

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

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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Trust Particulars

As at 31 March 2021

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 & recreational benefits to the community.
Trustees	Nathan Mills (Chairperson); BBC - Journalism Alistair Wing (Deputy Chairperson); JP, B Ag Com, FNZIV, FPINZ Lisa Stevenson; DipSocial Work Janine Quigley; BCom Pauline Luyten; LLB BSc PGDipSpt 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

For the Year Ended 31 March 2021

The Trustees are associated with the following organisations:

2021

<i>Name</i>	<i>Organisation</i>	<i>Association</i>
Adams, Mark	Waihao Wainono Catchment Community Group Inc	Professional Connection
Argyle-Reed, Jane	Ashburton Community Alcohol & Drug Service	Chairperson
	Ashburton Senior Citizens Inc	Client Connection
	Birthright Canterbury Trust	Family Connection
	Cancer Society Canterbury-West Coast	Family Connection
	Community Accounts Service	Professional & Client Connection
	Community House Mid-Canterbury Charitable Trust	Professional Connection
	Mid Canterbury Aero Club	Client Connection
	Mid Canterbury Netball	Business Connection
	Rakaia Netball	Friendship Connection
	Volunteering Mid & South Canterbury	Professional Connection
Forman, David	YMCA South & Mid Canterbury	Client Connection
Luyten, Pauline	Fraser Park Community Trust	Board Member of Assoc Entity
	Gleniti Golf Club	Personal Connection
	Old Boys Sports Club	Board Member, Personal Connection
	Te Aitarakihi	Business & Personal Connection, Work Relationship
Mills, Nathan	Tongan Society SC	Board Member
	Aorangi Golf Association	Member
	Ashburton Baptist Church	Personal Connection
	Association of Pleasant Point Sports Inc	Personal Connection
	Gleniti Golf Club	Former Member
	Trotts Community Garden Charitable Trust	Professional Connection
Quigley, Janine	YMCA South & Mid Canterbury	Trustee of Related Entity
	CAB	Personal Connection
	Timaru Girls' High School	Employee
Reuben, Tania	Hakaterere Marae	Marae Trustee
Thompson, Gail	Canterbury West Coast Sports Trust	Personal Connection
	Community Accounts	Friendship & Client Connection
	Fraser Park	YMCA Employee & project supporter
	Geraldine Direct Development	Client Connection
	Geraldine Combined Sport	Client Connection
	Old Boys Sports Club	Member, Player
	Peel Forest Outdoor Pursuits	Client Connection
	Presbyterian Support SC	Personal Connection
	Te Aitarakihi Trust	Work Relationship, Client Connection
	Temuka & Geraldine Agricultural & Pastoral Assoc	Commercial Connection
	Tennis SC	Personal Connection
	The Order of St John Timaru Area Committee	Client Connection
	Theatre in Education Trust	YMCA Employee & Connection
	Volunteering Mid & South Canterbury	Friendship Connection
	YMCA South & Mid Canterbury	Work Relationship
Wing, Alistair	BDO Accountants	Relation employed by BDO

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

For the Year Ended 31 March 2021

2020

<i>Name</i>	<i>Organisation</i>	<i>Association</i>
Argyle-Reed, Jane	Ashburton Community Alcohol & Drug Service	Board Member
	Mid Canterbury Choir	Member
	Mid Canterbury Community House	Client Connection, Professional Relationship
Forman, David	Mid Canterbury Cricket	Family Connection
	Centrecare Counselling Waimate	Client Connection
	Learning For You	Friendship Connection
Hide, Jan	Timaru Boys High School	Board Member
	Catholic Parish of Timaru	Business Connection
	Presbyterian Support	Board Member
Mills, Nathan	Ashburton Baptist Church	Professional Relationship
	Mid Canterbury Community House	Client Connection, Professional Relationship
	Mid Canterbury Hockey	Player
	Pleasant Point Golf Club	Personal Connection
	Waimate Bridge Club	Personal Connection
Reuben, Tania	Rakaia Netball	Family Connection
Stevenson, Lisa	Arowhenua Whanau Services	Employee
	Ka Toi Maori O Aoraki	Employee
Wing, Alistair	Timaru Boys High School	Member Old Boys Assoc

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

THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC

Chairperson's Report

For the Year Ended 31 March 2021

When preparing this year's Report, I felt it appropriate to look back to March 2020 to see where we have come from during the year in question. I feel, on balance, the Trust is in a position which is significantly better than we might have envisaged when looking ahead in March 2020 with the developing Covid-19 issues.

Upon speaking to other Trust Chairs around the country, anecdotally, I believe both Mid & South Canterbury fared better than a lot of other regions within New Zealand thanks largely to our strong rural economy. Centres like Ashburton, Geraldine, Waimate and Timaru fared reasonably well. However, that does not mean everyone in our region prospered. The Mackenzie Country was hit hard with the downturn in the tourism industry and the personal toll on employers and employees was significant.

The best thing about being involved with the Trust, is that we get to see how communities rally around each other when support is needed, and in turn we get an opportunity to play a small part in those programmes by way of providing financial assistance.

To be able to make those grants, we must ensure our investment portfolio is returning sufficient cash returns to fund those programmes whilst also growing in value over time to maintain the inflation-adjusted capital base for future generations to benefit from. Thus, ensuring our entity is there to support community groups both now and in perpetuity.

Investment Performance

Off the back of resilient capital markets, the Trust's Investment Portfolio rebounded strongly over the financial year, with a closing value of \$56,489,881 (2020 : \$48,700,678), a net improvement over the year of 15.99%.

Total Net Assets exceeded \$60,000,000 for the first time in the Trust's history, \$62,018,685 (2020 : \$52,162,037), a gain of 18.90%.

In March 2020, the Board decided to increase community support as:

- Covid's potential impact was difficult to determine, and
- other entities that typically support the wider community were hit harder than we were.

The result was the largest annual grant funding in our history totalling \$2,431,152.

Our thanks go to Investment Manager Michael Chamberlain for his sage advice throughout the year and historically in helping develop and maintain our Statement of Investment Policies and Objectives. His assistance meant the Trust was in a sound cash position to continue to grant into our communities despite markets fluctuating substantially through Covid and be in a position to take advantage of market improvements when they bounced back strongly through 2020 and into the early part of this year.

THE COMMUNITY TRUST OF MID & SOUTH CANTERBURY INC

Chairperson's Report (Continued)

For the Year Ended 31 March 2021

Grants

Grants totalling \$2,483,152 (2020 : \$1,836,543) were approved this year, the first time the Trust has ever granted in excess of \$2,000,000 in a financial year and a 32.38% increase on the previous year's approvals, which was a record at the time.

The Trust's most significant commitments included:

- \$350,000 Fraser Park Community Trust
- \$250,000 Geraldine Combined Sports Incorporated
- \$150,000 Hospice Mid Canterbury Trust
- \$ 75,000 Canterbury West Coast Air Rescue Trust
- \$ 70,000 Timaru Muslim Educational Trust
- \$ 60,000 Point Bush Ecological Restoration Trust
- \$ 50,000 Te Aitakihi Trust Inc

The Fraser Park Community Trust and Geraldine Combined Sports Incorporated applications were excellent examples of what can be achieved when a variety of sporting entities get together with a common cause, as it provides a heightened opportunity for the Trust to provide significant grants which benefit multiple entities and communities simultaneously.

The Hospice Mid Canterbury grant assisted this entity to secure their own property to provide onsite care facilities for the first time in Mid Canterbury. We regularly support the Air Rescue Trust; despite it being based outside our region, the timely aid they provide to residents and/or visitors in our geography is often critically important and much appreciated.

The funds granted to Te Aitakihi Trust Inc were made, in part, to support their strategic plans going forward, and is in line with our ongoing commitment to Te Tiriti o Waitangi. The grant to the Timaru Muslim Educational Trust was a great way to support a community which will only grow over time through ongoing immigration and refugee settlement into our region.

Two strategic priorities identified by Trustees were mental health and environmental projects. 15 entities received a total of \$147,308 to assist with various mental health programmes in the wider region. Perhaps the most noteworthy being \$20,000 to the High Country Medical Trust, who originally applied to assist Mackenzie residents struggling because of the impact of Covid. That group responded immediately to also assist residents of Lake Ohau with the same programme after that tiny community suffered the devastating fire in October 2020 which destroyed 48 homes and 5,000 hectares of land. Our Board has developed systems to enable us to make urgent grants where appropriate.

Five environmental projects received a total of \$91,850 throughout the year. One notable recipient being the Point Bush Ecological Restoration Trust which received \$60,000 to assist with a pest and predator fencing project. This entity is working to return an area of bush back to its origins.

The Trust continues to support Foodbanks with ten entities receiving \$121,900.

Through the Principal's Discretionary Fund, Schools received \$248,404 and Early Learning Centres, Kindergartens and Playcentres received \$50,000 overall.

Chairperson's Report (Continued)

For the Year Ended 31 March 2021

People

These organisations that apply for funding need to have dedicated volunteers and staff to do the work required. They all deserve a vote of thanks from all of us.

Within the Trust, the same applies. Chief Executive, Liz Shea managed Community House in Timaru very well during the Covid outbreak, keeping tenants and trustees advised of what was required from a regulatory perspective and making it as easy as possible for tenants to continue to operate with minimal interruption during this unprecedented time. Her passion for the wider community and Community House is obvious and much appreciated.

Lorel Hallinan was acting Community Relations Manager in 2020 and was appointed to this role permanently early in 2021. Many grantees have utilised her skills and experience to optimise their applications. My thanks go to Rosie Oliver who resigned from that role after briefly returning from maternity leave. We thank Rosie for her service to the Trust and wish her well in the next period of her career.

We welcomed Kathryn Barber into the Operations Coordinator role in January 2021. Kathryn has quickly become familiar with the workings of the Trust and is adding great value to day-to-day operations with practical improvements to systems and processes.

To the Trustees, I wish to record a heart-felt thank you. Alongside the experienced team that were already in place, we welcomed three new Trustees during the year. Gail Thompson (Geraldine/Woodbury), Pauline Luyten (Timaru), and Mark Adams (Fairlie), have all brought their respective skills, experience, community links, and wisdom to the board table, and throughout the year, the group has knitted into a great team. I really enjoy working with you all and am hopeful the upcoming round of trustee appointments by central government will see the return of the three quality trustees who are up for review.

Looking Ahead

Looking ahead to 2022, perhaps the most exciting change for the Trust will be the likely move into 'impact investment', where rather than simply providing grants to organisations, the Trust may begin to make investments alongside appropriate community partners in projects where:

- we feel the Trust can make a meaningful difference to the community through our financial involvement,
- it could mean the difference between getting a project off the ground or not, and
- if projects proceed as hoped, they'll ultimately provide a financial return to the Trust, as well as positive social outcomes for the community.

In the interim, we will look to continue to optimise returns from our investments whilst simultaneously ensuring we have sufficient amounts of cash to facilitate ongoing 'investment' into our great communities around the four local districts we serve, Ashburton, Mackenzie, Timaru and Waimate.

Nathan Mills
Chairperson

Statement of Comprehensive Revenue and Expense

For the Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Revenue			
Revenue from Exchange Transactions	2		
Investment Operations	2(i)	10,614,639	(3,078,132)
Community House Operations	2(ii)	135,478	135,867
Revenue from Non-exchange Transactions			
Community House Operations	2(iii)	-	4
Expenses			
Investment Operations	3	(652,756)	(765,371)
Community House Operations	4	(145,491)	(144,718)
Grants Approved	5	(2,431,152)	(1,836,543)
Grants No Longer Required/Lapsed	6	-	16,829
Other Expenses		(18,191)	(575)
Operating Surplus (Deficit)		7,502,527	(5,672,639)
Finance Income	7	660,559	629,672
Surplus (Deficit) for the Year attributable to the Trustees		8,163,086	(5,042,967)
Other Comprehensive Revenue and Expense			
<i>Items that will not be reclassified subsequently to Revenue and Expense</i>			
Gain on revaluation of available-for-sale financial instruments	2 (iv)	693,562	182,614
Total Comprehensive Revenue and Expense for the Year attributable to the Trustees		8,856,648	(4,860,354)

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 2021

	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 2020	32,087,148	16,062,783	402,302	4,609,804	53,162,037
Surplus for the year				8,163,086	8,163,086
Other comprehensive revenue and expense					
Transactions with owners in their capacity as owners					
Transfer to inflation reserve		722,249		(722,249)	-
Other comprehensive revenue and expense			693,562		693,562
Total comprehensive revenue and expense for the year	-	722,249	693,562	7,440,837	8,856,648
Balance at 31 March 2021	32,087,148	16,785,032	1,095,864	12,050,641	62,018,685
Opening balances at 1 April 2019	32,087,148	14,888,395	219,688	10,827,160	58,022,391
Deficit for the year				(5,042,967)	(5,042,967)
Other comprehensive revenue and expense					
Transactions with owners in their capacity as owners					
Transfer to inflation reserve		1,174,389		(1,174,389)	-
Other comprehensive revenue and expense			182,614		182,614
Total comprehensive revenue and expense for the year	-	1,174,389	182,614	(6,217,356)	(4,860,353)
Balance at 31 March 2020	32,087,148	16,062,784	402,302	4,609,804	53,162,037

Statement of Financial Position

As at 31 March 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and Cash Equivalents	9	4,020,462	2,544,943
Receivables (from exchange transactions)	10	71,944	91,907
Receivables (from non-exchange transactions)	10	11,246	8,298
GST Receivable		3,900	2,124
Total Current Assets		4,107,552	2,647,272
Non-Current Assets			
Property, Plant and Equipment	11	2,253,937	2,263,538
Investments	12	56,489,881	48,700,678
Total Non-Current Assets		58,743,818	50,964,215
Total Assets		62,851,370	53,611,488
Current Liabilities			
Payables (from exchange transactions)	13	50,412	57,371
Current Portion of Loans & Borrowings	14	1,920	1,920
Payables (from non-exchange transactions)	15	777,474	385,360
Total Current Liabilities		829,806	444,651
Non-Current Liabilities			
Loans & Borrowings	14	2,880	4,800
Total Liabilities		832,686	449,451
Net Assets		62,018,685	53,162,037

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 2021

	Note	2021 \$	2020 \$
Trust Funds			
Accumulated Revenue and Expense		12,050,640	4,609,803
Initial Capital Fund - 1 April 1996		32,087,148	32,087,148
Inflation Reserve		16,785,032	16,062,783
Available-for-sale Fair Value Reserve		1,095,864	402,302
Total Trust Funds		62,018,685	53,162,037
Total Trust Funds & Beneficiaries' Current Accounts		62,018,685	53,162,037

Signed on Behalf of the Board of Trustees

Nathan Mills

Trustee

Chairperson

Date *31 August 2021**Alistair Wing*

Trustee

Trustee

Date *31 August 2021*

Statement of Cash Flows

For the Year Ended 31 March 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Cash was provided from:			
Receipts from Operations		131,795	135,868
Grants and Donations Received		-	4
Dividends Received		1,312,930	1,426,525
Interest Received		660,654	629,706
Net GST Refunds		-	4,010
		2,105,379	2,196,113
Cash was disbursed to:			
Payments to Suppliers and Employees		467,696	476,975
Management and Consultancy Fees		341,756	406,845
Grants		2,039,038	1,562,367
Net GST Payments		2,690	-
		2,851,180	2,446,187
Net Cash Outflows from Operating Activities		(745,801)	(250,074)
Cash Flows from Investing Activities			
Cash was provided from:			
Proceeds on Sale of Financial Assets		2,820,334	425,023
		2,820,334	425,023
Cash was disbursed to:			
Purchase of Property, Plant and Equipment		2,695	1,125
Purchase of Investments		611,668	803,698
		614,363	804,823
Net Cash Inflows (Outflows) from Investing Activities		2,205,971	(379,800)
Cash Flows from Financial Activities			
Cash was disbursed to:			
Repayment of Loans & Borrowings		1,920	2,080
		1,920	2,080
Net Cash Outflows from Financial Activities		(1,920)	(2,080)
Net Increase in Cash Held		1,458,250	(631,954)
Cash & Cash Equivalents at the Beginning of the Year		2,544,943	3,170,209
Gain on Conversion of Cash & Cash Equivalents		17,269	6,688
Cash & Cash Equivalents at the End of the Year	9	4,020,462	2,544,943

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

For the Year Ended 31 March 2021

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 2021 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 2020 to 31 March 2021 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 \$.

Going Concern

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

For the Year Ended 31 March 2021

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Comprehensive Revenue & 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 2021

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 2021

(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 2021

(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 2021

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 2021

Available-for-sale Financial Assets

The Available-for-sale Financial Assets of the Community Trust of Mid & South Canterbury consist of five investments being:

- * Waterman Fund 3
- * Waterman Fund 4
- * Direct Capital Fund V
- * Direct Capital Fund VI
- * Pioneer Capital Fund 3

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category as they are not held for trading or to maturity, or do not qualify for inclusion in any of the other categories of financial assets.

Available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the "available-for-sale fair value reserve" within equity, except for impairment losses which are recognised in the surplus or deficit for the year. Interest and dividend income on available-for-sale financial assets are recognised in the surplus or deficit for the year.

Upon derecognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

Financial Assets Classified as Available-for-sale

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in net assets/equity to surplus or deficit.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. "Significant" is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

In the case of debt instruments classified as available-for-sale, the impairment is assessed based on the same criteria as financial assets at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in surplus or deficit. The cumulative loss that is reclassified from the fair value reserve in net assets/equity to surplus or deficit is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit.

Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in surplus or deficit. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive revenue and expense.

For the Year Ended 31 March 2021

(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 2021

(g) 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 - records the gains and losses regarding the Available-for-sale Financial Assets.

For the Year Ended 31 March 2021

(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

There have been no changes in accounting policies during the year. 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 2021: 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	2021	2020
		\$	\$
Investment Operations Income from Exchange Transactions	(i)	10,614,639	(3,078,132)
Community House Operations Income from Exchange Transactions	(ii)	135,478	135,867
Community House Operations Income from Non-exchange Transactions	(iii)	-	4
Total Revenue		10,750,117	(2,942,261)

For the Year Ended 31 March 2021

(i) Investment Operations Income from Exchange Transactions

Realised Gains (Losses)
Net Change in Financial Instruments at Fair Value (Unrealised)
Other Investment Income
Dividends Received

Total Investment Operations Income from Exchange Transactions

2021	2020
\$	\$
2,816,311	(1,444,458)
6,501,244	(3,055,459)
4,022	375
1,293,062	1,421,411
10,614,639	(3,078,132)

(ii) Community House Operations Income from Exchange Transactions

Lease Rentals
Sundry Rentals
Printing and Phone Charges Reimbursed

Total Community House Operations Income from Exchange Transactions

2021	2020
\$	\$
121,657	113,433
2,778	7,039
11,043	15,395
135,478	135,867

(iii) Community House Operations Income from Non-exchange Transactions

Grants

Total Community House Operations Income from Non-exchange Transactions

2021	2020
\$	\$
-	4
-	4

(iv) Other Comprehensive Revenue and Expense

Available-for-sale Revaluation Reserve
Direct Capital V LP
Direct Capital VI LP
Pioneer Capital Fund 3
Waterman Fund 3 LP

Total Other Comprehensive Revenue and Expense

2021	2020
\$	\$
245,627	(76,720)
57,034	-
58,652	206,440
332,249	52,894
693,562	182,614

For the Year Ended 31 March 2021

3 Investment Operations Expenses	2021	2020
	\$	\$
Accountancy and Advisory Fees	11,954	8,770
Auditor's Fees	7,400	7,150
General Administration Expenses	12,447	9,730
Advertising	4,628	9,626
Smartygrants Database	12,000	12,000
Depreciation	1,537	2,787
Trustees Honoraria & Meeting Expenses	78,283	79,170
Trustees Insurance	2,980	2,793
Portfolio Fees	348,955	416,009
Postage & Tolls	2,692	5,228
Printing and Stationery	3,776	2,329
General Professional Fees	21,564	15,944
Conference Expenses	560	16,169
Trustees & Staff Training	10,551	9,474
Trustees Travel	4,828	8,531
Salary and Wages	128,600	159,662
Total Investment Operations Expenses	652,756	765,371

4 Community House Operations Expenses	2021	2020
	\$	\$
General Administration Expenses	3,111	4,075
Cleaning	12,040	12,267
Depreciation	10,759	14,316
Insurance	27,171	26,759
Heating and Power	15,003	15,985
Rates	3,289	3,327
Repairs and Maintenance	30,821	28,043
Security and Alarms	8,126	4,092
Telephone and Tolls	5,712	6,395
Salary and Wages	29,460	29,460
Total Community House Operations Expenses	145,491	144,718

5 Grants Approved	2021	2020
	\$	\$
Grants Approved	2,431,152	1,836,543
Total Grants Approved	2,431,152	1,836,543

See Schedule of Grants Approved on page 33.

For the Year Ended 31 March 2021

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 37.

2021	2020
\$	\$
-	16,829
-	16,829

7 Finance Income

Interest Received

Total Finance Income

2021	2020
\$	\$
660,559	629,672
660,559	629,672

8 Defined Contribution Plan Expenses

KiwiSaver Contributions

Total Defined Contribution Plan Expenses

2021	2020
\$	\$
5,099	5,973
5,099	5,973

9 Cash and Cash Equivalents

Cash Balance

Nikko AM NZ Cash Fund

Bank Account Balances

Westpac Bank : Current Account

Westpac Bank : Online Saver Account

Total Cash and Cash Equivalents

2021	2020
\$	\$
3,660,680	2,505,091
341,554	23,134
18,227	16,718
359,782	39,851
4,020,462	2,544,943

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.

For the Year Ended 31 March 2021

10 Trade and Other Receivables

	2021	2020
	\$	\$
Receivables (from exchange transactions)		
Forsyth Barr Dividends	71,902	91,770
Westpac Bank Accrued Interest	42	137
Total Receivables (from exchange transactions)	71,944	91,907
Receivables (from non-exchange transactions)		
Sundry Receivables	11,246	8,298
Total Trade and Other Receivables	83,191	100,205

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

	Opening Carrying Amount	Purchases (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
	\$	\$	\$	\$
Property, Plant & Equipment 2021				
Land and Buildings	2,228,044	-	3,740	2,224,304
Plant and Equipment - Community House	29,837	2,695	7,019	25,513
Plant and Equipment - Trust	5,657	-	1,537	4,120
Total Property, Plant & Equipment	2,263,538	2,695	12,296	2,253,937

	Opening Carrying Amount	Purchases (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
	\$	\$	\$	\$
Property, Plant & Equipment 2020				
Land and Buildings	2,232,687	-	4,643	2,228,044
Plant and Equipment - Community House	39,510	-	9,673	29,837
Plant and Equipment - Trust	8,444	-	2,787	5,657
Total Property, Plant & Equipment	2,280,641	-	17,103	2,263,538

For the Year Ended 31 March 2021

12 Investments

Investments

	2021 \$	2020 \$
Term Deposit : Westpac Bank	54,714	53,310
Cash Management Account : Forsyth Barr Property	30,356	55,263
Cash Management Account : Forsyth Barr Equity	175,164	566,350
Cash Account : Elevation Capital (NZD)	24,702	46,730
Cash Account : Elevation Capital (Offshore)	575,710	22,891

Total Investments

860,646 744,544

Financial Instruments at Fair Value through surplus & deficit

Forsyth Barr Property Portfolio	4,415,732	3,592,762
Nikko Asset Management NZ Bonds	8,189,462	8,068,170
Forsyth Barr - NZ Equity	8,192,197	6,379,696
Forsyth Barr - Aust Equity	7,520,509	5,324,118
Hunter Investment Management : Global Fixed Interest Fund	7,715,855	7,463,660
Elevation Capital - Offshore Equity	14,704,224	13,850,729
BNP PARIBAS - FX Account	583	584

Total Financial Instruments at Fair Value through surplus & deficit

50,738,562 44,679,720

Private Equity Available-for-sale Financial Assets

Waterman Fund 3 LP	1,484,408	1,338,248
Direct Capital V LP	1,165,178	997,179
Pioneer Capital Fund 3	1,213,749	933,077
Waterman Fund 4 LP	651,074	7,910
Direct Capital VI LP	376,265	-

Total Private Equity Available-for-sale Financial Assets

4,890,674 3,276,414

Total Investments

56,489,881 48,700,678

13 Payables (from exchange transactions)

Accounts Payable

Employee Entitlements Owing	10,713	5,078
Trade Payables from Exchange Transactions	12,880	21,170
Sundry Accruals	26,818	31,123

Total Payables (from exchange transactions)

50,412 57,371

For the Year Ended 31 March 2021

14 Loans and Borrowings

Not Later than one year
Later than one year and not later than two years
Later than two years and not later than five years

2021	2020
\$	\$
1,920	1,920
1,920	1,920
960	2,880
4,800	6,720
Classified as:	
Current Lease Liabilities	1,920
Non-Current Lease Liabilities	4,800
4,800	6,720

Total Loans and Borrowings

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

2021	2020
\$	\$
777,474	385,360
777,474	385,360

Total Payables (from non-exchange transactions)

See Schedule of Grants Approved Not Yet Paid on page 37.

For the Year Ended 31 March 2021

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:

	2021	2020
	\$	\$
Financial Assets		
Fair Value through Surplus and Deficit	50,738,562	44,679,720
Private Equity Available-for-sale	4,890,674	3,276,414
Loans & Receivables : Cash & Cash Equivalents	4,020,462	2,544,943
Loans & Receivables : Investments	860,646	744,544
Receivables	76,191	93,205
Total Financial Assets	60,586,535	51,338,826
Financial Liabilities		
Financial Liabilities at amortised cost	4,800	6,720
Other Financial Liabilities	817,172	437,653
Total Financial Liabilities	821,972	444,373
	59,764,563	50,894,453

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

	2021	2020
	\$	\$
Level 1 - Australasian Equities	15,712,706	11,703,814
Level 2 - Global Equities	22,420,662	21,314,974
Level 3 - Private Equities & Unlisted Property	17,495,868	14,937,346
	55,629,236	47,956,134

(a) Credit Risk

33% 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:

	2021	2020
	\$	\$
Accounts Receivable	76,149	93,069
Managed Fund Equities	39,723,336	32,423,719
	39,799,485	32,516,788

For the Year Ended 31 March 2021

(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:

	Less than 6 months	6 months to 1 year	Total
2021	\$	\$	\$
Bank Call Accounts and Term Deposits	359,782	54,714	414,496
Managed Funds	4,466,612	7,715,855	12,182,467
	4,826,394	7,770,569	12,596,963
2020	\$	\$	\$
Bank Call Accounts & Term Deposits	39,851	53,310	93,161
Managed Funds	3,196,326	7,463,660	10,659,986
	3,236,177	7,516,970	10,753,147

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.

	2021	2020
Commitments	\$	\$
Waterman Fund 3	315,000	337,500
Direct Capital Fund V	234,615	251,331
Pioneer Capital Fund 3	430,168	661,311
Waterman Fund 4	1,250,000	1,950,000

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.

For the Year Ended 31 March 2021

19 Contingent Liabilities

The trust has no contingent liabilities and no guarantees as at 31 March 2021. (2020: Contingent Liabilities Nil. Guarantees Nil.)

20 Events Occurring After Balance Date

On 17 August 2021, following the detection of COVID-19 in the community, the New Zealand Government ordered an economy-wide lockdown, during which all non-essential businesses and organisations would not be permitted to operate. The lockdown commenced at 11.59pm on 17 August. The lockdown required the closing of Community House, however, as the majority of the Trust's services are provided online or via phone, during the lockdown period, the Trust's staff are able to work from home and continue to provide services to our clients.

For the Year Ended 31 March 2021

21 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:

Jane Argyle-Reed is the Chairperson of the Ashburton Community Alcohol & Drug Service. During the year the Trust approved grants of \$2,808 to the Ashburton Community Alcohol & Drug Service (2020 : declined).

Pauline Luyten is a Board Member of the Fraser Park Community Trust, the Old Boys Sports Club, and the Tongan Society of South Canterbury. During the year the Trust approved grants of \$450,000 to the Fraser Park Community Trust (2020 : n/a); \$2,000 to the Old Boys Sports Club (2020 : n/a); and \$5,000 to the Tongan Society of South Canterbury (2020 : n/a).

Tania Reuben is a Trustee of the Hakatere Marae. During the year the Trust approved grants of \$16,000 to the Hakatere Marae (2020 : n/a).

During the 2020 year Lisa Stevenson was an employee of Arowhenua Whanau Services and Ka Toi Maori O Aoraki. During the 2020 year the Trust approved grants of \$2,000 to Arowhenua Whanau Services, and \$1,500 to Ka Toi Maori O Aoraki.

Past trustee, David Forman, was a Board Member of Timaru Boys' High School. During the 2020 year the Trust declined a grant to Timaru Boys' High School.

Past trustee, Jan Hide, was a Board Member of Presbyterian Support. During the 2020 year the Trust approved grants of \$10,000 to Presbyterian Support.

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 22 for Key Management Personnel Expenses.

22 Key Management Personnel Expenses

Salaries & Temporary Staff Fees (EFT : 2.1)

Trustee Honoraria (EFT : 0.6)

Trustee Meeting Expenses

Total Key Management Personnel Expenses

2021	2020
\$	\$
174,788	189,122
75,792	75,975
2,491	3,195
253,071	268,292

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

Adams, Mark
Argyle-Reed, Jane
Forman, David
Hide, Jan
Luyten, Pauline
Mills, Nathan
Quigley, Janine
Reuben, Tania
Simpson, Karen
Stevenson, Lisa
Stevenson, Tina
Thompson, Gail
Wing, Alistair

Total Trustee Honoraria

2021	2020
\$	\$
4,057	-
7,361	7,302
4,051	14,132
3,188	7,912
4,057	-
12,159	5,796
6,955	6,955
6,955	5,796
-	6,955
7,303	6,955
6,955	5,796
4,057	-
8,694	8,376
75,792	75,975

For the Year Ended 31 March 2021

23 Schedule of Grants Approved

	2021	2020
	\$	\$
Addiction Mental Health Peer Support Services	10,000	-
Albury Ice Hockey Association	3,000	-
Allenton Sports Club Inc	8,550	-
Anxiety NZ Trust	5,000	4,000
Aoraki Multicultural Centre	7,500	7,500
Aorangi Golf Association	5,000	-
Arowhenua Whanau Services	-	6,818
Ashburton Baptist Church	10,000	10,000
Ashburton Cadet Corps Association	2,500	-
Ashburton Community Alcohol & Drug Service Inc	2,808	-
Ashburton County Scottish Society Inc	-	2,221
Ashburton District Neighbourhood Support Inc	5,000	8,000
Ashburton Golf Club	-	5,500
Ashburton Indian Multicultural Trust	-	2,000
Ashburton Learning Centre Inc	5,000	7,500
Ashburton Mackenzie Community Group	-	10,000
Ashburton Parents Centre	-	10,000
Ashburton Railway & Preservation Society Inc	10,000	-
Ashburton Senior Citizens Inc	10,000	-
Ashburton Swim Team Inc	-	3,300
Ashburton Youth Café Charitable Trust	8,000	8,500
Ashbury Croquet Club	-	3,200
Association of Pleasant Point Sports Inc	2,000	-
Autism NZ Inc	5,000	-
Aviva Charitable Trust	-	9,100
Birthright Canterbury Trust	9,855	9,623
Cancer Society of NZ Canterbury-West Coast Division Inc	7,500	-
CanInspire Charitable Trust	6,000	7,500
Canterbury Men's Centre	-	12,000
Canterbury West Coast Air Rescue Trust	75,000	50,000
Canterbury West Coast Sports Trust	15,000	-
Caroline House	5,000	-
Catholic Diocese of Christchurch Parish of Mid Canterbury Parish Trust	5,000	-
CCS Disability Action South Canterbury Inc	5,000	10,000
Centrecare Counselling Waimate	15,000	15,000
Choirs Aotearoa NZ Trust	-	2,000
Cholmondeley Children's Centre Inc	10,000	5,000
Citizens Advice Bureau South Canterbury Inc	10,000	10,000
City Harvest Food Rescue Canterbury	-	40,000
Community Accounts Service Charitable Trust	7,500	-
Community Colleges NZ Ltd	-	5,000
Community House Mid-Canterbury Charitable Trust	8,671	14,290
Cystic Fibrosis Assn of NZ	10,000	5,000
Dementia Canterbury Inc	5,000	-
Fairlie Golf Club Inc	2,878	-
Family Mental Health Support Inc	7,500	-
Fish Mainland Inc	10,000	-
Foodbank Canterbury	40,000	-
Fox Peak Ski Club Inc	11,740	-
Fraser Park Community Trust	350,000	100,000

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

For the Year Ended 31 March 2021

23 Schedule of Grants Approved (Continued)

	2021	2020
	\$	\$
Geraldine Academy of Performance & Arts Inc	4,500	-
Geraldine Bowls Inc	-	55,000
Geraldine Combined Sports Inc	250,000	-
Girl Guides Assn NZ Inc	-	3,400
Gleniti Golf Club	5,000	-
Gloriavale Leavers' Support Trust	5,000	10,000
Ha Ora Development Trust	10,000	10,000
Hakatere Ceramics and Pottery Ashburton	-	17,000
Hakatere Marae Coordinator	16,000	-
Hakatere Multicultural Council Inc	15,000	7,500
Hearing Association South Canterbury Inc	5,000	7,500
Hearing Dogs for Deaf People NZ	10,000	-
Height of Harmony Barbershop Singers Inc	-	940
High Country Medical Trust	30,000	-
High Country Medical Trust	20,000	-
Highfield Mountainview Scout Group	-	5,000
Hospice Mid Canterbury Trust	15,000	10,000
Hospice Mid Canterbury Trust	150,000	-
Ka Toi Maori o Aoraki Inc	-	1,500
KidzMethven Inc	-	20,000
Lake Tekapo School	-	30,000
Learning for You SC	-	5,000
Life Church Timaru	-	10,000
Life Education Trust Mid & South Canterbury	10,000	8,500
Lions Club of Timaru	-	75,000
Mackenzie Basin Wilding Tree Charitable Trust	23,800	-
Mackenzie Community Enhancement Board Inc	20,000	29,000
Mackenzie Community Enhancement Board Inc (Heartland Fairlie Resource & Info Centre)	3,000	-
Methven Football Club	2,000	-
Methven Golf Club	7,000	-
Mid Canterbury Choir	1,500	2,000
Mid Canterbury Cricket Assn	-	5,000
Mid Canterbury Emergency Relief Charitable Trust	5,000	3,000
Mid Canterbury Hockey	-	5,000
Mid Canterbury Netball Inc	5,000	-
Mid Canterbury Riding for the Disabled Inc	2,500	5,000
Mountain Bike Ashburton Inc	10,000	-
Mt Somers Reserve Board	-	5,000
Multiple Sclerosis & Parkinson's Society of Canterbury	-	9,500
Neurological Foundation NZ	-	1,560
New Zealand Alpine Club	-	20,000
New Zealand Raptor Trust	-	10,000
New Zealand Riding for the Disabled Association	-	5,832
NZ Council of Victim Support Groups Inc	7,500	7,500
Old Boys' Sports Club Timaru Inc	2,000	-
Orari Equestrian Centre Inc	1,618	-
Orari River Protection Group	6,050	-
Order of St John Timaru Area Committee	-	9,000
Parent to Parent	2,500	-
Parkinson's NZ Charitable Trust	10,000	10,000
Peel Forest Outdoor Pursuits Charitable Trust	2,610	14,466
Pinc and Steel Cancer Rehabilitation Trust	-	9,804

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

For the Year Ended 31 March 2021

23 Schedule of Grants Approved (Continued)

	2021	2020
	\$	\$
Pleasant Point Community Health and Fitness Club Inc	-	5,000
Pleasant Point Cricket Club	-	23,300
Pleasant Point Golf Club	-	10,000
Pleasant Point Playcentre	-	500
Pleasant Point Railway and Historical Society	-	1,900
Pleasant Point Scout Group	-	10,000
Pleasant Valley Hall	-	9,900
Point Bush Ecological Restoration Trust	60,000	-
Positive Waimate	-	3,000
Presbyterian Support South Canterbury Inc	10,000	11,477
Presbyterian Support USI	-	10,000
Raincliff Scout Camp	-	2,000
Raincliff Youth Camp	-	10,000
Rakaia Golf Club	-	5,000
Rakaia Memorial Hall	9,180	-
Rakaia Netball Club	-	1,500
Rakaia Pony Club	10,000	-
Rata Foundation	5,398	-
Read NZ Te Pou Muramura Inc	5,000	2,000
Recreate NZ	-	2,500
Riverbridge Native Species Trust	-	5,000
RNZ Foundation of the Blind Inc	-	2,000
Road Safety Education Ltd	7,440	-
Roman Catholic Diocese of Christchurch - Catholic Parish Timaru Trust	-	7,500
Roman Catholic Diocese of Christchurch - The Catholic Parish of Opihi Trust	25,000	-
Ronald McDonald House Charities NZ Trust	10,000	7,500
Royal Foundation of the Blind Inc	10,000	-
Royal NZ Plunket Trust Mid South Canterbury Area	20,000	20,000
Ruapuna Hall Committee	-	8,000
Safer Ashburton	30,000	30,000
SC Indian Cultural Society Inc	-	3,000
Seniorcare Geraldine Inc	-	15,000
Social Service Council of the Diocese of Christchurch	5,000	-
Society of St Vincent de Paul - Timaru	10,000	-
Society of St Vincent de Paul - Ashburton	10,000	-
South Canterbury Hockey Turf Trust	-	50,000
South Canterbury Hospice Inc	50,000	10,000
South Canterbury Multiple Sclerosis Society Inc	10,000	10,000
South Canterbury Neighbourhood Support	10,500	-
South Canterbury Pottery Group	8,000	-
South Canterbury Stroke Club	3,000	3,000
Special Olympics South Canterbury	-	2,000
Spirit of Adventure Trust Board	-	10,000
Sport Canterbury	-	20,000
Squash Midlands	-	5,000
St Andrews District Children's Centre Inc	20,000	-
St Andrews Foodbank	8,500	7,500
St Vincent de Paul - Ashburton	-	10,000
St Vincent de Paul - Timaru	-	10,000
Stopping Violence Services	18,000	-
Stopping Violence Services (Christchurch)	-	18,000
Stroke Foundation of NZ	5,000	-

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

For the Year Ended 31 March 2021

23 Schedule of Grants Approved (Continued)

	2021	2020
	\$	\$
Sustainable South Canterbury Trust	-	150,000
Sutherlands District Hall Committee	8,000	-
TalkLink Trust	9,500	-
Te Aitarakahi Trust Inc	50,000	25,634
Temuka & Geraldine Agricultural & Pastoral Assn	8,500	-
Temuka Combined Churches Foodbank	6,000	-
Temuka Embroiders' Guild	-	2,000
Temuka Golf Club	2,000	3,100
Temuka Patchwork Group	1,100	1,865
Temuka RFC	-	10,000
Tennis South Canterbury Inc	50,000	-
The Girl Guides Assn NZ Inc	5,000	-
The Home & Family Society Christchurch Inc	10,000	-
The Salvation Army - Ashburton	10,000	10,000
The Salvation Army - Timaru	10,000	10,000
The Salvation Army - Waimate	7,400	7,400
The Stroke Foundation of NZ Ltd	-	3,000
The Victoria Trust	-	100,000
The Youth Institute of Ashburton District	-	9,000
Theatre in Health Education Trust	-	5,000
Timaru Group Riding for the Disabled	6,643	10,000
Timaru Harrier Club Inc	-	2,329
Timaru Indoor Bowls Assn	5,107	7,484
Timaru Municipal Band	3,000	-
Timaru Parents Centre Inc	-	3,920
Timaru Soap Box Derby	-	2,200
Timau Muslim Educational Trust	70,000	-
Tinwald Pony Club	-	1,500
Tongan Society South Canterbury	5,000	-
Trott's Community Garden Charitable Trust	10,000	-
Twizel Promotions and Development Assn	-	567
Volunteering Mid & South Canterbury	7,500	25,000
Waihao Wainono Catchment Community Group Inc	45,000	-
Waimate Bridge Club	-	3,300
Waimate Community Church	5,000	5,000
Waimate Community Radio	3,900	3,900
Waimate Cricket Club	-	6,000
Waimate Golf Club Inc	-	5,000
Waimate Savage Club	-	1,800
Waimate Theatre Company	15,000	-
Waireka Croquet Club Inc	9,000	-
Wallingford Rest Home	-	4,276
Waterwatch Education Trust	-	3,400
Wellbeing Opuke	7,000	-
West End Croquet Club SC Inc	-	4,000
Willowby Hall Society Inc	-	8,000
YMCA of South & Mid Canterbury Inc	20,000	-
Youthline Central South Island	9,500	-
Kindergartens and Early Learning Centres	50,000	18,500
Schools	248,404	210,737
Total Grants Approved	2,437,215	1,842,603

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

For the Year Ended 31 March 2021

24 Schedule of Grants No Longer Required/Lapsed

Ashburton Multi-Cultural Trust
Geraldine Arts & Plants Festival
Highfield Mountainview Scout Group
SC Gymsports
Southern Alps Country Music Awards
Twizel Promotions

Total Grants No Longer Required/Lapsed

2021	2020
\$	\$
-	2,000
-	2,000
-	215
-	10,000
-	1,614
-	1,000
-	16,829

25 Schedule of Grants Approved Not Yet Paid Out

Anxiety NZ Trust
Ashburton District Neighbourhood Support Inc
Ashburton Parents Centre
Ashburton Youth Café
Ashbury Croquet Club
Aviva Charitable Trust
CanInspire Charitable Trust
Citizens Advice Bureau SC Inc
Community House Mid Canterbury Charitable Trust
Cystic Fibrosis
Fraser Park Community Trust
Geraldine Combined Sports Inc
Lake Tekapo School
Lions Club of Timaru
Mackenzie Community Enhancement Board
Mid Canterbury Cricket
Mid Canterbury Choir
Mid Canterbury Hockey
Multiple Sclerosis
Old Boys Sports Club Timaru Inc
Orari River Protection Group
Parent to Parent NZ Inc
Pleasant Valley Hall
Project Peel
Raincliff Scout Camp
Raincliff Youth Camp
Rakaia Netball
Read NZ Te Pou Muramura Inc
Recreate NZ
SC Hospice
SC Stroke Club
Temuka Embroiders Guild
The Peel Forest Outdoor Pursuits Charitable Trust
The Youth Institute of Ashburton
Timaru Group Riding for the Disabled
Timaru Indoor Bowls
Wallingford Rest Home
Waterwatch
Wellbeing Opuke
Willowby Hall

2021	2020
\$	\$
5,000	4,000
5,000	8,000
-	10,000
8,000	8,500
-	3,200
-	9,100
6,000	-
10,000	-
8,671	-
-	5,000
450,000	100,000
250,000	-
-	30,000
-	75,000
-	29,000
-	5,000
-	2,000
-	5,000
-	9,500
2,000	-
6,050	-
2,500	-
-	9,900
-	7,000
-	2,000
-	10,000
-	1,500
5,000	2,000
-	2,500
-	10,000
3,000	3,000
-	2,000
2,610	-
-	9,000
6,643	-
-	7,484
-	4,276
-	3,400
7,000	-
-	8,000
777,474	385,360

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

**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 statement of financial position as at 31 March 2021, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and cash flow statement 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 present fairly, in all material respects, the financial position of the Trust as at 31 March 2021, and its financial performance and its cash flows for the year then ended 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 in accordance with International Standards on Auditing (New Zealand) ("ISAs (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 Matter

The financial statements of The Community Trust of Mid and South Canterbury Incorporated for the year ended 31 March 2020 were audited by another auditor who expressed an unmodified opinion on those statement on 27 August 2020.

Other Information

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is the Chairman's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with 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

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust 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 the Trustees either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

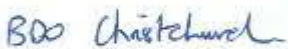
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the 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 Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



BDO Christchurch
Christchurch
New Zealand
31 August 2021