIPO, (Statement of Investment Objectives) which sets down parameters including:
    - Excluding investments in directly held securities with companies operating in fossil fuel extraction or processing, that don't have substantial climate compensating policies in place, or that do not measure and report on their carbon emissions and do not have a deliberate plan to reduce them to zero by 2050.
    - Work in partnership with industry peers on decarbonization goals, consistent with the goal to reach net zero emissions by 2050.
    - Intentionally increase investment in companies, products, and/or securities, which provide solutions for climate change when the investment case aligns with our financial objectives, SIPO constraints (including liquidity requirements), and the Trust's needs in terms of annual grants and operational expenditures.
    - Constantly improve the methodologies for assessing climate related risk and understanding the emissions reduction trajectory of portfolio holdings.
- Measuring CTMSC's local carbon footprint and starting to consider how that can be mitigated over time.
- Considering whether one of our investment portfolios should be managed by a manager with a specific focus on carbon as an investment policy overlay.

[1] The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 parties at the UN Climate Change Conference (COP21) in Paris, France, on 12th December 2015. It entered into force on 4th November 2016. Aotearoa New Zealand is a signatory to the treaty.

We note that achieving a net zero investment portfolio is an ongoing process. It requires regular monitoring, evaluation, and adjustments, to align with evolving scientific, regulatory and market developments. This combined commitment will be reviewed as part of the SIPO review process and may evolve as knowledge, insights and capabilities deepen.

PEOPLE

As is often the case, the Trust experiences a rollover of trustees who serve for a period, and for various reasons then move on to other endeavours. I wish to recognise the contribution of Tania Reuben (Hakatere/Ashburton), who concluded her term as a trustee during the year.

Tania isn't a person that seeks the limelight, but when she had something to say, others would listen, because Tania's comments would usually come from personal lived experience which is not widely replicated. Tania and her husband have raised several foster children over many years, so when discussing social services in Mid-Canterbury, she was well informed from 'coalface' experience. Tania was and remains fully involved with running the kitchen at Hakatere Marae, and we wish her and her family all the best and much aroha for the future. Ngā mihi i tō tautoko i a au Tania.

I'd also like to acknowledge the contribution of Kathryn Barber, who resigned from her role as Operations Coordinator this year. Kathryn was usually the first point of contact for people arriving at Community House and she was an 'administrative gun' who kept things 'ship-shape' in the office. All the best for the future Kathryn.

Sadly, I also wish to acknowledge the passing of our former employee Lorel Hallinan, who passed away from illness this year. Lorel was previously our Community Relations Manager, and whilst she did a terrific job in her role, her personality is what most endeared her to fellow CTMSC staff members, trustees and tenants at Community House. Everyone involved in the Trust extend their condolences to Lorel's family and friends.

Finally, to Liz Shea (CEO) and Catherine Neill (Community Relations Manager), thanks for your ongoing efforts in your respective roles for the Trust.

THE COMING YEAR

Initial expectations for the FY25 financial year indicate a potential return from our 'Capital Base'[2] as follows:

	FY25
Dividends / Interest Income	$1,920,000
Net Gains on Investments (realised & unrealised)	$2,378,000
Investment Operations Income	$4,298,000

Granting activity traditionally set at 3.5% of the capital base provides for a grants budget of $2,050,000 for the year.

Together with other operating expenditure, total expenditure is forecast at ~ $2,900,000, providing for a potential surplus of $1,400,000.

We're also looking forward to concluding the development of the Geraldine Health Hub alongside our partner the Geraldine District Foundation, and having the tenants move into the building in what will become a real asset for Geraldine and surrounding communities.

Finally, all the best to the organisations we fund within the four districts of Waimate, Timaru, Mackenzie and Ashburton. We're in a privileged position to see first-hand the mahi you do supporting our communities in various ways. It's heartening to see that work continue, and in our small way, be able to continue to support that endeavour.

Ngā mihi nui

Nathan Mills
Chairman

[2] 'Capital Base' for this purpose includes Investment assets comprising Cash, Bonds (domestic and offshore), Shares (domestic and offshore), Private Equity asset classes, and our investment interest in the Geraldine Health Limited Partnership. It presently excludes the value of the Trust's ownership of Community House, Timaru.

Community TRUST
Mid & South Canterbury
www.comtrust.org.nz

Statement of Service Performance

Community Trust of Mid & South Canterbury Inc

For year ended 31 March 2024

Our Vision

Enable meaningful, progressive impact in our communities, upholding our commitment to Te Tiriti o Waitangi

Our Mission

We earn returns from our investment portfolio to grant into our communities whilst maintaining this for future generations

What we do

The Community Trust of Mid and South Canterbury uses the funds received from the closure of the South Canterbury Savings bank in 1988 to invest in cash generating investments. Internal and external management of these investments has grown the Community Trust's assets so that the income generated from these investments can be utilised by further investments and grants made to not for profit groups in the region to benefit the community.

Core Values and Organisational Principles

	Momentum and Adaptability *Maintain core granting activities. Openminded and responsive to different opportunities*
	Informed Investing *Making informed investment decision focusing on the long term*
	Environmentally Aware *Considering the environmental impact of our decisions*
	Leadership *Experienced individual from various fields to "build-out" the combined skill set required by the Trust's Board*
	Relationships *Enhance existing and build future relationships through an empathetic and friendly manner*
	Duty of Care *Provide a safe work environment for the Trusts team and users of Community House*

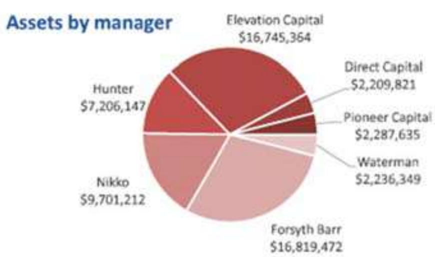
Description of Entity’s Outcomes

Informed Investing – making informed decisions focusing on the long term

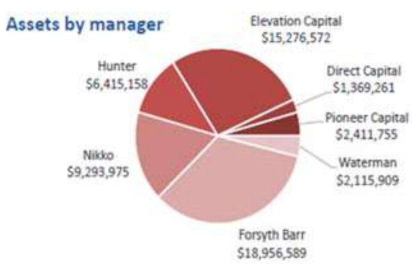
- Consult with the Investment Advisor, on investment strategies
- Review and implement long and short term investments
- Investment into private equity.
- Investment into share portfolio global investment
- Investment into share portfolio NZ and Australian shares through Forsyth Barr.
- Investment into the Climate change portfolios
- Impact investment into setting up and managing the Geraldine Health Hub

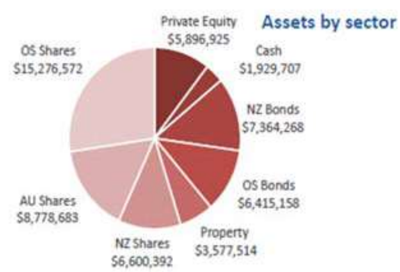
Investment income comparisons

Allocation of assets by Manager and by Sector 2024

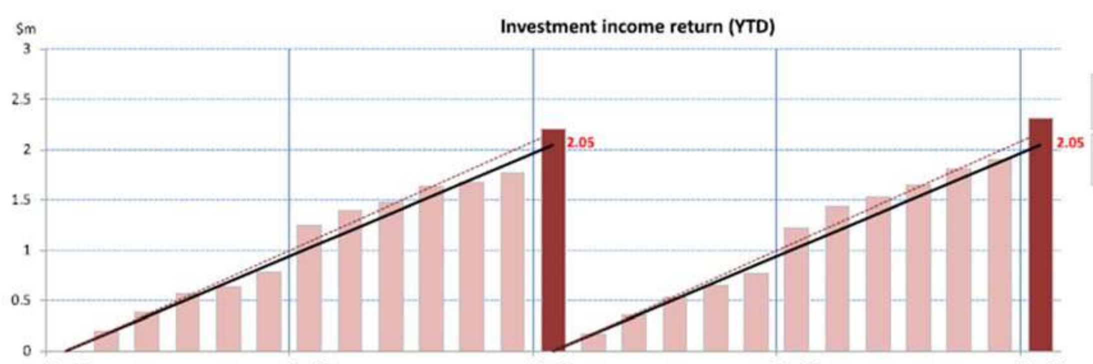


Allocation of assets by Manager and by Sector 2023





Investment Income Return to 31 March 2024 (31 March 2023)



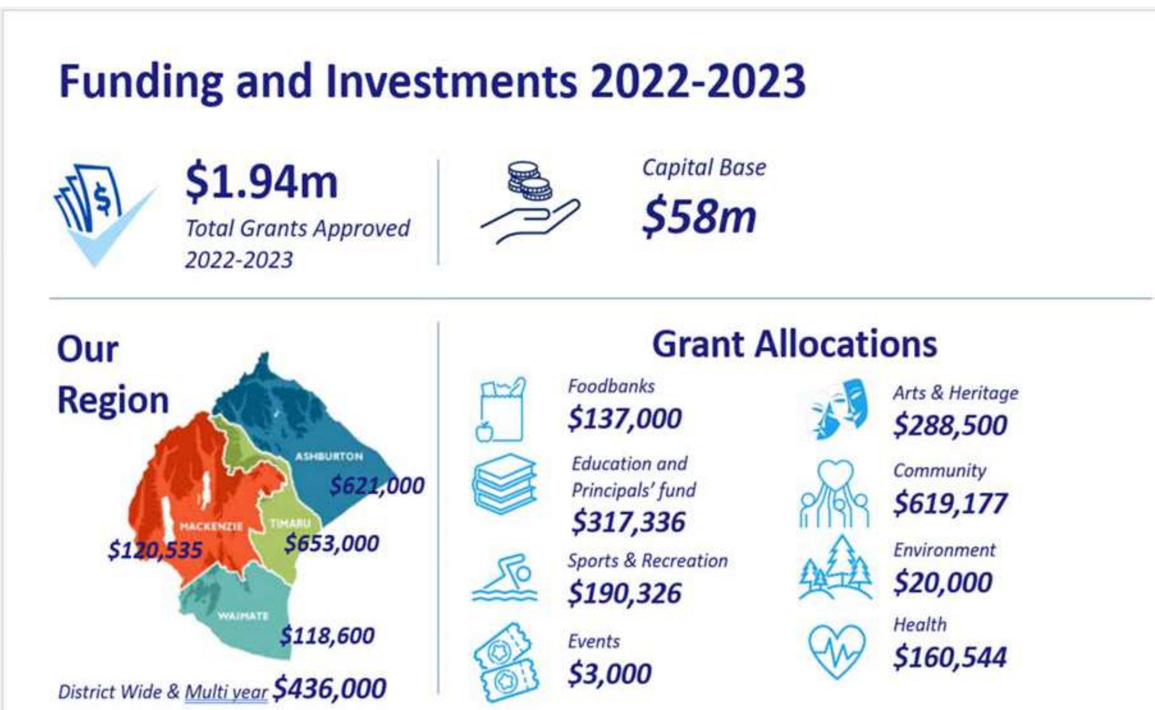
BDO Christchurch

Momentum and Adaptability - Maintain core granting activities. Open minded and responsive to different opportunities

- Six grant rounds per financial year
- One annual round for foodbanks only
- Grant rounds are advertised with closing dates noted.
- Grant applications are managed through "Smartygrants" online programme
- Each grant round considered by trustees only
- Grants are allocated on trustees considered decision and grant budget allocation The schedule of grants approved is published annually
- Any actual or potential conflicts of interest are advised at each meeting with the register published annually

Grant Distribution

	Budget 2023	**Actual 2023**	**Budget 2024**	**Actual 2024**
Grants Approved	$	$		
Round 1	187,000	154,500	175,000	170,281
Round 2	140,000	62,594	90,000	68,100
Round 3	187,000	161,500	175,000	183,325
Round 4	140,000	109,200	90,000	62,480
Special Round (Foodbanks)	137,000	137,000	127,000	157,800
Main Round 1 >$20,000	400,000	635,000	350,000	337,500
Main Round 2 >$20,000	400,000	165,000	350,000	380,000
Schools, ELCs, & Playcentres	260,000	254,336	300,000	298,056
Kindergartens	52,000	50,000	50,000	50,000
National Grants	10,000	7,147	10,000	0
Special Reserve	400,000	0	48,026	0
Multiyear payments		202,000	174,974	151,000
Totals	**2,313,000**	**1,938,277**	**1,940,000**	**1,858,542**
Number of grants considered		154		162
Number of grants approved (including multiyear)		114		112
Total Investment income		$(2,070,456)		$5,323,927
Income Community House		$134,690		$127,901
Total Trust Funds		$58,142,826		$61,605,984



BDO Christchurch

Funding Highlights 2023-2024

$1.86m
Total Grants Approved 2023-2024

112
Total Number of Community Groups Funded

162
Total Grant Applications Processed

Principals' Discretionary Fund

- *67 Schools*
- *13 Early Learning Centres*
- *23 Kindergartens*
- *10 Playcentres*

Number of Grant Allocations

- *13 Foodbanks*
- *Education 7*
- *Sports & Recreation 30*
- *Events 1*
- *Arts & Heritage 5*
- *Community 46*
- *Environment 7*
- *Health 16*

Funding Highlights 2022-2023

$1.94m
Total Grants Approved 2022-2023

114
Total Number of Community Groups Funded

154
Total Grant Applications Processed

Principals' Discretionary Fund

- *67 Schools*
- *13 Early Learning Centres*
- *23 Kindergartens*
- *10 Playcentres*

Number of Grant Allocations

- *12 Foodbanks*
- *Education 3*
- *Sports & Recreation 21*
- *Events 1*
- *Arts & Heritage 8*
- *Community 43*
- *Environment 2*
- *Health 20*

Governance
Experienced individuals from various fields to "build-out" the combined skill set required by the trust's Board

- Ten trustees appointed by the Associate Minister of Finance
- Currently eight trustees on board waiting for new trustee appointments
- Term for a period of 4 years, which can be renewed for another 4 years
- The Board is responsible for deciding on investments and grant allocation
- Trustees attend governance and financial investment training
- Trustees show commitment to the Trust through regular meeting attendance
- Eight Board meetings, one Planning Day and one Annual Public meeting as set out in an annual meeting schedule (same as 2022-2023).
- Trustees attended Philanthropy NZ conferences September 2023.

Support
Relationships – enhance existing and build future relations through an empathetic and friendly manner

- Facilitate the South Canterbury and Mid Canterbury Funders Forums.
- One funders clinic was held in the May 2023(none in 2022/23 due to Covid restrictions.
- Chair and CEO attend Combined Community Trust meetings quarterly
- Trustees and staff attend Combine Community Trust Conferences (none this year but attended Rotorua conference in November 2022)

Environmentally aware – Considering the environmental impact of our decisions
- Member of Aotearoa Climate Collective – formed by 12 Community Trusts
- Provide funding for environmental projects

Duty of Care – Provide a safe work environment for the Trust team and users of Community House

- Owns and manages Community House, 27 Strathallan Street, Timaru
- Community House is a listed heritage property (Heritage NZ 2069)
- Offices are leased to not-for-profit tenants
- Meeting rooms are also available for casual hire by community groups
- Community Trust staff occupy rooms in Community House
- Board holds regular Board meetings in Community House
- Community House is self-funding to include house management and repairs and maintenance.
- Meets TDC seismic rating for the Timaru CBD.

	2022/23	**2023/2024**
Income from rental	$115,491	$102,195
Income from Casual	$8,020	$14,434
Rooms available	21	20
Casual Rooms available	5	6
Casual rate NFP	$20	$20
Casual rate Profit	$25	$25

Statement of Comprehensive Revenue and Expense

For the Year Ended 31 March 2024

	Note	2024	2023
		$	$
Revenue	2		
Revenue from Exchange Transactions			
Investment Operations	2(i)	5,323,927	(2,084,261)
Community House Operations	2(ii)	127,901	134,690
Revenue from Non-exchange Transactions			
Community House Operations	2(iii)	5,000	-
Expenses			
Investment Operations	3	(666,016)	(679,684)
Community House Operations	4	(149,966)	(127,710)
Grants Approved	5	(1,858,542)	(1,938,277)
Grants No Longer Required/Lapsed	6	19,500	153,014
Operating Surplus (Deficit)		**2,801,804**	**(4,542,228)**
Share of Profit/(Loss) in Associate	8	(11,507)	-
Finance Income	7	672,862	584,780
Surplus (Deficit) for the Year attributable to the Trustees		**3,463,159**	**(3,957,448)**
Other Comprehensive Revenue and Expense			
Items that will not be reclassified subsequently to Revenue and Expense			
Other Comprehensive Income		-	-
Total Comprehensive Revenue and Expense for the Year attributable to the Trustees		**3,463,159**	**(3,957,448)**

BDO Christchurch

These financial statements have been audited. These financial statements are to be read in conjunction with the accompanying notes.

Statement of Changes in Net Assets/Equity

For the Year Ended 31 March 2024

	Initial Capital Fund - 1 April 1996	Inflation Reserve	Available-for-sale Fair Value Reserve	Accumulated Revenue and Expense	Total Equity
Opening balances at 1 April 2023	32,087,148	23,657,584	-	2,398,093	58,142,825
Surplus for the year				3,463,159	3,463,159
Other comprehensive revenue and expense					-
Transactions with owners in their capacity as owners					
Transfer to inflation reserve		2,229,789		(2,229,789)	-
Transfer to Accumulated Revenue and Expense			-	-	-
Total comprehensive revenue and expense for the year	**-**	**2,229,789**	**-**	**1,233,370**	**3,463,159**
Balance at 31 March 2024	**32,087,148**	**25,887,373**	**-**	**3,631,463**	**61,605,984**
Opening balances at 1 April 2022	32,087,148	20,157,212	1,026,390	8,829,524	62,100,274
Deficit for the year				(3,957,448)	(3,957,448)
Other comprehensive revenue and expense					
Transactions with owners in their capacity as owners					
Transfer to inflation reserve		3,500,372		(3,500,372)	-
Other comprehensive revenue and expense			(1,026,390)	1,026,390	-
Total comprehensive revenue and expense for the year	**-**	**3,500,372**	**(1,026,390)**	**(6,431,430)**	**(3,957,448)**
Balance at 31 March 2023	**32,087,148**	**23,657,584**	**-**	**2,398,094**	**58,142,826**

BDO Christchurch

These financial statements have been audited. These financial statements are to be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 March 2024

	Note	2024	2023
		$	$
Current Assets			
Cash and Cash Equivalents	10	2,202,464	2,187,369
Receivables (from exchange transactions)	11	71,840	58,965
Receivables (from non-exchange transactions)	11	11,594	19,312
GST Receivable		1,345	3,390
Total Current Assets		**2,287,243**	**2,269,036**
Non-Current Assets			
Property, Plant and Equipment	13	2,255,451	2,249,241
Investment : The Geraldine Health Limited Partnership	12	1,382,895	-
Investments	14	55,862,728	53,864,386
Total Non-Current Assets		**59,501,074**	**56,113,627**
Total Assets		**61,788,317**	**58,382,663**
Current Liabilities			
Payables (from exchange transactions)	15	53,693	83,203
Current Portion of Loans and Borrowings	16	1,920	960
Payables (from non-exchange transactions)	17	120,000	155,674
Total Current Liabilities		**175,613**	**239,837**
Non-Current Liabilities			
Loans and Borrowings	16	6,720	-
Total Liabilities		**182,333**	**239,837**
Net Assets		**61,605,984**	**58,142,826**

BDO Christchurch

These financial statements have been audited. These financial statements are to be read in conjunction with the accompanying notes.

Statement of Financial Position (continued)

As at 31 March 2024

	Note	2024	2023
		$	$
Trust Funds			
Accumulated Revenue and Expense		3,631,463	2,398,092
Initial Capital Fund - 1 April 1996		32,087,148	32,087,148
Inflation Reserve		25,887,374	23,657,585
Total Trust Funds		**61,605,985**	**58,142,826**
Total Trust Funds & Beneficiaries' Current Accounts		**61,605,984**	**58,142,826**

Signed on Behalf of the Board of Trustees

Signed by:
Nathan Mills
39A605574FBE4FA8
Trustee Date 20/08/2024

Signed by:
Gail Thompson
18CAA17120BA3306
Trustee Date 20/08/2024

BDO Christchurch

THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC

Statement of Cash Flows

For the Year Ended 31 March 2024

	Note	2024	2023
		$	$
Cash Flows from Operating Activities			
Cash was provided from:			
Receipts from Operations		125,554	131,793
Grants and Donations Received		5,000	-
Dividends Received		1,546,974	1,677,685
Interest Received		672,862	584,780
		2,350,390	**2,394,258**
Cash was disbursed to:			
Payments to Suppliers and Employees		465,230	430,228
Management and Consultancy Fees		352,094	355,469
Net GST Payments		1,647	1,266
Grants		1,874,716	1,779,913
		2,693,687	**2,566,876**
Net Cash Flows from Operating Activities		**(343,297)**	**(172,618)**
Cash Flows from Investing Activities			
Cash was provided from:			
Proceeds on Sale of Financial Assets		1,996,505	-
		1,996,505	**-**
Cash was disbursed to:			
Purchase of Property, Plant and Equipment		20,622	4,715
Purchase of Investments		1,654,052	172,361
Purchase of Financial Assets		-	568,660
		1,674,674	**745,736**
Net Cash Flows from Investing Activities		**321,831**	**(745,736)**
Cash Flows from Financial Activities			
Cash was provided from:			
Loans & Borrowings		7,680	-
		7,680	**-**
Cash was disbursed to:			
Repayment of Loans & Borrowings		-	1,920
		-	**1,920**
Net Cash Flows from Financial Activities		**7,680**	**(1,920)**
Net Decrease in Cash Held		(13,786)	(920,274)
Cash & Cash Equivalents at the Beginning of the Year		2,187,369	3,084,878
Gain on Conversion of Cash & Cash Equivalents		28,881	22,764
Cash at the End of the Year		**2,202,464**	**2,187,369**

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These financial statements have been audited. These financial statements are to be read in conjunction with the accompanying notes.

1 Statement of Accounting Policies

Reporting Entity

The COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC is a Public Benefit Entity for Financial Reporting purposes in accordance with its governing legislation the Community Trusts Act 1999 s2.

The financial statements for the year ended 31 March 2024 were approved and authorised for issue by the Board of Trustees as per the date noted in the Statement of Financial Position.

Reporting Period

The financial reports have been prepared for the period 1 April 2023 to 31 March 2024 and in accordance with the requirements of the Community Trusts Act 1999 s13.

Financial Reporting Standards Applied

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP'), applying PBE Standards Reduced Disclosure Regime (PBE Standards RDR) as appropriate to public benefit entities that qualify for Tier 2 reporting. The Trust is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

The Trust qualifies for Tier 2 as the Trust is not publically accountable and is not considered large as it falls below the expenditure threshold of $30 million per year. All relevant reduced disclosure concessions have been taken.

The accounting principles as recognised as appropriate for the measurement and reporting of the statement of comprehensive income and balance sheet on an historical cost basis are followed by the Trust, except that certain investments are measured at fair value.

The Functional and Presentation currency is in New Zealand dollars. All values are rounded to the nearest $.

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Going Concern

The financial statements have been prepared on a going concern basis.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Comprehensive Revenue and Expense and Statement of Financial Position have been applied:

(a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the trust and revenue can be reliably measured.

Revenue from Exchange Transactions

Dividend Income
Dividend income is recognised on an accrual basis when the Trust's right to receive payment has been established and the amount can be reliably measured.

Rental Income

Rental income is recognised in surplus or deficit on a straight-line basis over the term of the lease.

Revenue from Non-Exchange Transactions
Non-exchange transactions are those where the Trust receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:
- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measured

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions where there is a resulting present obligation as a result of the non-exchange transactions, where both
- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably measured

The following specific recognition criteria in relation to the Trust's non-exchange transaction revenue streams must also be met before revenue is recognised.

Grants and Donations
The recognition of non-exchange revenue from grants and donations depend on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are "conditions" specifically required the Trust to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the "conditions" are satisfied.

Stipulations that are "restrictions" do not specifically require the Trust to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

(b) Investment in Joint Ventures

Joint Ventures are those entities over which the Trust is able to exert significant influence but are not subsidiaries.
Investments in Joint Ventures are accounted for using the equity method.
Any goodwill or fair value adjustment attributable to the Trust's share is included in the amount recognised as investment. The carrying amount of the investment is increased or decreased to recognise the Trust's share in the Statement of Comprehensive Revenue and Expense. Unrealised gains and losses on transactions between the Trust and the Joint Venture are eliminated to the extent of the Trust's interest in the entiity.
Where unrealised losses are eliminated, the underlying assets is also tested for impairment.

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(c) Property, Plant and Equipment and Investment Property

i. Recognition and measurement
Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Items of property, plant and equipment are subsequently measured under the:
- Cost model: Cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.

All of the Trust's items of property, plant and equipment are subsequently measured in accordance with the cost model.

Cost includes expenditure that is directly attributable to the acquisition of the asset. This includes the following:
- The cost of materials and direct labour
- Costs directly attributable to bringing the assets to a working condition for their intended use
- When the Trust has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Trust. Ongoing repairs and maintenance is expensed as incurred.

iii. Depreciation
For plant and equipment, depreciation is based on the cost of an asset less its residual value.

Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated.

The diminishing value depreciation rates are:

- Buildings	8-20% DV
- Property, plant and equipment	8-50% DV

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

(d) Income Tax

The Trust is exempt from income tax in accordance with Section CW52 of the Income Tax Act 2007.

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(e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

(i) Recognition and Derecognition

Financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, waived, cancelled or expires.

(ii) Classification and Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with Revenue from Contracts with Customers (NZ IFRS 15), all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of three categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the three categories below, determines the basis for subsequent measurement and whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expense.

(iii)

Fair Value through Surplus or Deficit

A financial instrument is classified as fair value through surplus or deficit if it is:
- Held-for-trading:
  - All derivatives where hedge accounting is not applied
  - Financial instruments acquired for the purpose of selling or repurchasing in the short term
- Designated at initial recognition:
  - If the Trust manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Trust's documented risk management or investment strategy

Assets in this category are measured at fair value with gains or losses recognised in surplus or deficit. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

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The fair value of financial assets is classified by reference to the fair value hierarchy within PBEIPSAS 30 Financial Instruments:
* Level 1 : Quoted prices (unadjusted) in active markets for identical assets.
* Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (as prices) or indirectly (derived from prices).
* Level 3 : Inputs for the asset that are not based on observable market data (unobservable data).

The Trust financial assets are classified as follows:

* Level 1 : Australasian Equities, New Zealand Fixed Interest and Cash
The Trust financial assets classified as Level 1 include its investments in Australasian equities, New Zealand fixed interest and cash. These financial assets are traded in active markets and their fair value is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occuring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Trust is the current bid price at close of business on balance date.

* Level 2 : Global Equities and Global Fixed Interest
The Trust investments in global equities and global fixed interest are held through units or shares in pooled funds. The units or shares are not traded on an active market but their values are derived from the quoted market value of the underlying equity or fixed interest securities. Therefore, these investments are classified as Level 2.

* Level 3 : Private Equity, Global Credit and Unlisted Property
The Trust classifies its investments in private equity, global credit and unlisted property as Level 3 financial assets. These investments are not traded in an active market and their fair value is determined by using valuation techniques in which one or more of the significant inputs is not based on observable market data.

The fair value of investments in private equity is determined internally by the fund manager, in accordance with NZ GAAP, and using valuation techniques including the discounted cash flow method and earnings multiples. The valuation relies on financial data of investee companies and estimates by fund management.

The fair value of unlisted property is based on external independent market valuation for investment properties. This valuation is dependent on fund management estimates of capitalisation and discount rates, inflows from rental income and maintenance requirements. Independent external valuations of projects under construction or refurbishment are also undertaken.

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(iv) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Trust's cash and cash equivalents, trade debtors and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reveiwed for impairment in groups, which are determined by reference to the industry and region counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(f) Employee Benefits

(i) Short-term Employee Benefits

Short-term employee benefit liabilities are recognised when the Trust has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date. Short-term employee benefits are measured on an undiscounted basis and expensed in the period in which employment services are provided.

(ii) Other Long-term Employee Benefits

Long-term employee benefit obligations are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided up to reporting date for which settlement will be beyond 12 months of reporting date. Long-term employee benefit obligations are measured.

(iii) Post-employment Benefit Plans

The Trust does not provide any post-employment benefits to its employees.

(iv) Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset (prepayment) to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(g) Goods and Services Taxation (GST)

Revenue and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

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(h) Impairment

Impairment of Non-Financial Assets

Cash Generating Assets

The Community Trust does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non Cash Generating Assets

Property, plant, & equipment, held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an assets fair value less costs to sell and value is use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value is as depends on the nature of the impairment and availability of information.

If an asset carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in surplus or deficit.

The reversal of an impairment loss is recognised in surplus or deficit.

(i) Grants

Grants, Special Projects, and Community Loans are accounted for when they are approved for payment.

(j) Foreign Currencies

Transactions in foreign currencies are converted at spot rate at the date of the transaction or a rate approximating that rate.

At balance date, foreign monetary assets and liabilities are translated at the spot rate and movements, both realised and unrealised gains and losses, are recognised in the statement of comprehensive revenue and expense.

(k) Trust Capital

Trust Capital is made up of:

Capital Fund - which records the Initial Capital Fund (being the realised value of Trust Bank Shares) together with a reserve calculated each year by applying the Consumer Price Index to the opening Capital Fund. The additional amount is allocated from Trust profit on an annual basis.

Accumulated Revenue and Expense - this recognises a general reserve intended to enable the Trustees to continue with distributions should the Trust incur a deficit in a particular income year.

Inflation Reserve - records the accummulated inflation calculated each year by applying the Consumer Price Index to the opening Capital Fund.

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(l) Finance Income

Finance income comprises interest income on financial assets, gains on the disposal of available-for-sale financial assets, and fair value gains on financial assets at fair value through surplus or deficit. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method.

(m) Changes in Accounting Policies and Disclosures

There have been no changes in accounting policies during the year. All accounting policies have been applied on a consistent basis throughout the year.

(n) Significant Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions about the recognition and measurement of assets, liabilities and income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

(i) Significant Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies for the year ended 31 March 2024: No critical judgements have been made this year.

(ii) Key Sources of Estimation Uncertainty

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial year include the following:

* Key assumptions underlying determining the recoverable amounts for impairment testing.
* Likelihood and magnitude of outflows in determining recognition and measurement of provisions.
* Useful life, recoverable amounts, depreciation/amortisation method and rate.
* The fair value of investments.

2 Revenue

	Sub Notes	2024	2023
		$	$
Investment Operations Income from Exchange Transactions	**(i)**	5,323,927	(2,084,261)
Community House Operations Income from Exchange Transactions	**(ii)**	127,901	134,690
Investment Operations Income from Non-exchange Transactions	**(iii)**	5,000	-
Total Revenue		**5,456,828**	**(1,949,571)**

(i) Investment Operations Income from Exchange Transactions	2024	2023
	$	$
Realised Gains (Losses)	147,144	(1,159,585)
Net Change in Financial Instruments at Fair Value (Unrealised)	3,799,707	(2,581,094)
Other Investment Income/(Loss)	(182,772)	(661)
Dividends Received	1,559,849	1,657,079
Total Investment Operations Income from Exchange Transactions	**5,323,927**	**(2,084,261)**

(ii) Community House Operations Income from Exchange Transactions	2024	2023
	$	$
Lease Rentals	102,195	115,491
Sundry Rentals	14,434	8,020
Printing and Phone Charges Reimbursed	11,272	11,179
Total Community House Operations Income from Exchange Transactions	**127,901**	**134,690**

(iii) Investment Operations Income from Non-exchange Transactions	2024	2023
	$	$
Grants	5,000	-
Total Investment Operations Income from Non-exchange Transactions	**5,000**	**-**

3 Investment Operations Expenses

	2024	2023
	$	$
Accountancy and Advisory Fees	16,110	15,085
Auditor's Fees	8,500	11,000
General Administration Expenses	12,189	8,811
Advertising	4,076	6,233
Smartygrants Database	12,860	12,000
Depreciation	2,549	3,676
Trustees Honoraria & Meeting Expenses	76,473	78,246
Trustees Insurance	3,352	3,248
Portfolio Fees	352,486	355,300
Postage & Tolls	3,383	3,237
Printing and Stationery	3,660	2,829
General Professional Fees	491	14,199
Conference Expenses	7,532	12,486
Trustees & Staff Training	2,654	5,750
Trustees Travel	7,148	4,219
Salary and Wages	152,552	143,365
Total Investment Operations Expenses	**666,015**	**679,684**

4 Community House Operations Expenses

	2024	2023
	$	$
General Administration Expenses	4,094	3,391
Cleaning	16,604	14,228
Depreciation	9,053	7,588
Insurance	24,795	20,994
Heating and Power	18,302	14,515
Loss on Sale of Fixed Assets	2,810	-
Low Value Assets	1,445	1,934
Rates	1,529	3,227
Repairs and Maintenance	18,923	9,290
Security and Alarms	6,340	6,583
Telephone and Tolls	6,074	5,964
Salary and Wages	39,996	39,996
Total Community House Operations Expenses	**149,966**	**127,710**

5 Grants Approved

	2024	2023
	$	$
Grants Approved	1,858,542	1,938,277
Total Grants Approved	**1,858,542**	**1,938,277**

See Schedule of Grants Approved on page 42.

6 Grants No Longer Required/Lapsed

	2024	2023
	$	$
Grants No Longer Required/Lapsed	19,500	153,014
Total Grants No Longer Required/Lapsed	**19,500**	**153,014**

See Schedule of Grants No Longer Required/Lapsed on page 46.

7 Finance Income

	2024	2023
	$	$
Interest Received	672,862	584,780
Total Finance Income	**672,862**	**584,780**

8 Share of Profit/(Loss) in Joint Venture

	2024	2023
	$	$
Share of Profit/(Loss) : The Geraldine Health LP	(11,507)	-
Total Share of Profit/(Loss) in Joint Venture	**(11,507)**	**-**

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9 Defined Contribution Plan Expenses

	2024	2023
	$	$
KiwiSaver Contributions	6,512	6,225
Total Defined Contribution Plan Expenses	**6,512**	**6,225**

10 Cash and Cash Equivalents

	2024	2023
	$	$
Cash Balance		
Nikko AM NZ Cash Fund	2,179,719	2,026,163
Bank Account Balance		
Westpac Bank : Current Account	22,745	161,206
Total Cash and Cash Equivalents	**2,202,464**	**2,187,369**

Cash and Cash Equivalents comprise cash balances and call deposits. The Nikko AM NZ Cash Fund is also used for working capital requirements and grant expenses.

There are no restrictions over any of the cash and cash equivalent balances held by the Trust.

11 Trade and Other Receivables

	2024	2023
	$	$
Receivables (from exchange transactions)		
Forsyth Barr Dividends	71,840	58,965
Receivables (from non-exchange transactions)		
Sundry Receivables	11,594	19,312
Total Trade and Other Receivables	**83,434**	**78,277**

All amounts are short-term and have been reviewed for indicators of impairment. The carrying value of trade receivables is considered a reasonable approximation of fair value.

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For the Year Ended 31 March 2024

12 Investments in Joint Venture

	2024	2023
	$	$
Investment : The Geraldine Health Limited Partnership	1,382,895	-

The Trust holds a 50% share in The Geraldine Health Limited Partnership. The business of the Limited Partnership is to build and maintain a health and community centre in Geraldine.
The Trust has committed capital up to $2,700,000 to the Limited Partnership.

During the 2024 year the Trust paid $1,394,402 to the Limited Partnership.

The 2024 statement of financial performance for the Limited Partnership showed a total loss of $22,549. The Trust's share of this loss was $11,274, less tax paid of $233.

The investment in The Geraldine Health Limited Partnership is measured at cost.

	2024	2023
Total Receivables from Related Parties	**1,382,895**	**-**

13 Property, Plant and Equipment

	2024	2023
Land and Buildings		
Opening Carrying Amount	2,223,491	2,221,289
Purchases (Sales or Disposals)	-	4,715
Depreciation & Impairment	2,893	2,513
Closing Carrying Amount	**2,220,598**	**2,223,491**
Net Carrying Amount		
Cost	2,548,659	2,548,659
Accumulated Depreciation	328,061	325,168
Net Carrying Amount	**2,220,598**	**2,223,491**

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	2024	2023
Plant and Equipment - Community House		
Opening Carrying Amount	20,231	25,306
Purchases (Sales or Disposals)	11,407	-
Depreciation & Impairment	8,970	5,075
Closing Carrying Amount	**22,668**	**20,231**
Net Carrying Amount		
Cost	90,925	91,933
Accumulated Depreciation	68,257	71,702
Net Carrying Amount	**22,668**	**20,231**
Plant and Equipment - Trust		
Opening Carrying Amount	5,520	9,196
Purchases (Sales or Disposals)	9,215	-
Depreciation & Impairment	2,549	3,676
Closing Carrying Amount	**12,186**	**5,520**
Net Carrying Amount		
Cost	79,511	70,296
Accumulated Depreciation	67,325	64,776
Net Carrying Amount	**12,186**	**5,520**
Totals		
Net Land and Buildings	2,220,598	2,223,491
Net Plant and Equipment - Community House	22,668	20,231
Net Plant and Equipment - Trust	12,186	5,520
	2,255,451	**2,249,241**

14 Investments

	2024	2023
	$	$
Investments		
Cash Management Account : Forsyth Barr Property	142,903	89,575
Cash Management Account : Forsyth Barr Equity	356,361	577,367
Cash Account : Elevation Capital (NZD)	21,467	26,272
Cash Account : Elevation Capital (Offshore)	801,109	368,977
Total Investments	**1,321,840**	**1,062,190**
Financial Instruments at Fair Value through surplus & deficit		
Forsyth Barr Property Portfolio	3,052,104	3,478,162
Nikko Asset Management NZ Bonds	7,549,957	7,364,867
Forsyth Barr - NZ Equity	5,341,892	6,331,822
Forsyth Barr - Aust Equity	7,854,372	8,420,699
Hunter Investment Management : Global Fixed Interest Fund	7,206,147	6,415,158
Elevation Capital - Offshore Equity	15,922,788	14,881,323
BNP PARIBAS - FX Account	628	598
Waterman Fund 3 LP	302,710	272,871
Direct Capital V LP	1,092,196	1,029,763
Pioneer Capital Fund 3	1,265,577	1,213,983
Waterman Fund 4 LP	2,936,678	1,507,217
Direct Capital VI LP	967,071	856,828
Pioneer Capital Fund IV LP	1,048,769	1,028,904
Total Private Equity Available-for-sale Financial Assets	**54,540,888**	**52,802,196**
Total Investments	**55,862,728**	**53,864,386**

15 Payables (from exchange transactions)

	2024	2023
	$	$
Accounts Payable		
Employee Entitlements Owing	12,869	10,055
Trade Payables from Exchange Transactions	16,313	47,893
Sundry Accruals	24,511	25,254
Total Payables (from exchange transactions)	**53,693**	**83,203**

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16 Loans and Borrowings

	2024	2023
	$	$
Not Later than one year	1,920	960
Later than one year and not later than two years	1,920	-
Later than two years and not later than five years	4,800	-
	8,640	**960**
Classified as:		
Current Lease Liabilities	1,920	960
Non-Current Lease Liabilities	6,720	-
Total Loans and Borrowings	**8,640**	**960**

The amount outstanding is payable to Heartland Technology Limited for the purchase of a photocopier.

17 Payables (from non-exchange transactions)

	2024	2023
	$	$
Grants Approved Not Yet Paid	120,000	155,674
Total Payables (from non-exchange transactions)	**120,000**	**155,674**

See Schedule of Grants Approved Not Yet Paid on page 46.

18 Financial Instruments - Risk Management and Fair Value

The carrying amount of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2024	2023
	$	$
Financial Assets		
Fair Value through Surplus and Deficit	54,540,888	52,802,196
Loans & Receivables : Cash & Cash Equivalents	2,202,464	2,187,369
Loans & Receivables : Investments	1,321,840	1,062,190
Receivables	77,059	72,277
Total Financial Assets	**58,142,251**	**56,124,032**
Financial Liabilities		
Financial Liabilities at amortised cost	8,640	960
Other Financial Liabilities	160,824	228,822
Total Financial Liabilities	**169,464**	**229,782**
	57,972,787	**55,894,250**

The carrying values of the above financial instruments approximate their fair value.

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	2024	2023
	$	$
Level 1 - Australasian Equities	13,196,264	14,752,521
Level 2 - Global Equities	23,129,563	21,297,080
Level 3 - Private Equities & Unlisted Property	18,215,061	16,752,595
	54,540,888	**52,802,196**

(a) Credit Risk

30% of the assets of the Trust are represented by debt investments and Current Account balances with Westpac Bank and through Managed Funds. The Trustees consider the risk of non-recovery of these investments at balance date to be within satisfactory guidelines.

The maximum exposure to credit risk of other financial instruments are:

	2024	2023
	$	$
Accounts Receivable	77,059	72,277
Managed Fund Equities	39,784,157	39,021,572
	39,861,216	**39,093,849**

(b) Market Risk

(i) Currency Risk

The Trust is party, through its Managed Funds, to financial instruments with off Balance Sheet risk to reduce exposure to fluctuations in foreign currency exchange rates. Forward exchange contracts are entered into to hedge foreign currency transactions.

(ii) Interest Risk

The following investments of the Trust are sensitive to changes in interest rate:

2024	Less than 6 months	6 months to 1 year	Total
	$	$	$
Bank Call Accounts and Term Deposits	22,745	-	22,745
Managed Funds	3,501,559	7,206,147	10,707,706
	3,524,304	**7,206,147**	**10,730,451**

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2023	Less than 6 months	6 months to 1 year	Total
	$	$	$
Bank Call Accounts & Term Deposits	161,206	-	161,206
Managed Funds	3,088,353	6,415,158	9,503,512
	3,249,559	**6,415,158**	**9,664,718**

19 Commitments

	2024	2023
	$	$
The Trust has committed funds to the following private equities. At balance date the following balances are the remaining uncalled commitments made by the Trust.		
Waterman Fund 3	286,050	239,550
Direct Capital Fund V	133,448	147,000
Pioneer Capital Fund 3	65,545	130,273
Waterman Fund 4	728,000	939,000
Direct Capital Fund VI	1,046,888	1,387,951
Pioneer Capital Fund 4	624,879	729,220

Geraldine Health Limited Partnership

The Trust has committed funds to the Geraldine Health Limited of $2,700,000 per The Geraldine Health Limited Partnership agreement. To date the Trust has paid $1,394,402 of these funds acoss to The Geraldine Health Limited Partnership.

Operating Commitments
The Trust has a Finance Lease commitment with Heartland Technology Limited regarding the purchase of a photocopier. Refer Note 14.

There are no other operating commitments.

20 Contingent Liabilities

The trust has no contingent liabilities and no guarantees as at 31 March 2024 (2023: Contingent Liabilities Nil, Guarantees Nil).

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21 Events Occurring After Balance Date

In June 2024 the Trust entered into an agreement with the Geraldine District Foundation for the Trust to provide additional funds towards The Geraldine Health Limited Partnership.
The Trust was agreed to temporarily meet the Geraldine District Foundation's (GDF's) share of the contractor payments through the Limited Partnership as and when they fall due as follows

a) GDF's 50% share of the total sum payable as at 20th June 2024
b) GDF's 50% share of the total sum payable as at 20th July 2024
c) GDF's 50% share of the total sum payable as at 20th August 2024
d) GDF's 50% share of the total sum payable as at 20th September 2024 (if required)

The Trust is also prepared to extend the final date whereby Partnership funds must be introduced into the Limited Partnership account by the Geraldine District Foundation, as GDF's capital contribution to the build project, from 30th June 2024 to 6th December 2024.

22 Related Party Transactions

The following transactions occurred between the Trust and organisations where Trustees are deemed to be a related party as they are members of Key Management Personnel of the organisation:

		2024	2023
		$	$
Adams, Mark	Sustainability SC	12,000	15,000
	The Burkes Pass Heritage Trust	17,480	3,000
Argyle-Reed, Jane	Ashburton Borough School	-	3,936
	Ashburton Community Alcohol & Drug Services	25,000	1,760
	Ashburton Senior Centre Trust	-	5,580
Hay, Di	Raptor Trust	75,000	-
Holland, Janine	Methven Swimming Pool	-	40,000
	Digital Waitaha Charitable Trust	10,000	-
	Sustainability SC (amount disclosed under Mark Adams)	-	-
	Victim Support	7,500	-
Luyten, Pauline	Multicultural Association	-	7,500
	Te Aitarakihi Trust	10,000	5,700
	Waimate Rugby Club	-	8,000
	Life Education Trust Mid & SC	12,000	-
	Rakaia Rugby Club	10,000	-
	Raptor Trust (amount disclosed under Di Hay)	-	-
	Timaru Sports Club	2,500	-
Mills, Nathan	South Canterbury Gym	-	3,000
	YMCA South & Mid Canterbury	10,000	10,000
	Waimate Golf Club	3,000	-
Quigley, Janine	Timaru Girls High School	-	6,450
Stevenson, Tina	Waimate Rugby Club	-	8,000
Thompson, Gail	YMCA South & Mid Canterbury	10,000	-
	Glenvue Golf Club	5,000	-
	Timaru Senior Citizens Association	10,000	-
Total Related Party Transactions		**219,480**	**117,926**

The above Trustees were absent from any decision making meetings involving their associated organisation. A full list of Trustee Interests are included on pages 3 and 4.

Refer to Note 23 for Key Management Personnel Expenses.

23 Key Management Personnel Expenses

	2024	2023
	$	$
Salaries & Temporary Staff Fees (EFT : 2.1)	192,548	183,361
Trustee Honoraria (EFT : 0.6)	74,083	76,208
Trustee Meeting Expenses	2,390	2,038
Total Key Management Personnel Expenses	**269,021**	**261,607**

The Trust has a relationship with its key management personnel. Key management personnel includes the Trust's Board of Trustees and Senior Management. Key management personnel compensation includes the above expenses.

No amounts were paid to family members of key personnel.

(i) Trustee Honoraria

	2024	2023
	$	$
Adams, Mark	8,416	7,320
Argyle-Reed, Jane	-	4,463
Hay, Di	7,650	3,072
Holland, Janine	7,650	3,072
Luyten, Pauline	7,650	7,129
Mills, Nathan	15,301	13,726
Peilua, Peter	-	3,072
Quigley, Janine	-	4,057
Reuben, Tania	2,550	7,129
Stevenson, Tina	7,650	7,129
Thompson, Gail	7,650	7,129
Wing, Alistair	9,563	8,911
Total Trustee Honoraria	**74,083**	**76,208**

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24 Schedule of Grants Approved

	2024	2023
	$	$
Age Concern Ashburton Inc	10,000	5,000
Albury Ice Hockey Association	-	3,500
Allenton Sports Club Incorporated	15,000	
Alzheimer's South Canterbury	15,000	10,000
Anxiety NZ Trust	2,000	-
Aoraki Mount Cook Museum Trust	-	10,000
Aoraki Multicultural Centre	-	7,500
Aorangi Croquet Club Inc	3,500	-
Aorangi Golf Association	-	5,000
Ardamine Hall	-	8,000
Arts on Tour NZ Trust	15,000	10,000
Ashburton Baptist Church	-	3,000
Ashburton Bridge Club Inc	2,500	-
Ashburton Community Alcohol & Drug Service Inc	-	1,760
Ashburton District Neighbourhood Support Inc	5,000	5,000
Ashburton Housing and Support Trust trading as Haven Housing	-	250,000
Ashburton Indoor Bowls Assn	4,000	-
Ashburton Mackenzie Community Group	6,000	7,500
Ashburton Model Aero Club	-	4,000
Ashburton Performing Arts Theatre Trust	25,000	-
Ashburton Safer Community Council	40,000	-
Ashburton Senior Citizens Inc	10,000	10,000
Ashburton Seniors Centre Trust	-	5,580
Ashburton Youth Café Charitable Trust	10,000	-
Association of Pleasant Point Sports Inc	2,000	2,000
Autism NZ Inc	3,000	5,000
Aviva Charitable Trust	4,000	-
Bike Methven Incorporated	5,000	-
Birthright Canterbury Trust	10,000	7,000
Bushtown (Waimate) Incorporated	-	15,000
CanInspire Charitable Trust	-	4,500
Canterbury West Coast Air Rescue Trust	-	25,000
Canterbury West Coast Sports Trust	15,000	15,000
Carers New Zealand	-	5,000
Catchments Collective South Canterbury Incorporated	-	15,000
Central South Island Cycle Trails Inc	100,000	100,000
Centrecare Counselling Waimate		10,000
Cholmondeley Children's Centre Inc	10,000	10,000
Citizens Advice Bureau South Canterbury Inc	10,000	7,500
Citizens Advice Bureau Mid Canterbury	10,000	-
Citizens Advice Bureaux New Zealand Incorporated	-	10,000
Collegiate Rugby Football Club	4,900	-
Community Accounts Service Charitable Trust	5,000	-
Community House Mid Canterbury Charitable Trust	25,000	-
Connecting Mid Canterbury CT	8,000	5,000
Connections Community Trust	10,000	-
Cystic Fibrosis Assn of NZ	-	10,000
Dementia Canterbury Inc	-	5,000
Digital Waitaha Charitable Trust	10,000	-
Dorie Charitable Trust	3,000	-
Fairlie Mackenzie Heritage Society Inc	15,000	-
Fairlie Mackenzie Museum Society	-	3,000

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24 Schedule of Grants Approved (Continued)

	2024 $	2023 $
Fairlie Volunteer Fire Brigade	-	20,000
Fale Pasifika O Aoraki Trust Society Inc	-	10,000
Family Mental Health Support Inc	-	7,500
Family Support SC	7,000	5,000
Foodbank	-	40,000
Fox Peak Ski Club Inc	-	8,000
Friends of Studholme Bush Scenic Reserve Society Inc	30,000	-
Futsal Tekapo - Community Development / Lake Tekapo School	4,000	-
Geraldine - St Andrews Food Bank	7,000	5,000
Geraldine Bowling Club Inc	-	10,000
Geraldine Community Resource Centre Trust	3,600	4,000
Geraldine Croquet Club Incorporated	-	2,000
Geraldine Vintage Car and Machinery Club (Incorporated)	-	20,000
Gloriavale Leavers' Support Trust	10,000	5,000
Good Bitches Trust	1,900	-
Graeme Dingle Foundation Canterbury	5,000	-
Grande Vue Golf Club	5,000	-
Hakatere Multicultural Council Inc	12,000	15,000
Highbank Hall Charitable Trust	-	10,000
Hinds Community Centre	-	10,000
Hockey South Canterbury Incorporated Association	-	3,000
Hospice Mid Canterbury Trust	15,000	10,000
Kanuka Mid Canterbury Regeneration Trust	7,500	-
Lagmhor Westerfield War Memorial Hall	-	10,000
Learning for You	3,000	-
Life Education Trust Mid & South Canterbury	12,000	10,000
Lions Club of Lake Tekapo Charitable Trust	20,000	-
Mackenzie Basin Wilding Tree Charitable Trust	15,000	-
Mackenzie College Parent Teacher Association	30,000	-
Mackenzie Community Enhancement Board Inc	17,000	9,000
Mackenzie Community Enhancement Board Inc	-	17,000
Mackenzie Community Enhancement Board Inc	-	20,000
Maungati Golf Club Incorporated	5,000	-
Mayfield Golf Club Inc	-	5,000
Methven Golf Club	-	5,000
Methven Library and Museum Management Committee	-	3,750
Methven Squash Club	6,000	-
Methven Swimming Pool Association Inc	-	40,000
Methven Toy Library Incorporated	1,200	1,000
Mid Canterbury Emergency Relief Charitable Trust	8,000	8,000
Mid Canterbury Hockey	5,000	3,000
MC United Football Club	5,000	-
Mid South Canterbury Sub Centre of Athletics Canterbury Inc	-	5,000
Mōkihi Hauora	127,000	
Mount Hutt Ski Club Incorporated	-	10,000
Mt Somers Village Green Committee	15,000	-
Muscular Dystrophy South Island | Te Waipounamu	-	3,000
National Foundation for Deaf & Hard of Hearing	-	6,500
National Projects	-	7,147
New Zealand Deerstalkers Association South Canterbury Branch Incorporated	-	20,000
NZ Council of Victim Support Groups Inc	7,500	-
NZ Endometriosis Foundation CT	-	5,000

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24 Schedule of Grants Approved (Continued)

	2024	2023
	$	$
Parent to Parent	-	2,500
Parents Centre Aotearoa	10,000	10,000
People First New Zealand Incorporated	-	3,000
Pleasant Point Bowling Club Incorporated	-	20,000
Pleasant Point Association Football Club	15,000	-
Pleasant Point Golf Club	-	2,220
Positive Waimate Incorporated	1,944	-
Presbyterian Support	7,500	3,284
Presbyterian Support Family Works	21,000	15,000
Project Peel Incorporated Society	20,000	-
Pro-ject Waimate Incorporated	75,000	-
Puss n Boots Kitty Rescue	3,000	-
Rakaia Rugby Club Inc	10,000	-
Read NZ Te Pou Muramura Inc.	3,000	-
Recreate NZ	3,000	3,000
Riverbridge Native Species Trust	-	5,000
Road Safety Education Ltd	3,900	-
Ronald McDonald House Charities NZ Trust	10,000	10,000
Royal New Zealand Plunket Trust	10,000	-
Run Timaru	1,725	-
Salvation Army	-	30,000
Search and Rescue Avalanche Dogs Inc	4,000	
Seniorcare Geraldine Inc	-	25,000
Social Service Council of the Diocese of Christchurch	-	5,000
Society of St Vincent de Paul	-	8,000
Society of St Vincent de Paul - Ashburton	11,200	8,000
SC Chamber of Commerce	15,000	30,000
South Canterbury Gym Sports	-	3,000
South Canterbury Model Aero Club Inc	2,500	-
South Canterbury Mountain Bike Club Incorporated	15,000	-
South Canterbury Multiple Sclerosis Society Inc	7,500	10,000
South Canterbury Museum Development Trust	-	200,000
South Canterbury Neighbourhood Support	5,000	5,000
South Canterbury Stroke Club	5,000	3,000
South Island Rowing	5,000	-
St Andrew's Presbyterian Church Ashburton	-	5,000
St John's Church Youth Project	-	1,000
St Joseph's School Pleasant Point PTA	10,000	-
St Marks Community Cupboard	5,000	5,000
St Vincent de Paul	11,200	-
Staveley Campsite Committee	70,000	-
Step Ahead Trust	3,500	-
Stopping Violence Services	15,000	15,000
Sustainable South Canterbury Trust	12,000	-
Sutherlands Hall Social Committee	10,000	-
TalkLink Trust	-	10,000
Target Shooting South Canterbury Incorporated	-	10,000
Te Aitarakihi Trust Inc	10,000	5,700
Temuka & Geraldine Agricultural & Pastoral Assn	-	20,000
Temuka Bowling Club	12,000	-
Temuka Combined Churches Foodbank	-	5,000

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24 Schedule of Grants Approved (Continued)

	2024	2023
	$	$
Temuka Menzshed Incorporated	-	2,000
The Burkes Pass Heritage Trust	17,480	-
The CanInspire Charitable Trust	4,500	-
The John Anderson Arboretum Trust	11,037	-
The New Zealand Raptor Trust	75,000	-
The Order of St John Timaru Area Committee	10,000	-
The Parkinson's NZ CT	5,000	-
The Priory In New Zealand	5,000	-
The Salvation Army Ashburton	11,200	8,000
The Salvation Army Timaru	11,200	8,000
The Salvation Army Waimate	4,000	4,000
The Stroke Foundation of New Zealand	5,000	-
The Temuka Combined Churches Foodbank	7,000	-
Timaru Community Menzshed Incorporated	10,000	-
Timaru Indoor Bowls Assn	-	4,000
Timaru Riding for the Disabled	-	5,000
Timaru Senior Citizens Assn	10,000	10,000
Timaru Sports Club Inc	2,500	-
Timaru Squash Rackets Club Inc	10,000	-
Timaru Yacht & Powerboat club	-	10,000
Twizel Promotion and Development Association Incorporated	-	7,500
UpsideDowns Education Trust	-	3,500
Volunteering Mid & South Canterbury	10,000	-
Waimate Art Society Incorporated		7,500
Waimate Community Church	3,000	3,000
Waimate Community Radio	3,500	3,500
Waimate District Resource Trust	10,000	24,000
Waimate Golf Club Inc	3,000	-
Waimate Parenting Hub	8,000	8,000
Waimate Regent Theatre Trust	12,500	-
Waimate Rugby Football Club Inc		8,000
Waimate Tennis Club Incorporated	20,000	
Wandersearch Canterbury CT	5,000	3,500
Wellbeing Opuke	-	7,500
West End (Timaru) Bowling Club Incorporated	-	15,000
Whalan Lodge Trust	-	12,000
Young Men's Christian Association of South and Mid Canterbury Inc.	10,000	10,000
Youth Institute of Ashburton District Charitable Trust	-	10,000
Youthline Central South Island	5,000	9,500
Kindergartens and Early Learning Centres	50,000	50,000
Schools	298,056	254,336
Total Grants Approved	**1,858,542**	**1,938,277**

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25 Schedule of Grants No Longer Required/Lapsed

	2024	2023
	$	$
Ashburton New Life Church	-	3,000
Catchment Collective SC Inc	15,000	-
Orari River	-	14
Southern Canterbury A&P Assn	1,500	-
Trotts Community Garden	-	150,000
Waimate Rodeo	3,000	-
Total Grants No Longer Required/Lapsed	19,500	**153,014**

26 Schedule of Grants Approved Not Yet Paid Out

	2023	2023
	$	**$**
Catchment Collective SC Inc	-	15,000
Fairlie MacKenzie Heritage Society	15,000	-
Fairlie Volunteer Fire Brigade	-	20,000
Fox Peak Ski Club	-	8,000
Friends of Studholme Bush Scenic Reserve Society	30,000	-
Geraldine Bowling Club	-	10,000
MacKenzie Community Enhancement Board	-	20,000
Mayfield Golf Club	-	5,000
Methven Golf Club	-	5,000
National Projects	-	1,974
Pleasant Point Cricket Club	-	5,000
Pro-ject Waimate Incorporated	75,000	-
Southern Canterbury A&P Assn	-	1,500
Target Shooting SC	-	10,000
Temuka & Geraldine A&P	-	20,000
Te Aitarakihi Society	-	5,700
Waimate Art Society	-	7,500
Waimate Rodeo	-	3,000
Waimate Rugby Football Club	-	8,000
Youth Institute of Ashburton District Charitable Trust	-	10,000
	120,000	**155,674**

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE COMMUNITY TRUST OF MID AND SOUTH CANTERBURY INCORPORATED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Community Trust of Mid and South Canterbury Incorporated ("the Trust"), which comprise the financial statements on pages 17 to 46, and the service performance information on pages 11 to 16. The complete set of financial statements comprise the statement of financial position as 31 March 2024, the statement of comprehensive revenue and expense, statement of changes in net assets/equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements presents fairly, in all material respects:

- the financial position of the Trust as at 31 March 2024, and (of) its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31 March 2024, in accordance with the entity's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

Other Information

The trustees are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the financial statements but does not include the service performance information and the financial statements and our auditor's report thereon.

Our opinion on the service performance information and financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the service performance information and financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the service performance information and the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Trustees' Responsibilities for the Financial statements

Those charged with governance are responsible on behalf of the Trust for:

(a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;

(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements those charged with governance are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Trust's trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trusts' trustees, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Christchurch Audit Limited

BDO Christchurch Audit Limited
Christchurch
New Zealand
20 August 2024