

**THE COMMUNITY TRUST OF MID & SOUTH  
CANTERBURY INC**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**For the Year Ended 31 March 2023**

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## THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC



### Directory

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As at 31 March 2023

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
Trustees	Nathan Mills (Chairperson); BBC - Journalism Alistair Wing (Deputy Chairperson); JP, B Ag Com, FNZIV, FPINZ Janine Holland; BA. Dip Journalism Janine Quigley; BCom Pauline Luyten; LLB BSc, PGDip Spt Med Gail Thompson Jane Argyle-Reed; LLB, BA Tania Reuben Tina Stevenson; DipBusiness, DipAccounting, ACA Mark Adams
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

## THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC

### Trustee Interests



### For the Year Ended 31 March 2023

#### Trustees

The Trustees are associated with the following organisations:

#### 2023

<i>Name</i>	<i>Organisation</i>	<i>Association</i>
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 Aitaraiki 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 meetings involving their associated organisation.*



**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**2022**

<i>Name</i>	<i>Organisation</i>	<i>Association</i>
Adams, Mark	High Country Medical Trust	Personal Connection
	MacKenzie Care Charitable Trust	Committee Member
	Mid Canterbury Emergency Relief	Professional Connection
	Orari River Protection Group	Professional Connection
	Southern Canterbury A&P Association	Personal Connection
Argyle-Reed, Jane	Ashburton Senior Centre Trust	Client Connection
	Ashburton Trust Event Centre	Personal Connection
	Ashburton Youth Café CT (BASE)	Client Connection
	Ashburton Youth Health Trust	Personal Connection
	Birthright Canterbury Trust	Personal Connection
	Cancer Society Canterbury-West Coast	Personal Connection
	Girl Guides Association NZ Inc	Personal Connection
	Hakaterere Ceramics & Pottery Ashburton	Work Connection
	Mid Canterbury Youth Trust	Personal Connection
	Staveley Hall Society	Client Connection
	Volunteering Mid & South Canterbury	Client Connection
Luyten, Pauline	Fale Pasifika	Connect to Board
	Te Aitarakihi Trust	Work Connection
	Volunteering Mid & South Canterbury	Client Connection
Mills, Nathan	Ashburton Baptist Church	Professional Connection
	Trotts Community Garden Charitable Trust	Client Connection
	Waimate Golf Club	Member
	YMCA South & Mid Canterbury	Trustee of Related Entity
Reuben, Tania	Ashburton Youth Café CT (BASE)	Personal Connection
	Volunteering Mid & South Canterbury	Personal Connection
Thompson, Gail	Peel Forest Outdoor Pursuits	Client Connection
	Te Aitarakihi Trust	Client Connection
	YMCA South & Mid Canterbury	Work Connection
Wing, Alistair	Heart Kids NZ	Personal Connection

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



## CHAIRMAN'S REPORT FOR THE YEAR ENDING 31 MARCH 2023

Whilst the 2023 year saw our communities emerge from the COVID malaise that struck the economic and social fabric of our lives in Mid and South Canterbury over the previous two-years, financial markets around the globe continued to perform sluggishly:

NYSE performance for the year ending 31 <sup>st</sup> March 2023 year-on-year:	-9.30% <sup>1</sup>
NZX performance for the year ending 31 <sup>st</sup> March 2023 year-on-year:	-0.41% <sup>2</sup>
ASX performance for the year ending 31 <sup>st</sup> March 2023 year-on-year:	+7.57% <sup>3</sup>

As a result, trustees had the difficult task of balancing the ever-increasing demands of community organisations seeking funding assistance, against the Investment portfolio's financial performance which struggled in the face of difficult market conditions throughout the year.

This is the ongoing challenge that trustees face, with the challenge of balancing granting into today's communities whilst maintaining the capital base of the Fund for future generations the ever-present priority.

### INVESTMENT PERFORMANCE

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

The FY23 year provided markedly different returns from the previous financial year, as follows:

	FY23	FY22
Dividends	\$1,657,079	\$1,350,199
Net Gains on Investments (realised)	-\$1,159,585	\$1,372,958
Net Gains on Investments (unrealised)	-\$2,581,094	\$14,964
Other Investment Income	-\$661	\$17,097
<b>Investment Operations Income</b>	<b>-\$2,084,261</b>	<b>\$2,755,217</b>

The importance of receiving the dividend and interest income streams cannot be underestimated as it is this cash which enables us to continue our granting activities into the community, even when other investments aren't performing as would normally be hoped, thus enabling the trust to 'ride-out' these tough years yet retain our granting activities.

<sup>1</sup> [https://ycharts.com/indicators/sp\\_500\\_1\\_year\\_return](https://ycharts.com/indicators/sp_500_1_year_return), accessed 17<sup>th</sup> July 2023

<sup>2</sup> <https://tradingeconomics.com/new-zealand/stock-market>, accessed 17<sup>th</sup> July 2023

<sup>3</sup>

[https://www.info.com.au/serp?q=australian%20stock%20market%20index&segment=infoau.011&s1aid=9282359325&s1cid=1687846048&s1agid=64166249645&s1kid=kwd-2316541657&network\\_type=g&utm\\_source=adwords&s1lid=1011062&gclid=EAlaQobChMI-CK1jaSUGAMVTw2Dax2oIQaREAAASAAEgIM6\\_D\\_BwE](https://www.info.com.au/serp?q=australian%20stock%20market%20index&segment=infoau.011&s1aid=9282359325&s1cid=1687846048&s1agid=64166249645&s1kid=kwd-2316541657&network_type=g&utm_source=adwords&s1lid=1011062&gclid=EAlaQobChMI-CK1jaSUGAMVTw2Dax2oIQaREAAASAAEgIM6_D_BwE), accessed 17<sup>th</sup> July 2023

The Statement of Investment Objectives ('SIPO') which we operate to on an ongoing basis deliberately sets out these strategies, so whilst the returns for the year were on the whole, disappointing, they're unavoidable from time to time, and this year's results show that the over-riding strategy works.

Overall, after portfolio performance is accounted for, granting activities and operational costs considered, the Trust made a loss for the year of **-\$3,957,448** against a surplus the prior year of \$81,589.

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

	<b>FY23</b>	<b>FY22</b>
Initial capital Fund (as at 1 <sup>st</sup> April 1996)	\$32,087,148	\$32,087,148
Inflation Reserve	\$23,657,584	\$20,157,212
Residual Surplus	\$2,398,095	\$9,855,914
Residual Surplus buffer %	4.12%	15.87%
<b>Total Equity</b>	<b>\$58,142,827</b>	<b>\$62,100,274</b>

The Trust continues to meet the underlying measure of maintaining it's capital base on an inflation adjusted basis notwithstanding the loss experienced coupled with significant increase in the inflation reserve adjustment this year whittling the buffer back significantly.

## GRANTS

Thanks to the ongoing receipts of dividend and interest income streams, granting continued at a strong level, \$1,938,277 to 123 recipients compared to the all-time record in the 2022 year of \$2,513,119.

As a general comment, trustees have continued 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, and I'd expect to see that approach continue.

Additionally, 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 the Trust.

Grants made of particular note include:

### *Ashburton Housing & Support Trust* **\$250,000**

- An Ashburton-based social housing enterprise with a high-quality board and an individual benefactor who generously donated \$500,000 of his own money into the enterprise, which is helping get individuals in need into warm and comfortable accommodation close to the town centre and its amenities.

### *South Canterbury Museum Development Trust* **\$200,000**

- An organisation which was specifically set-up years ago to support the Council-owned South Canterbury Museum, and recently, the project to build and fit-out a new museum as part of the Timaru District Council's redevelopment of the Theatre Royal precinct.
- This is an interesting one in that we're generally not interested in funding council activities. We have historically helped fund council-owned development projects which provide community amenity, when the Council's take responsibility for ongoing maintenance, with two good examples being the EA Events Centre in Ashburton and Timaru's C-Bay Aquatic Park.



## PEOPLE

Like any organisation, the efforts of quality people underpin the achievements of any enterprise in achieving its goals.

I wish to recognise the contributions of two trustees who concluded their terms as trustees throughout the year.

- Janine Quigley (Timaru) brought a measured approach to all her interactions with staff and trustees alike. She utilised her sound mind and logic in all matters and was a respected voice around the table.
- Jane Argyle-Reed (Ashburton/Rakaia) served as a Trustee and had an active role on the HR Sub-Committee. Jane's eye for detail and incisive mind provided significant benefit when dealing with both grant applications and HR matters and her sense of humour and self-effacing manner significantly added to the group's culture.

We wish them both well in their future endeavours and thank them for their contribution to the Trust.

During the year we welcomed three new trustees to replace these two exiting members and another trustee who concluded her role the previous year.

Peter Peilua (Mt Somers) was only with us for a short time before he accepted a role offshore which meant he was forced to resign his position with us, whilst Janine Holland (Methven) and Di Hay (Timaru) have settled in brilliantly and are already making positive contributions to our korero.

From a staffing perspective, we sadly farewelled Lorel Hallinan near the end of the 2023 year. As our Community Relations Manager, Lorel was the first point of contact for applicants considering making an application to us for funding. Lorel was at all times an absolute professional, handling sensitive situations with aplomb. Her analysis of applications assisted the Trustees greatly when making granting decisions, and her positive demeanour was enjoyed by staff and trustees alike. We wish Lorel all the very best for the future.

Joining us recently is Catherine Neill who's taken over Lorel's role and has settled in very well. Her audit background coupled with strong analytical skills is already proving a good fit for the role, and we've all appreciated how she's integrated into the organisation.

Finally, to Liz Shea (CEO) and Kathryn Barber (Operations Coordinator), thanks for your ongoing efforts in your respective roles and for providing continuity and stability to the organisation.

## THE COMING YEAR

The 2024 financial year will continue to provide the Trust with ongoing challenges in terms of investment portfolio financial performance, although 'green-shoots' of improving market performance are starting to emerge.

We've budgeted on granting \$1,960,000 this financial year being just under the standard 3.5% of the capital base, and together with other operating expenditure, total outgoings are budgeted at \$2,607,381.

We're presently working on the assumption that the portfolio will generate income of \$1,912,000 and positive capital movement of \$2,144,000 providing for a budgeted equity surplus after expenses of \$1,448,619.

Finally, a thank-you to the organisations we fund for the mahi they do in their respective communities. You're all putting 'your shoulders to the wheel' in challenging social times and we at the Trust couldn't do our job without you working in our communities in your respective fields.

We look forward to building on existing and new connections with you throughout 2023-24.

Ngā mihi nui

Nathan Mills  
Chairman



## Statement of Service Performance

Community Trust of Mid & South Canterbury Inc

For year ended 31 March 2023

***Supporting community organisations to achieve a region of vibrant, healthy and caring communities***



### FUNDING

*Distribute Community Trust funds in a fair and effective manner*



### ASSET MANAGEMENT

*Preserve the capital base in real terms while making optimal annual distributions*



### ORGANISATIONAL EFFECTIVENESS

*Adopt best practice in governance and management*



### SUPPORT

*Support non-profit organisations to maintain purpose and long-term sustainability*



### COMMUNITY

*Maintain Community House, Timaru, as a community hub providing low-cost accommodation for non-profits*

The goal is to:

- *Preserve the capital base in real terms while making optimal annual distributions*
- *Distribute Community Trust funds in a fair and effective manner*
- *Adopt best practice in governance and management*
- *Support non-profit organisations to maintain purpose and long-term sustainability*

### 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.

## Description of Entity's Outcomes

*Preserve the capital base in real terms while making optimal annual distributions*

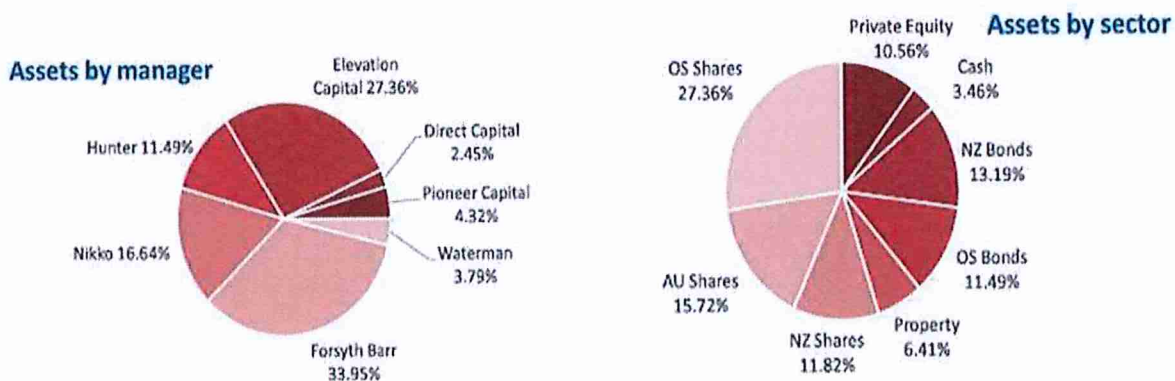
In the period under review the Community Trust Board has been concentrating their activities on good management of their investments. In consultation with the Investment Advisor, Michael Chamberlain, MCA Ltd, different investment strategies have been reviewed and implemented to invest in both long and short term investments including extending further into private equity. Investment in a share portfolio includes global investment through Elevation Capital and NZ and Australian shares through Forsyth Barr.

Investment into the Climate change area has been considered and future investment is planned in conjunction with Investment Managers following their own work on climate change investment strategy.

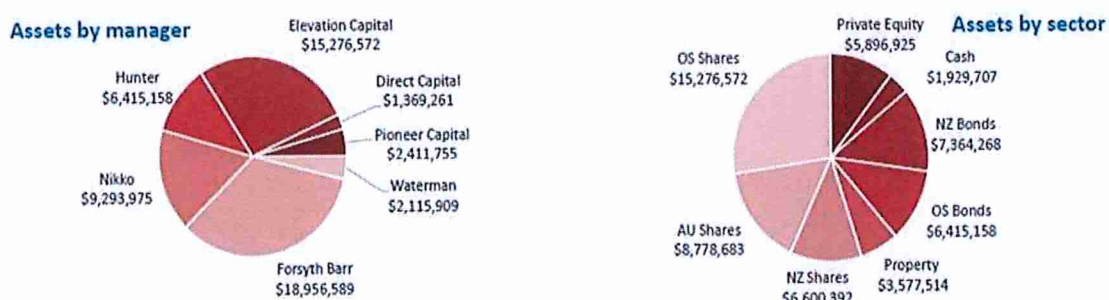
Impact investing planning is underway for the long term with preliminary work underway for investment into the Geraldine Health Hub. Building the new health hub is planned for August/September 2023. A partnership with Geraldine Foundation has been entered into with the Geraldine Foundation and a new company will be set up to manage the new property.

## Graphs of investment income

### Percentage of assets by Manager and by Sector

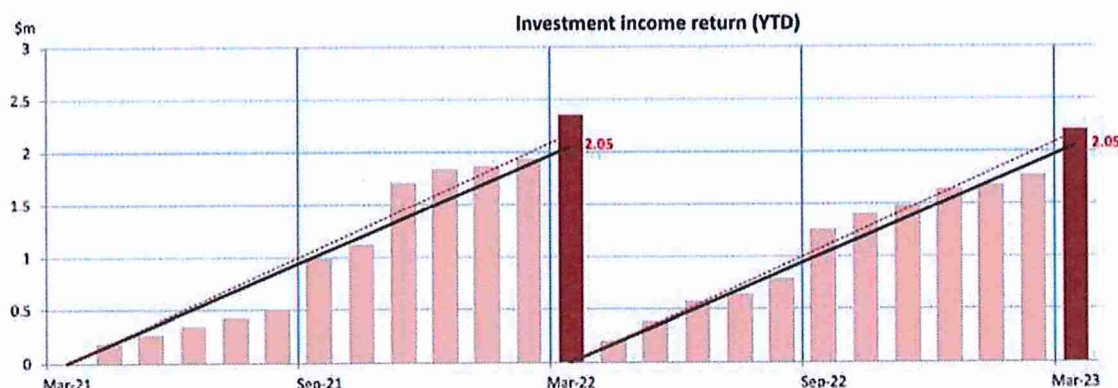


### Allocation of funds by Manager and by Sector





## Investment Income Return to 31 March 2023 (21 March 2022)



## Grant Distribution

*Distribute Community Trust funds in a fair and effective manner*

The Trust has six grant rounds per financial year open to all not for profits and one annual round related to foodbanks which is invitation only. Grant rounds are advertised on the website and annual calendar with closing dates and considered dates noted.

Grant applications are managed through the external provider, "Smartygrants". Staff process the applications received by the due date and prepare reports following due diligence for trustees' information. Trustees can access "Smartygrants" to record comments on applications assessed. Each grant round is considered by all the trustees and grants are allocated on trustees considered decision and grant budget for that round. The schedule of grants approved is published in the Annual Financial Report and on the Community Trust website.

Trustees must disclose to the board any actual or potential conflicts of interest that may exist or might reasonably be thought to exist between the interests of the Trust and the interests of the Trustee and persons associated with the Trustee. A register is kept and published in the Annual Accounts.

	Budget 2023	Actual 2023	Budget 2022	Actual 2022
Grants Approved	\$	\$	\$	\$
Round 1	187,000	154,500	105,000	207,276
Round 2	140,000	62,594	105,000	130,307
Round 3	187,000	161,500	105,000	256,326
Round 4	140,000	109,200	105,000	129,324
Special Round (Foodbanks)	137,000	137,000	125,000	125,000
Main Round 1 >\$20,000	400,000	635,000	400,000	807,000
Main Round 2 >\$20,000	400,000	165,000	400,000	549,600
Schools, ELCs, & Playcentres	260,000	254,336	250,000	255,386
Kindergartens	52,000	50,000	51,000	52,000
National Grants	10,000	7,147	10,000	
Special Reserve	400,000	0	444,000	
Multi year payments		202,000		
<b>Totals</b>	<b>2,313,000</b>	<b>1,938,277</b>	<b>2,100,000</b>	<b>2,513,119</b>

Number of grants considered		154		161
Number of grants approved		114		129
Total Investment income		(2,070,456)		2,755,217
Income Community House		134,690		128,763
Total Assets		58,371,809		62,313,965

## Funding Highlights 2022-2023



**\$1.94m**

Total Grants Approved  
2022-2023



**114**

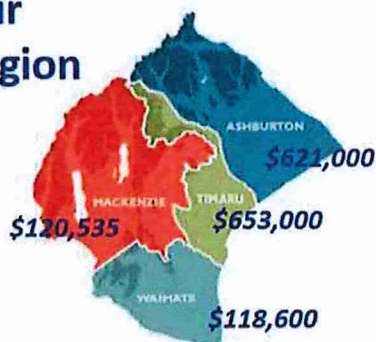
Total Number of  
Community Groups  
Funded



**154**

Total Grant Applications  
Processed

### Our Region



District Wide & Multi year **\$436,000**

### Grant Allocations



Foodbanks  
**\$137,000**



Education and  
Principals' fund  
**\$317,336**



Sports & Recreation  
**\$190,326**



Events  
**\$3,000**



Arts & Heritage  
**\$288,500**



Community  
**\$619,177**



Environment  
**\$20,000**



Health  
**\$160,544**

## Funding Highlights 2021-2022



**\$2.51m**

Total Grants Approved  
2021-2022



**145**

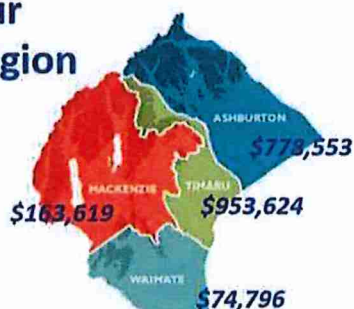
Total Number of  
Community Groups  
Funded



**161**

Total Grant Applications  
Processed

### Our Region



District Wide & Multi year **\$542,527**

### Grant Allocations



Foodbanks  
**\$125,900**



Education  
**\$461,013**



Sports & Recreation  
**\$493,484**



Events  
**\$128,022**



Arts & Heritage  
**\$102,418**



Community  
**\$578,984**



Environment  
**\$64,011**



Health  
**\$559,287**



## **Governance**

*Adopt best practice in governance and management*

The Board is responsible for deciding where the funds should be invested and allocating grants to all applicant organisations.

In 2022-2023 year, there were eight Board meetings, one Planning Day and the Annual Public meeting as set out in an annual meeting schedule (same as 2021-2022).

Three trustees attended the Combined Community Trust conference held in November 2022 in Rotorua. In 2021 year, the CCT conference was cancelled due to Covid.

## **Support**

*Support non-profit organisations to maintain purpose and long-term sustainability*

The Community Trust facilitates the South Canterbury and Mid Canterbury Funders Forums bringing together all funders. Four funding clinics have been held to promote the funders and encourage funding application. No funders clinics were held in the 2021-2022 year due to Covid restrictions.

The Community Trust owns and manages Community House, 27 Strathallan Street, Timaru.

	<b>2022/23</b>	<b>2021/22</b>
Income from rental	\$115,491	\$112,033
Income from Casual	\$8,020	\$5,220
Rooms available		
Casual rate NFP	\$20	\$15
Casual rate Profit	\$25	\$15

Community House is a listed heritage property (Heritage NZ 2069) previously being used as a commercial building for a stock and grain merchant. In 2006 it was purchased by the Trust and refurbished into a community hub for not for profits.

THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC



Statement of Comprehensive Revenue and Expense

For the Year Ended 31 March 2023

	Note	2023	2022
		\$	\$
<b>Revenue</b>	<b>2</b>		
Revenue from Exchange Transactions			
Investment Operations	2(i)	(2,084,261)	2,755,217
Community House Operations	2(ii)	134,690	128,763
Revenue from Non-exchange Transactions			
Community House Operations		-	-
<b>Expenses</b>			
Investment Operations	3	(679,684)	(689,077)
Community House Operations	4	(127,710)	(132,830)
Grants Approved	5	(1,938,277)	(2,513,119)
Grants No Longer Required/Lapsed	6	153,014	28,470
<b>Operating Surplus (Deficit)</b>		<b>(4,542,228)</b>	<b>(422,576)</b>
Finance Income	7	584,780	573,639
<b>Surplus (Deficit) for the Year attributable to the Trustees</b>		<b>(3,957,448)</b>	<b>151,063</b>
<b>Other Comprehensive Revenue and Expense</b>			
<i>Items that will not be reclassified subsequently to Revenue and Expense</i>			
Gain on revaluation of available-for-sale financial instruments	2 (iii)	-	(69,474)
<b>Total Comprehensive Revenue and Expense for the Year attributable to the Trustees</b>		<b>(3,957,448)</b>	<b>81,589</b>

## Statement of Changes in Net Assets/Equity

For the Year Ended 31 March 2023

	Initial Capital Fund - 1 April 1996	Inflation Reserve	Available- for-sale Fair Value Reserve	Accumulated Revenue and Expense	Total Equity
<b>Opening balances at 1 April 2022</b>	32,087,148	20,157,212	1,026,390	8,829,525	62,100,275
Surplus for the year				(3,957,448)	(3,957,448)
<b>Other comprehensive revenue and expense</b>					-
<i>Transactions with owners in their capacity as owners</i>					-
Transfer to inflation reserve		3,500,372		(3,500,372)	-
Transfer to Accumulated Revenue and Expense			(1,026,390)	1,026,390	-
<b>Total comprehensive revenue and expense for the year</b>	-	3,500,372	(1,026,390)	(6,431,430)	(3,957,448)
<b>Balance at 31 March 2023</b>	<b>32,087,148</b>	<b>23,657,584</b>	<b>-</b>	<b>2,398,095</b>	<b>58,142,827</b>
<b>Opening balances at 1 April 2021</b>	32,087,148	16,785,032	1,095,864	12,050,641	62,018,685
Deficit for the year				151,064	151,064
<b>Other comprehensive revenue and expense</b>					-
<i>Transactions with owners in their capacity as owners</i>					-
Transfer to inflation reserve		3,372,180		(3,372,180)	-
Other comprehensive revenue and expense			(69,474)		(69,474)
<b>Total comprehensive revenue and expense for the year</b>	-	3,372,180	(69,474)	(3,221,116)	81,590
<b>Balance at 31 March 2022</b>	<b>32,087,148</b>	<b>20,157,212</b>	<b>1,026,390</b>	<b>8,829,525</b>	<b>62,100,275</b>

THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC



Statement of Financial Position

As at 31 March 2023

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	9	2,187,369	3,084,878
Receivables (from exchange transactions)	10	58,965	79,571
Receivables (from non-exchange transactions)	10	19,312	6,257
GST Receivable		3,390	-
<b>Total Current Assets</b>		<b>2,269,036</b>	<b>3,170,706</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	11	2,249,241	2,255,790
Investments	12	53,864,386	56,887,469
<b>Total Non-Current Assets</b>		<b>56,113,627</b>	<b>59,143,259</b>
<b>Total Assets</b>		<b>58,382,663</b>	<b>62,313,965</b>
<b>Current Liabilities</b>			
Payables (from exchange transactions)	13	83,203	59,466
Current Portion of Loans and Borrowings	14	960	1,920
GST Payable		-	1,022
Payables (from non-exchange transactions)	15	155,674	150,324
<b>Total Current Liabilities</b>		<b>239,837</b>	<b>212,731</b>
<b>Non-Current Liabilities</b>			
Loans and Borrowings	14	-	960
<b>Total Liabilities</b>		<b>239,837</b>	<b>213,691</b>
<b>Net Assets</b>		<b>58,142,826</b>	<b>62,100,274</b>

THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC

Statement of Financial Position (continued)



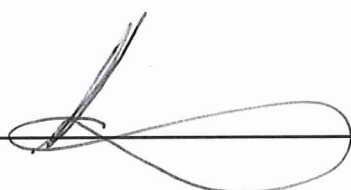
As at 31 March 2023

	Note	2023	2022
		\$	\$
<b>Trust Funds</b>			
Accumulated Revenue and Expense		2,398,092	8,829,524
Initial Capital Fund - 1 April 1996		32,087,148	32,087,148
Inflation Reserve		23,657,585	20,157,213
Available-for-sale Fair Value Reserve		-	1,026,389
<b>Total Trust Funds</b>		<b>58,142,826</b>	<b>62,100,274</b>
<b>Total Trust Funds &amp; Beneficiaries' Current Accounts</b>		<b>58,142,826</b>	<b>62,100,274</b>

Signed on Behalf of the Board of Trustees

  
Trustee

Date 10/08/23

  
Trustee

Date 10/8/23.

## Statement of Cash Flows

For the Year Ended 31 March 2023

	Note	2023	2022
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Cash was provided from:			
Receipts from Operations		131,793	133,261
Dividends Received		1,677,685	1,342,530
Net GST Refunds		-	5,875
Interest Received		584,780	573,681
		<b>2,394,258</b>	<b>2,055,347</b>
Cash was disbursed to:			
Payments to Suppliers and Employees		430,227	411,747
Management and Consultancy Fees		355,469	389,538
Net GST Payments		1,266	-
Grants		1,779,913	3,111,799
		<b>2,566,875</b>	<b>3,913,084</b>
<b>Net Cash Outflows from Operating Activities</b>		<b>(172,617)</b>	<b>(1,857,737)</b>
<b>Cash Flows from Investing Activities</b>			
Cash was provided from:			
Proceeds on Sale of Financial Assets		-	966,203
		<b>-</b>	<b>966,203</b>
Cash was disbursed to:			
Purchase of Property, Plant and Equipment		4,715	13,884
Purchase of Financial Assets		568,660	
Purchase of Investments		172,361	29,183
		<b>745,736</b>	<b>43,067</b>
<b>N Net Cash Inflows (Outflows) from Investing Activities</b>		<b>(745,736)</b>	<b>923,136</b>
<b>Cash Flows from Financial Activities</b>			
Cash was disbursed to:			
Repayment of Loans & Borrowings		1,920	1,920
		<b>1,920</b>	<b>1,920</b>
<b>Net Cash Outflows from Financial Activities</b>		<b>(1,920)</b>	<b>(1,920)</b>
Net Decrease in Cash Held		<b>(920,273)</b>	<b>(936,521)</b>
Cash & Cash Equivalents at the Beginning of the Year		3,084,878	4,020,462
Gain on Conversion of Cash & Cash Equivalents		22,765	937
<b>Cash &amp; Cash Equivalents at the End of the Year</b>		<b>2,187,370</b>	<b>3,084,878</b>



**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements**



**For the Year Ended 31 March 2023**

**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 2023 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 2022 to 31 March 2023 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 \$.

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**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.



**For the Year Ended 31 March 2023**

*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.

For the Year Ended 31 March 2023

(b) 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.

(c) Income Tax

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

**For the Year Ended 31 March 2023**

(d) 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.



**For the Year Ended 31 March 2023**

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 occurring 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.

**For the Year Ended 31 March 2023**

(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 reviewed 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.

(e) 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.

(f) 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.

**For the Year Ended 31 March 2023**

(g) 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 in 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.

(h) Grants

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

(i) 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.

(j) 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 accumulated inflation calculated each year by applying the Consumer Price Index to the opening Capital Fund.

Available-for-sale Fair Value Reserve - during the 2023 year due to the change in PBE IPSAS 41 the Available-for-sale Fair Value Reserve was combined with the Accumulated Revenue and Expense.



**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

(k) 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.

(l) Changes in Accounting Policies and Disclosures

During the 2023 year PBE IPSAS 41 Financial Instruments was adopted. This PBE Standard establishes new requirements for the recognition, measurement, presentation, and disclosure of financial assets and financial liabilities. The change in the standard affects Available-for-sale Financial Assets which in the past were measured at fair value through other comprehensive revenue and expense but are now measured at fair value through surplus or deficit.

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

(m) 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 2023: 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**

		<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
Investment Operations Income from Exchange Transactions	(i)	(2,084,261)	2,755,217
Community House Operations Income from Exchange Transactions	(ii)	134,690	128,763
<b>Total Revenue</b>		<b>(1,949,571)</b>	<b>2,883,980</b>

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**(i) Investment Operations Income from Exchange Transactions**

Realised Gains (Losses)	
Net Change in Financial Instruments at Fair Value (Unrealised)	
Other Investment Income	
Dividends Received	
<b>Total Investment Operations Income from Exchange Transactions</b>	

2023	2022
\$	\$
(1,159,585)	1,372,958
(2,581,094)	14,964
(661)	17,097
1,657,079	1,350,199
<b>(2,084,261)</b>	<b>2,755,217</b>

**(ii) Community House Operations Income from Exchange Transactions**

Lease Rentals	
Sundry Rentals	
Printing and Phone Charges Reimbursed	
<b>Total Community House Operations Income from Exchange Transactions</b>	

2023	2022
\$	\$
115,491	112,033
8,020	5,220
11,179	11,510
<b>134,690</b>	<b>128,763</b>

**(iii) Other Comprehensive Revenue and Expense**

<i>Available-for-sale Revaluation Reserve</i>	
Direct Capital V LP	
Direct Capital VI LP	
Pioneer Capital Fund 3	
Pioneer Capital Fund 4	
Waterman Fund 3 LP	
Waterman Fund 4 LP	
<b>Total Other Comprehensive Revenue and Expense</b>	

2023	2022
\$	\$
-	204,697
-	132,370
-	(136,170)
-	2,838
-	(657,949)
-	384,740
-	<b>(69,474)</b>

**3 Investment Operations Expenses**

Accountancy and Advisory Fees	
Auditor's Fees	
General Administration Expenses	
Advertising	
Smartygrants Database	
Depreciation	
Trustees Honoraria & Meeting Expenses	
Trustees Insurance	
Portfolio Fees	
Postage & Tolls	
Printing and Stationery	
General Professional Fees	
Conference Expenses	
Trustees & Staff Training	
Trustees Travel	
Salary and Wages	
<b>Total Investment Operations Expenses</b>	

2023	2022
\$	\$
15,085	13,325
11,000	11,003
8,811	9,988
6,233	5,888
12,000	12,000
3,676	2,506
78,246	81,022
3,248	3,090
355,300	370,057
3,237	4,260
2,829	4,242
14,199	4,039
12,486	1,761
5,750	8,659
4,219	6,017
143,365	151,222
<b>679,684</b>	<b>689,077</b>



**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**4 Community House Operations Expenses**

General Administration Expenses  
 Cleaning  
 Depreciation  
 Insurance  
 Heating and Power  
 Loss on Sale of Fixed Assets  
 Low Value Assets  
 Rates  
 Repairs and Maintenance  
 Security and Alarms  
 Telephone and Tolls  
 Salary and Wages

**Total Community House Operations Expenses**

2023	2022
\$	\$
3,391	3,072
14,228	14,190
7,588	9,449
20,994	19,726
14,515	16,898
-	75
1,934	482
3,227	2,875
9,290	17,676
6,583	6,100
5,964	4,894
39,996	37,392
<b>127,710</b>	<b>132,830</b>

**5 Grants Approved**

Grants Approved

**Total Grants Approved**

See Schedule of Grants Approved on page 37.

2023	2022
\$	\$
1,938,277	2,513,119
<b>1,938,277</b>	<b>2,513,119</b>

**6 Grants No Longer Required/Lapsed**

Grants No Longer Required/Lapsed

**Total Grants No Longer Required/Lapsed**

See Schedule of Grants No Longer Required/Lapsed on page 41.

2023	2022
\$	\$
153,014	28,470
<b>153,014</b>	<b>28,470</b>

**7 Finance Income**

Interest Received

**Total Finance Income**

2023	2022
\$	\$
584,780	573,639
<b>584,780</b>	<b>573,639</b>

**8 Defined Contribution Plan Expenses**

KiwiSaver Contributions

**Total Defined Contribution Plan Expenses**

2023	2022
\$	\$
6,225	6,138
<b>6,225</b>	<b>6,138</b>

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**9 Cash and Cash Equivalents**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Cash Balance</b>		
Nikko AM NZ Cash Fund	2,026,163	2,911,013
<b>Bank Account Balance</b>		
Westpac Bank : Current Account	161,206	173,866
<b>Total Cash and Cash Equivalents</b>	<b>2,187,369</b>	<b>3,084,878</b>

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.

**10 Trade and Other Receivables**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Receivables (from exchange transactions)</b>		
Forsyth Barr Dividends	58,965	79,571
<b>Receivables (from non-exchange transactions)</b>		
Sundry Receivables	19,312	6,257
<b>Total Trade and Other Receivables</b>	<b>78,277</b>	<b>85,828</b>

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.

**11 Property, Plant and Equipment**

	<b>2023</b>	<b>2022</b>
<b>Land and Buildings</b>		
Opening Carrying Amount	2,221,289	2,224,304
Purchases (Sales or Disposals)	4,715	-
Depreciation & Impairment	2,513	3,015
<b>Closing Carrying Amount</b>	<b>2,223,491</b>	<b>2,221,289</b>
<b>Net Carrying Amount</b>		
Cost	2,548,659	2,543,944
Accumulated Depreciation	325,168	322,655
<b>Net Carrying Amount</b>	<b>2,223,491</b>	<b>2,221,289</b>

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

	2023	2022
<b>Plant and Equipment - Community House</b>		
Opening Carrying Amount	25,306	25,513
Purchases (Sales or Disposals)	-	6,227
Depreciation & Impairment	5,075	6,434
<b>Closing Carrying Amount</b>	<b>20,231</b>	<b>25,306</b>
<b>Net Carrying Amount</b>		
Cost	91,933	91,933
Accumulated Depreciation	71,702	66,627
<b>Net Carrying Amount</b>	<b>20,231</b>	<b>25,306</b>
<b>Plant and Equipment - Trust</b>		
Opening Carrying Amount	9,196	4,120
Purchases (Sales or Disposals)	-	7,657
Depreciation & Impairment	3,676	2,581
<b>Closing Carrying Amount</b>	<b>5,520</b>	<b>9,196</b>
<b>Net Carrying Amount</b>		
Cost	70,296	70,296
Accumulated Depreciation	64,776	61,100
<b>Net Carrying Amount</b>	<b>5,520</b>	<b>9,196</b>
<b>Totals</b>		
Net Land and Buildings	2,223,491	2,221,289
Net Plant and Equipment - Community House	20,231	25,306
Net Plant and Equipment - Trust	5,520	9,196
	<b>2,249,241</b>	<b>2,255,790</b>

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**12 Investments**

**Investments**

Cash Management Account : Forsyth  
Barr Property  
Cash Management Account : Forsyth  
Barr Equity  
Cash Account : Elevation Capital (NZD)  
Cash Account : Elevation Capital  
(Offshore)

**Total Investments**

**Financial Instruments at Fair Value through surplus & deficit**

Forsyth Barr Property Portfolio  
Nikko Asset Management NZ Bonds  
Forsyth Barr - NZ Equity  
Forsyth Barr - Aust Equity  
Hunter Investment Management :  
Global Fixed Interest Fund  
Elevation Capital - Offshore Equity  
BNP PARIBAS - FX Account  
Waterman Fund 3 LP  
Direct Capital V LP  
Pioneer Capital Fund 3  
Waterman Fund 4 LP  
Direct Capital VI LP  
Pioneer Capital Fund IV LP

**Total Financial Instruments at Fair  
Value through surplus & deficit**

**Private Equity Available-for-sale Financial Assets**

Waterman Fund 3 LP  
Direct Capital V LP  
Pioneer Capital Fund 3  
Waterman Fund 4 LP  
Direct Capital VI LP  
Pioneer Capital Fund IV LP

**Total Private Equity Available-for-sale  
Financial Assets**

**Total Investments**

	2023	2022
	\$	\$
	89,575	166,920
	577,367	304,001
	26,272	282,806
	368,977	136,102
	<b>1,062,190</b>	<b>889,829</b>
	3,478,162	4,493,611
	7,364,867	7,601,139
	6,331,822	7,884,339
	8,420,699	8,699,348
	6,415,158	7,082,305
	14,881,323	15,053,629
	598	583
	272,871	-
	1,029,763	-
	1,213,983	-
	1,507,217	-
	856,828	-
	1,028,904	-
	<b>52,802,196</b>	<b>50,814,953</b>
	-	490,479
	-	999,557
	-	1,256,809
	-	1,015,768
	-	513,230
	-	906,844
	<b>-</b>	<b>5,182,686</b>
	<b>53,864,386</b>	<b>56,887,469</b>



THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC  
Notes to and forming part of the Financial Statements (continued)



For the Year Ended 31 March 2023

**13 Payables (from exchange transactions)**

**Accounts Payable**

Employee Entitlements Owing

Trade Payables from Exchange

Transactions

Sundry Accruals

**Total Payables (from exchange transactions)**

2023	2022
\$	\$
10,055	16,255
47,893	20,583
25,254	22,628
<b>83,203</b>	<b>59,466</b>

**14 Loans and Borrowings**

Not Later than one year

Later than one year and not later than two years

Classified as:

Current Lease Liabilities

Non-Current Lease Liabilities

**Total Loans and Borrowings**

2023	2022
\$	\$
960	1,920
-	960
<b>960</b>	<b>2,880</b>
960	1,920
-	960
<b>960</b>	<b>2,880</b>

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

**15 Payables (from non-exchange transactions)**

Grants Approved Not Yet Paid

**Total Payables (from non-exchange transactions)**

See Schedule of Grants Approved Not Yet Paid on page 41.

2023	2022
\$	\$
155,674	150,324
<b>155,674</b>	<b>150,324</b>

For the Year Ended 31 March 2023

## 16 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:

	2023	2022
	\$	\$
<b>Financial Assets</b>		
Fair Value through Surplus and Deficit	52,802,196	50,814,953
Private Equity Available-for-sale	-	5,182,686
Loans & Receivables : Cash & Cash Equivalents	2,187,369	3,084,879
Loans & Receivables : Investments Receivables	1,062,190	889,829
	72,277	78,808
<b>Total Financial Assets</b>	<b>56,124,032</b>	<b>60,051,155</b>
<b>Financial Liabilities</b>		
Financial Liabilities at amortised cost	960	2,880
Other Financial Liabilities	228,822	193,534
<b>Total Financial Liabilities</b>	<b>229,782</b>	<b>196,414</b>
	<b>55,894,250</b>	<b>59,854,741</b>

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

	2023	2022
	\$	\$
Level 1 - Australasian Equities	14,752,521	16,583,687
Level 2 - Global Equities	21,297,080	22,136,517
Level 3 - Private Equities & Unlisted Property	16,752,595	17,277,436
	<b>52,802,196</b>	<b>55,997,640</b>

### (a) Credit Risk

29% 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:

	2023	2022
	\$	\$
Accounts Receivable	72,277	78,808
Managed Fund Equities	39,021,572	41,313,613
	<b>39,093,849</b>	<b>41,392,421</b>

## For the Year Ended 31 March 2023

**(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:

2023		Less than 6 months	6 months to 1 year	Total
	\$	\$	\$	\$
Bank Call Accounts and Term Deposits	-	161,206	-	161,206
Managed Funds	-	3,088,353	6,415,158	9,503,512
	-	<b>3,249,559</b>	<b>6,415,158</b>	<b>9,664,718</b>
2022		Less than 6 months	6 months to 1 year	Total
	\$	\$	\$	\$
Bank Call Accounts & Term Deposits	-	173,866	-	173,866
Managed Funds	-	3,800,842	7,082,305	10,883,147
	-	<b>3,974,708</b>	<b>7,082,305</b>	<b>11,057,013</b>

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**17 Commitments**

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.

	2023	2022
	\$	\$
Waterman Fund 3	239,550	30,000
Direct Capital Fund V	147,000	173,953
Pioneer Capital Fund 3	130,273	244,463
Waterman Fund 4	939,000	1,250,000
Direct Capital Fund VI	1,387,951	1,617,943
Pioneer Capital Fund 4	729,220	1,040,424

**Geraldine Health Limited Partnership**

The Trust has committed funds to the Geraldine Health Limited Partnership of \$2,700,000 per the Geraldine Health Limited Partnership agreement. These funds will be paid as required.

**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.

**18 Contingent Liabilities**

The Trust has no contingent liabilities and no guarantees as at 31 March 2023 (2022: Contingent Liabilities Nil, Guarantees Nil).

**19 Events Occurring After Balance Date**

At the end of the 2023 financial year the Trust entered into an agreement to form The Geraldine Health Limited Partnership with the Geraldine District Foundation. The business of the Limited Partnership is to build and maintain a Health and Community Centre in Geraldine.

The Limited Partnership will be acting through the general partner Geraldine Health Limited which was incorporated on 2 June 2023.

The Trust has committed capital up to \$2,700,000.



For the Year Ended 31 March 2023

**20 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:

		2023	2022
		\$	\$
Adams, Mark	Catchment Collective SC	15,000	-
	Fairlie Museum	3,000	-
	MacKenzie Care Charitable Trust	-	28,600
Argyle-Reed, Jane	Ashburton Borough School	3,936	-
	Ashburton Community Alcohol & Drug Services	1,760	-
	Ashburton Senior Centre Trust	5,580	-
Holland, Janine	Methven Swimming Pool	40,000	-
Luyten, Pauline	Multicultural Association	7,500	-
	Te Aitaraiki Trust	5,700	-
	Waimate Rugby Club	8,000	-
Mills, Nathan	South Canterbury Gym	3,000	-
	YMCA South & Mid Canterbury	10,000	20,000
Quigley, Janine	Timaru Girls High School	6,450	-
Stevenson, Tina	Waimate Rugby Club	8,000	-
Thompson, Gail	YMCA South & Mid Canterbury	-	20,000
<b>Total Related Party Transactions</b>		<b>117,926</b>	<b>68,600</b>

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 21 for Key Management Personnel Expenses.

**21 Key Management Personnel Expenses**

	2023	2022
	\$	\$
Salaries & Temporary Staff Fees (EFT : 2.1)	183,361	188,614
Trustee Honoraria (EFT : 0.6)	76,208	78,926
Trustee Meeting Expenses	2,038	2,096
<b>Total Key Management Personnel Expenses</b>	<b>261,607</b>	<b>269,636</b>

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**

	2023	2022
	\$	\$
Adams, Mark	7,320	6,955
Argyle-Reed, Jane	4,463	7,651
Hay, Di	3,072	-
Holland, Janine	3,072	-
Luyten, Pauline	7,129	6,955
Mills, Nathan	13,726	13,200
Peilua, Peter	3,072	-
Quigley, Janine	4,057	6,955
Reuben, Tania	7,129	6,955
Stevenson, Lisa	-	7,651
Stevenson, Tina	7,129	6,955
Thompson, Gail	7,129	6,955
Wing, Alistair	8,911	8,694
<b>Total Trustee Honoraria</b>	<b>76,208</b>	<b>78,926</b>

**THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC**  
**Notes to and forming part of the Financial Statements (continued)**



**For the Year Ended 31 March 2023**

**22 Schedule of Grants Approved**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Age Concern Ashburton Inc	5,000	-
Albury Ice Hockey Association	3,500	3,300
Alzheimer's South Canterbury	10,000	10,000
AMPSS101	-	2,000
Aoraki Mount Cook Museum Trust	10,000	-
Aoraki Multicultural Centre	7,500	7,500
Aorangi Croquet Club Inc	-	4,680
Aorangi Golf Association	5,000	5,000
Ardamine Hall	8,000	-
Arts on Tour NZ Trust	10,000	10,000
Ashburton Baptist Church	3,000	10,000
Ashburton Bridge Club Inc	-	17,000
Ashburton Civic Music Council	-	1,000
Ashburton Community Alcohol & Drug Service Inc	1,760	-
Ashburton District Neighbourhood Support Inc	5,000	-
Ashburton Housing and Support Trust trading as Haven Housing	250,000	-
Ashburton Indoor Bowls Assn	-	10,000
Ashburton Jumping & Showhunter	-	5,000
Ashburton Learning Centre Inc	-	5,000
Ashburton Mackenzie Community Group	7,500	-
Ashburton Model Aero Club	4,000	-
Ashburton New Life Church Trust Board	-	3,000
Ashburton Parents Centre	-	10,000
Ashburton Senior Citizens Inc	10,000	10,000
Ashburton Seniors Centre Trust	5,580	8,000
Ashburton Town Watch Society	-	5,000
Ashburton Trust Event Centre	-	5,000
Ashburton Youth Café Charitable Trust	-	10,000
Ashburton Youth Health Trust	-	15,000
Association of Pleasant Point Sports Inc	2,000	2,000
Athletics South Canterbury Track Trust	-	170,000
Autism NZ Inc	5,000	5,000
Aviva Charitable Trust	-	9,455
Birthingright Canterbury Trust	7,000	10,000
Blue Light Ventures Inc	-	2,447
Brake NZ	-	15,000
Bushtown (Waimate) Incorporated	15,000	-
Cancer Society of NZ Canterbury-West Coast Division Inc	-	30,000
CanInspire Charitable Trust	4,500	-
Canterbury West Coast Air Rescue Trust	25,000	50,000
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	15,000
Cholmondeley Children's Centre Inc	10,000	10,000
Citizens Advice Bureau South Canterbury Inc	7,500	10,000
Citizens Advice Bureau Mid Canterbury	-	8,000
Citizens Advice Bureaux New Zealand Incorporated	10,000	-
Coastguard Mackenzie Lakes Inc	-	50,000
Community Accounts Service Charitable Trust	-	7,500
Congregational Christian Church of Samoa in Timaru	-	10,000

For the Year Ended 31 March 2023

22 Schedule of Grants Approved (Continued)

	2023	2022
	\$	\$
Connecting Mid Canterbury CT	5,000	5,000
CPlay	-	250,000
Cystic Fibrosis Assn of NZ	10,000	5,000
Dementia Canterbury Inc	5,000	-
Fairlie Mackenzie Museum Society	3,000	-
Fairlie Volunteer Fire Brigade	20,000	-
Fale Pasifika O Aoraki Trust Society Inc	10,000	-
Family Mental Health Support Inc	7,500	15,000
Family Support SC	5,000	4,210
Foodbank	40,000	40,000
Fox Peak Ski Club Inc	8,000	-
Geraldine - St Andrews Food bank	5,000	-
Geraldine Bowling Club Inc	10,000	-
Geraldine Community Resource Centre Trust	4,000	-
Geraldine Children Social Work Trust	-	8,000
Geraldine Croquet Club Incorporated	2,000	-
Geraldine District Golf Club Inc	-	8,000
Geraldine Ukefest	-	2,600
Geraldine Vintage Car and Machinery Club (Incorporated)	20,000	-
Gloriavale Leavers' Support Trust	5,000	5,000
Ha Ora Development Trust	-	10,000
Hakatere Ceramics and Pottery Ashburton	-	6,132
Hakatere Multicultural Council Inc	15,000	-
Heart Kids NZ South Canterbury Branch	-	10,000
Highbank Hall Charitable Trust	10,000	-
High Country Medical Trust	-	11,125
Highfield Mountainview Scout Group	-	1,200
Hinds Community Centre	10,000	9,943
Hockey South Canterbury Incorporated Association	3,000	-
Home & Family Society Christchurch Inc	-	10,000
Hospice Mid Canterbury Trust	10,000	15,000
Ka Toi Maori o Aoraki Inc	-	17,500
Kai for Kids CT	-	10,000
Kurow Community Pool	-	10,000
Lagmhor Westerfield War Memorial Hall	10,000	-
Learning for You SC	-	2,500
Life Education Trust Mid & South Canterbury	10,000	10,000
Mackenzie Basin Wilding Tree Charitable Trust	-	16,824
Mackenzie Book & Art Society Inc	-	10,000
Mackenzie Community Enhancement Board Inc	9,000	2,250
Mackenzie Community Enhancement Board Inc	17,000	10,000
Mackenzie Community Enhancement Board Inc	20,000	-
Mackenzie District Community Care CT	-	28,600
Mayfield Golf Club Inc	5,000	-
Menz Shed Trust Geraldine	-	2,000
Methven Bowling Club Inc	-	5,000
Methven Golf Club	5,000	-
Methven Library and Museum Management Committee	3,750	-
Methven Swimming Pool Association Inc	40,000	-
Methven Toy Library Incorporated	1,000	-
Mid Canterbury Emergency Relief Charitable Trust	8,000	8,000
Mid Canterbury Hockey	3,000	10,000
Mid Canterbury Youth CT	-	10,000
MC United Football Club	-	800



For the Year Ended 31 March 2023

22 Schedule of Grants Approved (Continued)

	2023	2022
	\$	\$
Mid South Canterbury Sub Centre of Athletics Canterbury Inc	5,000	-
Mount Hutt Ski Club Incorporated	10,000	-
Mt Nessing Golf Club	-	5,000
Mt Somers Reserve Board	-	8,000
Mt Somers Walkway Society	-	80,000
Multiple Sclerosis & Parkinson's Society of Canterbury	-	5,000
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	-
New Zealand Raptor Trust	-	21,000
NZ Choral Federation Inc	-	1,674
NZ Council of Victim Support Groups Inc	-	7,500
NZ Endometriosis Foundation CT	5,000	5,000
Orari River Protection Group	-	14,110
Order of St John Timaru Area Committee	-	10,000
Parent to Parent	2,500	-
Parents Centre Aotearoa	10,000	-
Peel Forest Outdoor Pursuits Charitable Trust	-	17,000
People First New Zealand Incorporated	3,000	-
Pleasant Point Bowling Club Incorporated	20,000	-
Pleasant Point Cricket Club	-	15,000
Pleasant Point Golf Club	2,220	-
Pleasant Valley Hall	-	3,600
Plunket NZ	-	20,000
Presbyterian Support South Canterbury Inc	3,284	10,000
Presbyterian Support Family Works	15,000	10,000
Rakaia - St Mark's Church	-	3,000
Rakaia Squash Club Inc	-	20,000
Recreate NZ	3,000	3,000
Riverbridge Native Species Trust	5,000	8,272
Road Safety Education Ltd	-	8,500
Ronald McDonald House Charities NZ Trust	10,000	10,000
Ronald McDonald House Charities South Island	-	10,000
Run Timaru	-	1,299
Safer Ashburton	-	30,000
Salvation Army	30,000	-
Seniorcare Geraldine Inc	25,000	7,550
Social Service Council of the Diocese of Christchurch	5,000	5,000
Society of St Vincent de Paul	8,000	10,000
Society of St Vincent de Paul - Ashburton	8,000	10,000
SC Chamber of Commerce	30,000	15,000
South Canterbury Gym Sports	3,000	10,000
South Canterbury Highland Pipe Band Inc	-	8,298
South Canterbury Hospice Inc	-	25,000
South Canterbury Multiple Sclerosis Society Inc	10,000	10,000
South Canterbury Museum Development Trust	200,000	-
South Canterbury Neighbourhood Support	5,000	10,000
South Canterbury Stroke Club	3,000	-
Southern Canterbury A&P Assn	-	1,500
SPELD	-	2,500



For the Year Ended 31 March 2023

22 Schedule of Grants Approved (Continued)

	2023	2022
	\$	\$
Sport Waimate Inc	-	5,000
Squash Midlands	-	5,000
St Andrews Foodbank	-	9,500
St Andrew's Presbyterian Church Ashburton	5,000	-
St John's Church Youth Project	1,000	-
St Marks Community Cupboard	5,000	-
Staveley Hall Society	-	120,000
Stopping Violence Services	15,000	15,000
Swim Timaru	-	3,800
TalkLink Trust	10,000	10,000
Target Shooting South Canterbury Incorporated	10,000	-
Te Aitarakahi Trust Inc	5,700	-
Team Tumble Cheer	-	2,984
Temuka & Districts Historical Society Inc	-	20,000
Temuka & Geraldine Agricultural & Pastoral Assn	20,000	15,000
Temuka Bowling Club	-	15,000
Temuka Combined Churches Foodbank	5,000	6,000
Temuka Embroiders' Guild	-	1,500
Temuka Golf Club	-	7,500
Temuka Menzshed Incorporated	2,000	-
The Parkinson's NZ CT	-	5,000
The Salvation Army - Ashburton	8,000	10,000
The Salvation Army - Timaru	8,000	10,000
The Salvation Army - Waimate	4,000	7,400
Theatre in Health Education Trust	-	5,000
Timaru Golf Club Inc	-	10,000
Timaru Indoor Bowls Assn	4,000	-
Timaru Riding for the Disabled	5,000	-
Timaru Senior Citizens Assn	10,000	10,000
Timaru Yacht & Powerboat club	10,000	-
Trott's Community Garden Charitable Trust	-	150,000
Twizel Promotion and Development Association Incorporated	7,500	-
UpsideDowns Education Trust	3,500	-
Volunteering Mid & South Canterbury	-	7,500
Waimate Art Society Incorporated	7,500	-
Waimate Community Church	3,000	5,000
Waimate Community Radio	3,500	3,900
Waimate District Cooperating Venture	-	10,000
Waimate District Resource Trust	24,000	-
Waimate Golf Club Inc	-	3,000
Waimate Parenting Hub	8,000	-
Waimate Rodeo Club	-	3,000
Waimate Rugby Football Club Inc	8,000	-
Wandersearch Canterbury CT	3,500	5,080
Wellbeing Opuke	7,500	-
West End (Timaru) Bowling Club Incorporated	15,000	-
Whalan Lodge Trust	12,000	-
Willowby Hall Society Inc	-	5,500
Young Men's Christian Association of South and Mid Canterbury Inc.	10,000	-
Youth Institute of Ashburton District Charitable Trust	10,000	-

For the Year Ended 31 March 2023

**22 Schedule of Grants Approved (Continued)**

YMCA of South & Mid Canterbury Inc  
Youthline Central South Island  
Kindergartens and Early Learning Centres  
Schools

**Total Grants Approved**

2023	2022
\$	\$
-	20,000
9,500	9,500
50,000	52,000
254,336	255,386
<b>1,938,277</b>	<b>2,513,119</b>

**23 Schedule of Grants No Longer Required/Lapsed**

Ashburton New Life Church  
Hearing Dogs for Deaf People NZ  
Orari River  
Te Aitarakihi Trust Inc  
Trotts Community Garden

**Total Grants No Longer Required/Lapsed**

2023	2022
\$	\$
3,000	-
-	8,000
14	-
-	20,470
150,000	-
<b>153,014</b>	<b>20,470</b>

**24 Schedule of Grants Approved Not Yet Paid Out**

Alzheimer's South Canterbury  
Arts on Tour NZ Trust  
Ashburton Youth Café  
Catchment Collective SC Inc  
Cholmondeley Children's Centre  
Citizens Advice Bureau SC Inc  
Fairlie Volunteer Fire Brigade  
Fox Peak Ski Club  
Geraldine Bowling Club  
Kurow Community Pool - Waitaki Valley School  
MacKenzie Basin Wilding Tree Trust  
MacKenzie Community Enhancement Board  
Mayfield Golf Club  
Methven Golf Club  
Mid Canterbury Hockey  
National Projects  
Pleasant Point Cricket Club  
Presbyterian Support Upper SI  
Southern Canterbury A&P Assn  
St John Timaru  
St Marks Anglican Church  
Target Shooting SC  
Temuka & Districts Historical Society  
Temuka & Geraldine A&P  
Te Aitarakihi Society  
Volunteering Mid & SC  
Waimate Art Society  
Waimate Rodeo  
Waimate Rugby Football Club  
Youth Institute of Ashburton District Charitable Trust

2023	2022
\$	\$
-	10,000
-	10,000
-	10,000
15,000	-
-	10,000
-	10,000
20,000	-
8,000	-
10,000	-
-	10,000
-	16,824
20,000	-
5,000	-
5,000	-
-	5,000
1,974	-
5,000	15,000
-	10,000
1,500	1,500
-	10,000
-	1,500
10,000	-
-	20,000
20,000	-
5,700	-
-	7,500
7,500	-
3,000	3,000
8,000	-
10,000	-
<b>155,674</b>	<b>150,324</b>

**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 13 to 41, and the service performance information on pages 8 to 12. The complete set of financial statements comprise the statement of financial position as 31 March 2023, 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 2023, and (of) its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31 March 2023, 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  
10 August 2023