



Annual Report and Financial Statements

For The Year Ended

30 June 2019

Registered under the Charities Act 2005 – Registered Charity No CC20115

HMCT ANNUAL REPORT 2019

Introduction

I am pleased to present this report on behalf of the Trust for the year ending 30 June 2019.

As is evident from the Financial Statements presented with this Report, the Trust's financial position has improved further such that the Trust Fund has now increased to in excess of \$41 million. This has enabled the Trust to better achieve its vision of building strong communities.

Community Grants

Community grants of over \$1 million were made during the year to over 240 community organisations. While these distributions were slightly down on what was distributed in the previous year, this is largely due to timing issues and the continuation of substantial grants that were approved in the previous year and which were carried over into the 2018/2019 financial year. These were grants that were made to the Hutt City Sports development at Fraser Park and to the expansion of the Expressions Trust premises in Upper Hutt.

Community grants are the subject of the twice yearly grants rounds in February and August. Following these grants rounds, the Trust has developed a tradition of having grants functions which provide an opportunity not only for the Trust to meet face to face with persons from those organisations who have successfully received a grant, but also to network the sharing of information between the different community organisations.

Energy-Related Grants

An important part of the Trust's purposes is the making of energy-related charitable grants. This reflects the origins of the Trust which was originally established by the Hutt Mana Energy Trust – that latter Trust coming out of the Energy Reforms of the 1990s and the effective privatisation of the old Hutt Valley Energy Board.

It is in this area that the Trust has sought to target more specifically those vulnerable sectors of our community particularly in regard to housing. It was this vision that led to a pilot project being undertaken in the Cannon's Creek area in partnership with the Tumai Hauora Ki Porirua Alliance. Under this project, 20 homes were identified in the Cannon's Creek area of families with specific health needs that required upgrading to make them warmer and healthier. This "deep dive" approach was seen as a way in which the Trust could make a difference in improving the overall health of its communities, particularly in respect of those more vulnerable members of the community in rented accommodation.

A full assessment of the Tumai Hauora Ki Porirua Alliance Project is to be undertaken, but some of the results already available indicate that there has been some success particularly in raising the health standards of those families.

A continuation of the Tumai Hauora Ki Porirua Alliance Project has been identified for the new financial year, not only in the Porirua area, but also in North Wellington. Again, the purpose of these projects is to identify and bring up to an acceptable healthy standard, 20 homes in the Porirua area and 20 homes in the North Wellington area of families with specific health and other needs.

In addition to the “deep dive” projects identified above, the Trust has continued to participate in the Central Government retrofitting programme. In this respect, late last year the Government announced the Warmer Kiwi Homes Project under which Central Government through EECA partially fund not only retrofitting but also heat pumps in homes where the home owner is the holder of a community services card or lives in a particular low decile area of the community. Funding was given to both Energy Smart and Sustainability Trust so that in some cases, the total cost of this work could be undertaken without any burden on the home owner.

Similar funding was also given to the Healthy Housing Coalition to assist it in identifying and assessing homes within the Hutt Mana area with a view to funding energy efficiency measures in those homes.

The Trust continues to fund educational projects where funding was provided to a number of primary and intermediate schools to assist in specific energy efficiency projects that those schools had identified. The Trust also awarded scholarships to secondary school leavers in the Hutt Mana area who were intending to undertake some form of tertiary study. In the year ending 30 June 2019, 16 such scholarships were awarded of \$1,500.00 each.

Investments

The Trust continues to operate a diversified portfolio of investments in both equities and interest-bearing securities. During the year the Trust undertook a review of its investment policies and in particular, the investment advice it should access. As a result of that review, it was decided to change the Trust’s investment advisors from FI360 to Forsyth Barr. This change was largely seen as not only a refresh of matters, but also to bring that investment advice closer to where the Trust is based. In this respect, the Trust has been well served by its previous investment advisors, FI360 and I take this opportunity in particular to thank the years of service and advice that its Director, Ross Fowler, has given to the Trust in that respect.

The Trust now looks forward to developing a new relationship with Forsyth Barr and to ensure that the Trust’s governance of its investment is robust, effective and transparent.

Over the last financial year, there has been a return of approximately 7.4% after fees on the Trust's investments. This resulted in the further growth of the Trust's capital base as reported above.

Changes to Trust Deed

Consultation was undertaken during the year in regard to some minor changes to the Trust Deed. These changes were to remove the current residential requirement for the different areas that elect trustees to the Trust and also to modernise the Deed so that the Trust can make better use of modern technology as regards how it carries out its functions. Following that consultation process, these amendments were adopted accordingly.

Trust Administration

Administration expenses continue to be contained within acceptable limits. These administration expenses were less than 14% of the Trust's income during the year and less than 1% of the overall capital base of the Trust. The Trust does not have to carry the expensive cost of a bureaucracy to carry out its functions and in this respect I would like to thank again Kendons Chartered Accountants for the administrative services provided to the Trust. Unfortunately during the year, our Secretary Brian Mansfield had to retire due to ill health. Brian has been the Trust's Secretary for the last decade and his services will be greatly missed. We are happy however to welcome Alastair Lloyd as the Trust's new Secretary and look forward to working with him and Kendons in the future.

The Trust has also embarked on a more extensive communications strategy to assist in getting out its vision to its communities and in particular inviting feedback from its communities as to how the Trust can better make a difference for its communities. In this respect, I would like to thank Angela Bensemman from Halo Communications who has been particularly effective in assisting the Trust in this role.

Trust Election

This year sees again the triennial election of Trustees. This is the opportunity for the Trust's beneficiaries to have a direct say in who they want to represent their particular community on the Trust Board. Trustee elections as indeed most local body elections, tend to attract a low voter turn-out, but I would encourage those in the Trust's communities to exercise their democratic right in this respect.

I myself have now been on the Trust for the last 18 years, with the last three years as Chair. Over that period of time the Trust has faced a number of challenges but also has achieved a number of rewards. It is important to note that the original Trust Fund established by the Energy Trust in 2005 was \$35 million.

Not only is the Trust Fund is now in excess of \$41 million, but since 2005 the Trust has averaged distributions to its communities in the vicinity of \$1.2 million per year.

I am heartened particularly by the achievements of the Trust over the last few years where more focused funding is being identified to assist those particularly vulnerable sectors of our communities. After much reflection however, I have decided not to stand again for election. It is therefore important that I take this opportunity not only to thank all of the Trustees for their ongoing work and commitment during the year, but also to wish the Trust and in particular those Trustees elected at the coming election, all the best for the future and that they will continue, as the current Trustees have done, to adopt a consensus approach and to put the interests and wellbeing of its communities at the forefront of their decision making.

John Corryn Gwilliam
Chair of Hutt Mana Charitable Trust



Financial Statements

For The Year Ended

30 June 2019

Registered under the Charities Act 2005 – Registered Charity No CC20115

Hutt Mana Charitable Trust

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Hutt Mana Charitable Trust

TRUST DIRECTORY

AS AT 30 JUNE 2019

1. TRUSTEES

John Corryn Gwilliam (Chairperson)
Prudence Mary Lamason (Deputy Chairperson)
Anita Karen Baker
Kenneth Charles Laban
Nicholas Oliver Leggett

2. SECRETARIES

Kendons Chartered Accountants Limited
69 Rutherford Street
Lower Hutt

3. SOLICITORS

Quigg Partners
Barristers & Solicitors
28 Brandon Street
Wellington

4. BANKERS

Westpac New Zealand Limited
210 High Street
Lower Hutt

5. AUDITORS

Crowe New Zealand Audit Partnership
Level 1, 57 Willis Street
Wellington

6. REGISTERED OFFICE

Kendon House
69 Rutherford Street
Lower Hutt

Hutt Mana Charitable Trust

REPORT OF THE TRUST

The Trustees of the Hutt Mana Charitable Trust (the 'Trust') take pleasure in presenting the Annual Report including the financial statements of the Trust for the year ended 30 June 2019.

NATURE OF BUSINESS

The Hutt Mana Charitable Trust was established as the EnergyDirect Charitable Trust on 4 December 1996 for charitable purposes within the District. On 23 September 2005, following the windup of the Hutt Mana Energy Trust, the Trust Deed was amended to provide:-

- The Trust Funds shall be used and applied:
 1. For Energy Related Charitable Purposes
 2. For other Charitable Purposes within the District, and elsewhere in New Zealand if the Trustees think fit.

The Hutt Mana Charitable Trust is registered as a Charitable Entity in terms of the Charities Act 2005 with the Registration No CC20115.

FINANCIAL HIGHLIGHTS FOR THE YEAR

The state of the Trust's affairs is set out in the attached financial statements, and in particular:

	\$ 2019	\$ 2018
Opening Accumulated Surplus	4,656,049	2,642,407
Net Surplus for the year	1,508,624	2,013,642
Closing Accumulated Surplus	<u>6,164,673</u>	<u>4,656,049</u>
Total Assets	<u>41,239,929</u>	<u>39,762,528</u>
Equity	41,164,673	39,656,049
Liabilities	75,256	106,479
	<u>41,239,929</u>	<u>39,762,528</u>

AUDITORS

The Trust's auditors Crowe New Zealand Audit Partnership are reappointed for the ensuing year. Accounts paid or payable to the auditors for the year are as follows:

	\$ 2019	\$ 2018
Audit Services	<u>16,790</u>	<u>14,605</u>

REMUNERATION OF TRUSTEES

Trustees' remuneration received or due and receivable during the year is as follows:

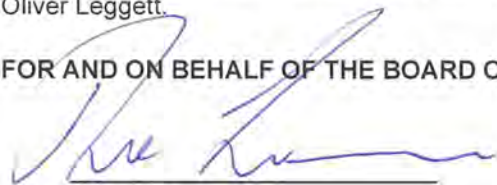
	\$ 2019	\$ 2018
Anita Karen Baker	17,557	16,875
John Corryn Gwilliam	24,577	23,625
Kenneth Charles Laban	17,557	16,875
Prudence Mary Lamason	21,060	20,250
Nicholas Oliver Leggett	17,557	16,875
	<u>98,308</u>	<u>94,500</u>

TRUSTEES

The names of the persons holding offices as Trustees of the Hutt Mana Charitable Trust as at the end of the year are as follows:

John Corryn Gwilliam, Prudence Mary Lamason, Anita Karen Baker, Kenneth Charles Laban and Nicholas Oliver Leggett.

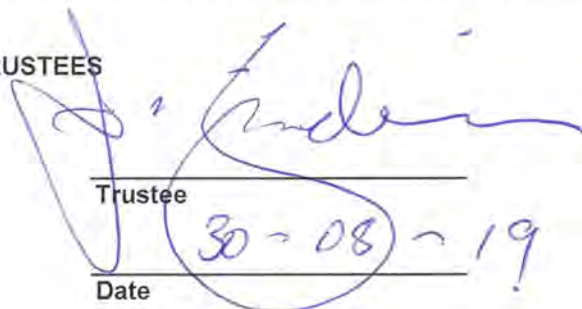
FOR AND ON BEHALF OF THE BOARD OF TRUSTEES



Trustee

30-08-2019

Date



Trustee

30-08-19

Date

Hutt Mana Charitable Trust

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	\$ 2019	\$ 2018
Revenue from Non-exchange Transactions		-	-
Revenue from Exchange Transactions			
Interest Received		10,542	220,550
Investment Distributions		730,730	1,147,619
Dividends Received		-	67,989
Total Revenue from Exchange Transactions		<u>741,272</u>	<u>1,436,158</u>
Total Revenue		<u>741,272</u>	<u>1,436,158</u>
Expenses	4	(402,340)	(383,319)
Operating Surplus / (Deficit)		<u>338,932</u>	<u>1,052,839</u>
Other Gains / (Losses)			
Foreign Exchange Loss		(19,141)	(18,579)
Net Realised Gain on Sale of Investments		209,094	1,457,719
Community Grants and Energy Related Grants	9	(1,003,762)	(1,292,608)
Unrealised Gain on Investments		<u>1,983,501</u>	<u>814,271</u>
Total Other Gains		<u>1,169,692</u>	<u>960,803</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1,508,624</u></u>	<u><u>2,013,642</u></u>



The Notes and Accounting Policies form part of, and should be read in conjunction with these financial statements

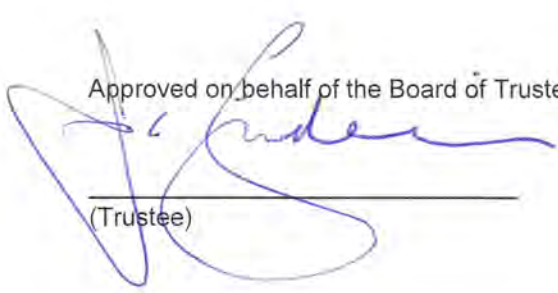
Hutt Mana Charitable Trust

BALANCE SHEET


AS AT 30 JUNE 2019

	Note	\$ 2019	\$ 2018
ASSETS			
Current Assets			
Cash & Cash Equivalents		63,090	89,930
Prepayments	8	6,898	61,090
Total Current Assets		<u>69,988</u>	<u>151,020</u>
Non-Current Assets			
Investment Portfolio	6	41,169,941	39,611,508
Total Non-Current Assets		<u>41,169,941</u>	<u>39,611,508</u>
TOTAL ASSETS		<u>41,239,929</u>	<u>39,762,528</u>
LIABILITIES			
Current Liabilities			
Payables Under Exchange Transactions	7	75,256	106,479
Total Current Liabilities		<u>75,256</u>	<u>106,479</u>
TOTAL LIABILITIES		<u>75,256</u>	<u>106,479</u>
NET ASSETS		<u>41,164,673</u>	<u>39,656,049</u>
EQUITY			
Trust Fund		35,000,000	35,000,000
Accumulated Surplus	5	6,164,673	4,656,049
TOTAL EQUITY		<u>41,164,673</u>	<u>39,656,049</u>

Approved on behalf of the Board of Trustees on 30 August 2019



(Trustee)



(Trustee)



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Hutt Mana Charitable Trust

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2019

	Note	\$ Start-up Contribution Reserve	\$ Accumulated Funds	\$ Total
NET ASSETS AT START OF YEAR		35,000,000	4,656,049	39,656,049
Surplus For The Year		-	1,508,624	1,508,624
Total Comprehensive Income		-	1,508,624	1,508,624
NET ASSETS AT END OF YEAR		<u>35,000,000</u>	<u>6,164,673</u>	<u>41,164,673</u>
NET ASSETS AT START OF PRIOR YEAR		35,000,000	2,642,407	37,642,407
Surplus For The Prior Year		-	2,013,642	2,013,642
Total Comprehensive Income		-	2,013,642	2,013,642
NET ASSETS AT END OF PRIOR YEAR		<u>35,000,000</u>	<u>4,656,049</u>	<u>39,656,049</u>



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Hutt Mana Charitable Trust

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Note	\$ 2019	\$ 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was Provided From:			
Investment Income		741,272	1,438,371
		<u>741,272</u>	<u>1,438,371</u>
Cash was Applied To:			
Operating Expenses		(398,512)	(368,278)
Energy Efficiency Projects		(402,740)	(757,861)
Community Grants		(601,022)	(434,747)
		<u>(1,402,274)</u>	<u>(1,560,886)</u>
Net Cash Flow from Operating Activities		<u>(661,002)</u>	<u>(122,515)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was Provided From:			
Net Sale of Investments		1,600,000	530,000
		<u>1,600,000</u>	<u>530,000</u>
Cash was Applied To:			
Net Purchase of Investments		(965,838)	(374,691)
		<u>(965,838)</u>	<u>(374,691)</u>
Net Cash Flow from Investing Activities		<u>634,162</u>	<u>155,309</u>
NET (DECREASE) / INCREASE IN CASH HELD		<u>(26,840)</u>	<u>32,794</u>
Cash at Beginning of Year		89,930	57,136
CASH AT END OF YEAR		<u><u>63,090</u></u>	<u><u>89,930</u></u>



The Notes and Accounting Policies form part of, and should be read in conjunction with these financial statements

Hutt Mana Charitable Trust

RECONCILIATION OF NET SURPLUS TO CASH FLOW FROM OPERATING ACTIVITIES

	Note	\$ 2019	\$ 2018
Total Comprehensive Income		1,508,624	2,013,642
Add / (Less) Non Cash Items:			
Realised Gains		(209,094)	(1,457,719)
Unrealised Gains		(1,983,500)	(814,271)
Total Non Cash Items		<u>(2,192,594)</u>	<u>(2,271,990)</u>
Add / (Less) Movements in Working Capital Items:			
Movement in Prepayments		54,192	61,092
Movement in Interest Accrued		-	2,213
Movement in Accounts Payable		(31,223)	72,528
Net Movement in Working Capital		<u>22,969</u>	<u>135,833</u>
Net Cash Flow from Operating Activities		<u><u>(661,002)</u></u>	<u><u>(122,515)</u></u>



The Notes and Accounting Policies form part of, and should be read in conjunction with these financial statements

Hutt Mana Charitable Trust

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1 REPORTING ENTITY

STATUTORY BASE

The financial statements presented here are for the reporting entity Hutt Mana Charitable Trust (the "Trust").

The Trust was established on 4 December 1996 for charitable purposes within New Zealand and is registered as a Charitable Entity in terms of the Charities Act 2005 with the Registration No CC20115.

The primary activities of the Trust are providing funding for energy efficiency projects and providing funding for general charitable purposes.

The Financial Statements were authorised for issue by the Board of Trustees on 30 August 2019.

2 BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ IPSAS with RDR), and other applicable Financial Reporting Standards as appropriate for Public Benefit Entities.

The financial statements are eligible to report in accordance with Tier 2 PBE Reporting Standards on the basis that the Trust has annual expenditure less than \$30 million.

The Trust is deemed a Public Benefit Entity for financial reporting purposes, as its primary objective is to provide funding to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for assets that have been measured at fair value.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

Functional Currency

The financial statements are presented in New Zealand dollars, which is the Trust's functional currency

Use of estimates and judgements

The preparation of financial statements requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or note disclosure.

Estimates and assumptions are reviewed on an ongoing basis.



3 SPECIFIC ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The particular accounting policies adopted in the preparation of the financial statements which have a significant effect on the results disclosed are:-

a) *Financial instruments*

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

The Trust derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Trust has transferred substantially all the risks and rewards of the asset; or
- the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Trust's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Trust's financial assets include: cash and cash equivalents, receivables from exchange transactions, prepayments and investments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The Trust's investments fall into this category of financial instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables from exchange transactions and prepayments fall into this category of financial instruments.

Impairment of financial assets

The Trust assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.



In determining whether there is any objective evidence of impairment, the Trust first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Trust determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

Financial liabilities

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables from exchange transactions and prepayments fall into this category of financial instruments.

b) *Income tax*

No taxation is provided for in the Statement of Comprehensive Income as the Trust is exempt from income tax as it is registered under the Charities Act 2005.

c) *Revenue*

Interest income is recognised as it earned in accordance with the terms of the financial instrument.

Dividend income is recognised on the date that the Trust's rights to receive payments are established.

d) *Foreign currencies*

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at balance date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

e) *Goods and Services Tax*

The Trust is not registered for GST and accordingly these financial statements are prepared on a GST inclusive basis.

f) *Statements of Cash Flows*

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Trust invests as part of its day-to-day cash management.

Operating Activities include cash received from all income sources of the Trust and records the cash payments made for the supply of goods and services.

Investing Activities are those activities relating to the acquisition and disposal of non-current assets.

Financing Activities comprise the change in equity and debt capital structure of the Trust.



4 EXPENSES

	\$	\$
	2019	2018
Expenses		
Accounting & Secretarial Services	81,031	71,538
Advertising	34,967	9,807
Audit Fees	16,790	14,605
Election Expenses	61,092	61,092
Insurance	6,935	6,664
Investment Consultancy & Management Fees	92,643	111,523
Trustees Education	-	-
Trustees Expenses	1,900	1,599
Trustees Fees	98,308	94,500
Other Expenses	8,674	11,991
Total Expenses	<u>402,340</u>	<u>383,319</u>

5 ACCUMULATED SURPLUS

	\$	\$
	2019	2018
Balance at Beginning of Year	4,656,049	2,642,407
Net Surplus for the Year	1,508,624	2,013,642
Balance at End of Year	<u>6,164,673</u>	<u>4,656,049</u>

6 INVESTMENT PORTFOLIO

	\$	\$
	2019	2018
Long Term		
<i>International Equities</i>		
AMP Capital Investors Limited	1,673,741	1,631,923
Rutherford Rede	16,491,033	16,871,908
Kiwi Wealth Investments	2,455,905	2,319,569
<i>New Zealand Equities</i>		
Rutherford Rede	3,407,184	2,911,934
<i>International Fixed Interest Securities</i>		
Rutherford Rede	8,471,871	8,890,071
<i>New Zealand Fixed Interest Securities</i>		
Rutherford Rede	-	4,410,640
Rutherford Rede - Cash	6,002,219	340,182
Kiwi Wealth Investments - Cash	199	199
Forsyth Barr	200,039	-
<i>International Properties</i>		
Rutherford Rede	2,467,750	2,235,082
Total Long Term Investments	<u>41,169,941</u>	<u>39,611,508</u>



7 PAYABLES UNDER EXCHANGE TRANSACTIONS

	\$ 2019	\$ 2018
Trade Payables	17,784	3,880
Grants Payable	54,768	100,000
PAYE Payable	2,704	2,599
Total Payables Under Exchange Transactions	<u>75,256</u>	<u>106,479</u>

8 PREPAYMENTS

	\$ 2019	\$ 2018
Trustee Elections Total Cost	183,274	183,274
Trustee Election Costs	6,898	-
Less Expensed	(183,274)	(122,184)
Total Prepayments	<u>6,898</u>	<u>61,090</u>

Total election costs are spread over a three year period to match the three-yearly election cycle.

9 COMMUNITY GRANTS & ENERGY RELATED GRANTS

	\$ 2019	\$ 2018
Trust Area		
Agape Budgeting Services Ltd	1,500	1,000
Age Concern Wellington Inc.	-	1,000
Aphasia New Zealand Charitable Trust	1,500	1,000
Arthritis New Zealand	2,000	2,000
Assert-Tatou Development Trust	-	4,000
Asthma Wellington Branch	1,500	2,000
Autism New Zealand Inc.	1,500	1,000
Bandolier Marching Club Inc.	-	500
Barnardos New Zealand	2,000	2,000
Big Buddy Mentoring Trust	-	2,000
Can Survive Dragon Boat Team Inc.	2,000	3,000
Cancer Society Wellington Division	-	3,000
Capital Football Inc.	1,000	-
Challenge 2000 Inc.	-	1,500
College Sport Wellington Inc.	3,000	3,000
Community Law Wellington & Hutt Valley	3,000	-
Crohns and Colitis New Zealand Charitable Trust	1,000	-
Dress For Success Wellington	-	1,500
Drug-Arm Wellington Inc.	1,325	-
Duke of Edinburgh's Hillary Award	1,000	1,000
Dynomites Inc.	1,000	-
Epilepsy Association of New Zealand	1,000	-
Every Body is a Treasure	1,500	-
Expressions Arts & Education Centre	-	100,000
Gareth Head Foundation	3,500	(250)
Girl Guides Association New Zealand Inc.	2,000	-
Grandparents Raising Grandchildren Wellington Support Group	-	1,000
Heart Kids Wellington	-	1,200
Hoe Tonga Pacifica Waka Ama Association	-	1,000



Hutt City Community Facilities Trust	-	100,000
Hutt Valley Softball Association	-	1,000
Ignite Sport Trust	2,000	2,000
IHC NZ Inc.	-	1,000
Kapi-Mana Insteps Leisure Marching Team	500	-
Karahands Charitable Trust	-	3,000
Kerry Fundraisers	1,000	1,000
KidsCan Charitable Trust	2,000	-
Kidz Need Dadz Charitable Trust Wellington Inc.	2,000	-
Kiwi Community Assistance Charitable Trust	-	1,500
Leukaemia & Blood Cancer New Zealand	-	2,500
Life Education Trust Hutt Valley	-	2,500
Manaaki Ability Trust	2,087	-
Marching Wellington Inc.	1,000	-
Mata O Ali'i Trust	-	4,000
Mountains To Sea Wellington Trust	-	4,000
Muscular Dystrophy Association Wellington	2,660	1,000
National Heart Foundation of New Zealand	2,000	3,500
New Life Charitable Trust	-	1,500
New Zealand Basketball	2,000	2,000
New Zealand Centre for Gifted Education Inc.	-	2,000
New Zealand Myanmar Ethnic Council Inc.	-	1,000
New Zealand Suzuki Institute	500	-
NZ Council of Victim Support Groups Inc.	1,000	-
NZ View Wellington Area Group	1,000	1,000
Parents Centre New Zealand Inc.	2,000	1,000
Parent to Parent Wellington	872	2,000
Parenting Place	2,000	3,000
Parkinsonism Society Wellington Inc.	-	1,000
Perinatal Anxiety and Depression Aotearoa	-	5,000
Post Ante Natal Distress Support Group Wellington	2,000	-
Pregnancy Help Inc.	1,500	2,000
Prison Fellowship NZ	-	-
Ronald McDonald House	-	2,000
Rotary Club of Hutt City Charitable Trust	-	5,000
Royal New Zealand Foundation for the Blind	-	2,500
Royal New Zealand Plunket Trust	2,000	-
Samaritans of Wellington Inc.	1,000	878
Samoan Sunday School of Saint Thomas Aquinas	-	500
Sexual Abuse Prevention	2,000	-
Shakti Ethic Women's Support Group Inc.	2,000	-
SPACE NZ Trust	-	2,000
SPELD NZ Inc.	2,000	2,800
Spirit of Adventure Trust	2,000	-
Sri Lanka Association of New Zealand	1,500	-
Storm Marching Team	3,000	-
Supergrams Charitable Trust	2,000	2,000
The House of Grace Trust Inc.	4,000	1,000
The Humorous Arts Charitable Trust Board	1,000	-
The Mukume Taiko Drummers	620	-
The Order of St John Wellington	-	2,000



The Parkinson's New Zealand Charitable Trust	1,500	-
The Road Forward Trust	2,000	3,000
The Shift Foundation	5,000	-
Ti Hei Mauri Tu Inc.	1,000	-
Tokelau Hutt Valley Sports and Culture Association	1,500	-
Valley Dragonboat Club Inc.	-	1,538
Volunteer Wellington	1,000	-
Vulnerable Support Charitable Trust	10,000	-
Wellington Baseball Association Inc.	-	1,000
Wellington Catholic Social	2,000	-
Wellington City Mission (Anglican) Trust Board	2,000	-
Wellington Mutamizh Sangam	1,500	1,500
Wellington Regional Folk Foundation Inc.	1,000	2,000
Wellington Regional Orchestra Foundation	-	2,000
Wellington Rugby Football Union Inc.	-	1,500
Wellington Rugby League	8,000	-
Wellington Softball Association	1,000	-
Wellington Tamil Society Inc.	1,329	-
Wellington Touch Assn Inc.	1,000	-
Windowed, Separated and	680	-
YMCA of Greater Wellington	3,000	1,330
Yoshinkan Kendo Club	-	750
Youth Development Trust	2,000	2,000
Total Trust Area	128,073	318,246
Lower Hutt		
Arakura School	-	1,068
Avalon Rugby Football Club	5,000	-
Belmont Playcentre	-	1,000
Belmont Scout Group	3,000	-
Billy Graham Youth Foundation	522	-
Birthright Hutt Valley Trust	8,500	3,000
Boulcott School	-	500
Brookfield Outdoor Education Centre	-	2,000
Capital Seniors Inc.	-	1,044
Dare 2 Discover Charitable Trust	-	6,276
Days Bay Playcentre	1,525	-
Earth Inc.	3,000	-
Eastbourne Association Football & Sports	-	1,800
Eastbourne Cricket Club	-	1,212
Eastbourne Skate Ramp	5,000	-
English Language Partners	1,000	-
Epuni School	-	1,524
Folou Alofa Charitable Trust	-	(288)
Goodtime Foundation	-	2,000
Greenstone Doors	4,000	2,267
Hoop Club Inc.	2,500	4,000
Hutt City Budget and Advocacy Service Trust Board Inc.	4,000	-
Hutt City Musical Theatre Inc.	-	1,555
Hutt City Womens Refuge Inc.	4,000	5,000
Hutt City Youth Awards	3,000	-
Hutt United Hockey Inc.	-	3,000
Hutt Union Community Health Service	-	4,000
Hutt Valley Baseball Club Inc.	-	3,500
Hutt Valley Gymnastics Centre	1,810	519
Hutt Valley Heart Trust	3,000	2,500



Hutt Valley High School	-	(87)
Hutt Valley Rock n Roll Society Inc.	-	2,727
Hutt Valley Sexual Abuse Support and Healing	3,000	-
Hutt Valley Sports Awards	6,750	6,725
Hutt Water Polo Club Inc.	2,000	3,980
Ignite Cheer and Tumble Fundraising Society Inc.	2,000	-
Kelson Community Association	828	599
Kokiri Marae Keriana Olsen Trust	3,000	-
Kokiri Marae Maori Womens Refuge	10,000	-
Koraunui School	-	8,153
Laura Ferguson Trust Wellington Inc.	-	3,847
Lifeswitch Community Trust Inc.	-	(157)
Lower Hutt Parents Centre Inc.	527	-
Lower Hutt Primary Schools Sports Association	2,000	-
Lower Women's Centre Inc.	2,000	-
Mainland Island Restoration Operation	-	777
Maungaraki Community Association	2,500	11,000
Massey Avenue Bowling Club Inc.	-	1,189
Naenae Intermediate	-	4,150
Naenae Petanque Club	2,000	-
Naenae Playcentre	-	(3,500)
Naenae Soccer Club	232	-
Naenae Youth Charitable Trust	-	2,174
Petone Football Club Inc.	3,809	4,000
Petone Rugby Football Club Inc.	3,000	-
Petone Toy Library	-	632
Pomare Taita Community Trust	7,500	-
Pukeatua Kohanga Reo Charitable Trust	-	6,976
Rata Street School	-	1,670
Riding for the Disabled Hutt Valley Group	-	1,112
Rudolph Steiner Early Childhood Centre	-	927
Sacred Heart School Petone	-	2,332
Saints Softball Club	4,200	5,000
Special Olympics Hutt Valley	-	3,665
St Claudine Thevenet School	2,700	-
Stokes Valley Playcentre	-	1,815
Stop Out Sports Club Inc.	-	2,000
Taita District Cricket Club	-	4,000
Te Awa Kairangi Access (TAKA) Trust	10,000	15,000
Team Naenae Trust	-	753
Te Omanga Hospice	4,000	-
The Common Unity Project Aotearoa	-	2,000
To Kotahi Maori Asthma Trust	-	3,298
Trade School Industries Trust	-	5,500
Tui Glen School	-	3,000
Valley Rover Scout Crew	-	1,080
Waimarie Croquet Club Inc.	-	1,000
Wainuiomata Athletic & Harrier	-	656
Wainuiomata BMX Club	(202)	1,580
Wainuiomata Grey Power Association	1,000	-
Wainuiomata High School	-	4,000
Wainuiomata Hockey Club Inc.	-	4,312
Wainuiomata Intermediate School	6,000	-
Wainuiomata Marae Trust	4,000	-
Wainuiomata Pioneer Church Preservation Society Inc.	520	-
Wainuiomata Rural Festival	1,334	-



Wainuiomata Softball Club	5,000	-
Wainuiomata Sportsville Inc.	3,000	-
Wainuiomata Squash Club Inc.	-	4,000
Wainuiomata Tennis Club Inc.	2,500	-
Wainuiomata Trail Project Inc.	-	-
Waiwhetu Kindergarten	949	1,750
Welsley Wellington Mission Inc.	38,765	-
Youth Inspire	-	(911)
Total Lower Hutt	184,769	170,201
Upper Hutt		
4 A Better City Charitable Trust	1,000	-
Birchville School	-	1,165
Brown Owl Kindergarten	1,500	-
Citizens Advice Bureau Upper Hutt Inc.	2,000	-
Doris Nicholson Kindergarten	1,200	-
Family Works Upper Hutt (Presbyterian Support Centre)	-	4,000
Fraser Cres School	2,000	4,000
Glennette Marching Club	-	2,510
Heretaunga College	2,500	-
Heretaunga Kindergarten	1,500	-
Hutt International Boys School Cricket Club	1,000	-
Hutt Valley Benefit Education Service Trust	964	1,900
Hutt Valley Thunderbolts BMZ Club Inc.	1,000	-
Kapatiran Prayer Fellowship	800	906
Maidstone Park Charitable Trust	8,000	-
Maidstone Intermediate	2,000	6,000
Maoribank School	-	1,268
Orongomai Marae Community Centre Trust	8,000	13,000
Pinehaven Playcentre	-	2,400
Pinehaven School	1,500	-
Read Write Plus	-	1,000
Rimutaka Gymsports Inc.	1,500	-
Rimutaka Inline Hockey Club Inc.	1,500	2,500
RNZFB Upper Hutt Community Committee	1,000	1,000
SeniorNet Upper Hutt Inc.	1,500	1,000
Silverstream Kindergarten	1,595	-
Squash at Upper Hutt	1,000	-
St Patricks College Silverstream	1,000	4,000
St Joseph's Scout Group	2,000	-
Te Marua Golf Club	-	3,000
Timberlea Community House	3,500	-
Totara Park Playcentre	693	3,000
Trentham Camp Golf Club	1,000	-
Trentham Church of Christ Community Centre	2,500	-
Trentham Kindergarten	1,500	-
Trentham Rifle Club Inc.	-	-
Trentham Sports Centre Trust	3,000	-
Upper Hutt Animal Rescue Society Inc.	1,000	-
Upper Hutt Baptist Church	2,783	-
Upper Hutt Bridge Club	2,500	-
Upper Hutt Child Development	3,500	-
Upper Hutt Community Children's Centre Trust	1,609	3,000
Upper Hutt Community Patrol Inc.	-	-
Upper Hutt Community Rescue	-	4,500
Upper Hutt Community Youth	2,500	2,500



Upper Hutt Foodbank Inc.	2,000	-
Upper Hutt Kindergarten	2,000	-
Upper Hutt Maidstone United Netball Club	1,000	-
Upper Hutt Multicultural Council	-	1,300
Upper Hutt Municipal Brass Band Inc.	3,500	-
Upper Hutt Musical Theatre	-	1,000
Upper Hutt Parents Centre	(903)	1,800
Upper Hutt Rams Rugby Football Club Inc.	1,500	-
Upper Hutt Roller Skating Club	-	5,000
Upper Hutt Womens Centre Inc.	1,500	-
Upper Valley Pony Club	1,000	-
Wallaceville Community	2,000	-
Total Upper Hutt	85,741	71,749
Porirua		
Anglican Parish of Titahi Bay	1,500	-
Alpha Muay Thai Club	1,500	-
Aotea College	-	1,500
Ascot Park Kindergarten	1,000	1,000
Asert-Tatou Development Trust	2,000	-
Babystart Charitable Trust	-	1,000
Bellyful New Zealand Trust	-	1,607
Bishop Viard College	4,000	-
Brandon Intermediate	(1,036)	2,000
Cannons Creek Opportunity Centre	-	1,255
Cannons Creek Youth Charitable Trust	2,173	2,174
Capital Football Inc.	-	-
Citizens Advice Bureau Porirua	2,000	1,000
Derek Wootten Memorial Trust	-	26,000
English Language Partners NZ Trust	-	3,000
Hawakikinui Tuarua Waka Ama Holy Family School	1,500	-
House of Science Wellington	-	3,250
Kapi-Mana Music Festival Charitable Trust	2,000	-
Kapi-Mana Netball Centre Inc.	855	950
Kapi-Mana Rock n Roll Revival Club Inc.	(514)	3,760
Mahinawa Specialist School & Resource Trust	1,000	-
Mana College	-	1,000
Mana Special Needs Childrens Trust	4,000	-
Nature School NZ Trust	-	3,000
Ngati Toa School	2,000	-
Ngati Toa Sea Scout Group	-	2,000
North City Country Music Club	1,500	-
North Porirua Care Centre	-	1,000
Northern United Rugby Football Club	3,000	-
Nuanua Kindergarten	-	1,400
Ole Academy Inc.	-	1,500
Pacific Health Services - Porirua	5,000	-
Papakowhai Kindergarten	-	4,000
Paremata Boating Club	1,500	-
Paremata Playcentre	2,000	2,000
Paremata Plimmerton Rugby Football Club	-	761
Partners Porirua Charitable Trust	2,000	5,000
Pauatahanui Golf Course	5,000	5,287
	1,000	-



Pauatahanui Pony Club	1,000	-
Pauatahanui Residents	-	1,000
Plimmerton Kindergarten	-	450
Plimmerton Bowling Club Inc.	2,000	-
Plimmerton Volunteer Fire Brigade Inc.	(763)	5,000
Porirua Basketball Association	2,000	-
Porirua City Association Football Club	2,000	-
Porirua City Band Youth Trust	500	-
Porirua City Junior Cricket Club	1,000	-
Porirua City Tag NZTFI Module	2,000	-
Porirua City United Softball Club	2,320	-
Porirua College	4,000	-
Porirua Community Arts Council	2,000	-
Porirua East School	(305)	2,200
Porirua Grand Traverse Trust	1,000	1,500
Porirua Gymsports	-	4,000
Porirua Harbour & Catchment Community Trust	1,330	1,000
Porirua Heat Basketball Club Inc.	-	2,000
Porirua Hospital Museum & Resource Centre Ltd	5,000	-
Porirua ITF Tae Kwon Do	-	2,000
Porirua Living Without Violence Services	3,000	-
Porirua Rowing Club	1,500	1,000
Porirua School	-	5,000
Pukerua Bay Residents Association	-	800
Pukerua Bay School	1,000	1,000
Pukerua Bay Soccer Club	-	1,000
Royal New Zealand Coastguard Boating Education Ltd	3,000	-
Russell School (Porirua East)	3,000	-
St Pius X School	2,000	-
Scouting Association NZ	1,000	-
St Theresa's Catholic School	1,000	-
Te Ara Moana Trust	2,000	4,000
Te Araroa Wellington Trust	5,000	-
Te Kura Maori O Porirua	-	2,000
Te Whare Tiaki Wahine Refuge	-	2,000
The Assembly of God (Porirua)	1,000	-
Titahi Bay Amateur Athletics Club	1,000	-
Titahi Bay Golf Club Inc.	1,000	2,000
Titahi Bay Home & School Committee	2,000	2,000
Titahi Bay Intermediate	2,000	-
Titahi Bay School	-	1,000



Titahi Bay Tennis Club	2,000	1,000
Titahi Bay Surf Life Saving Club	2,000	-
Toa Rugby Football Club	3,000	-
Toru Fetu Kindergarten	-	1,000
Wellfed NZ Trust	-	2,000
Wellington Riding for the	2,000	-
Western Suburbs Soccer Club	1,000	-
Whare Manaaki Inc.	(208)	3,000
Whitby Bowling Club Inc.	3,000	2,294
Whitby Tennis Club	500	1,000
Whitford Brown Community Trust	-	2,000
Whiteria Park Restoration Group	1,500	-
Zonta Club of Mana Inc.	1,000	-
Total Porirua	115,352	128,688

Wellington North

Bellevue Kindergarten	483	-
Bellevue School	2,000	3,000
First Samoan Full Gospel	-	1,000
Hampton Hill School	-	1,900
Johnsonville Community Centre		
Toy Library	-	1,288
Johnsonville Cricket Club	3,000	2,000
Johnsonville Playcentre	-	4,000
Johnsonville Rugby Club Inc.	5,000	10,000
Johnsonville Scout Group	-	(211)
Johnsonville Softball Club Inc.	3,000	4,000
Johnsonville Terrace Centre	1,500	-
Johnsonville West Kindergarten	1,000	-
Kapi-Mana Bridge Club	2,000	-
Linden School	-	956
Lions Club of Johnsonville		
Charitable Trust	5,000	673
Newlands Childcare Centre	1,000	-
Newlands College	-	2,000
Newlands Community House Inc.	4,000	-
Newlands Kindergarten	-	2,000
Newlands Scout Group	-	2,000
North Wellington Association		
Football Club Inc.	-	1,500
North Wellington Lift Education		
Trust	5,000	-
Olympic Harrier and Athletic Club	-	2,000
Onslow College Rowing Club	-	2,000
Paparangi Scout Group	3,000	-
Perinatal Anxiety and Depression		
Aotearoa	5,000	-
Rewa Rewa School	2,000	3,000
Special Olympics Mana	10,000	-
St Francis Xavier Parents &	-	2,048
Tawa Association Football Club	-	(125)
Tawa Central Kindergarten	-	-
Tawa College	5,000	2,000
Tawa Community Patrol		
Charitable Trust	(840)	3,000
Tawa Hockey Club Inc.	1,500	-
Tawa Linden Playcentre	-	2,000



Tawa Lyndhurst Tennis Club	-	1,000
Tawa Resident Association	8,447	-
Tawa School	200	2,000
Tawa Schools & Community Music Festival	-	10,000
Tawa Squash Club Inc.	4,000	-
Tawa Swimming Club	2,000	2,000
Tawa Tennis Club	3,000	-
Tawa Youth & Families Trust	4,000	-
Tawanui Indoor Bowls Club	1,500	-
Te Mahuri Charitable Trust	2,000	-
The Royal New Zealand Plunket Society	-	1,500
Wellington North Badminton	4,000	-
Wellington North Parents Centre	-	500
Wellington SPCA Inc.	-	(52)
Total Wellington North	87,790	68,977
Total Community Grants	601,725	757,861
Energy Efficiency Projects Grants		
EnergySmart (Terra Lana Products Limited) - Subsidies	92,400	9,104
Sustainability Trust - Subsidies Educational Programme - Primary Schools	100,000	78,406
Educational Programme - Secondary Schools	30,915	20,762
Healthy Housing Coalition	25,600	25,500
NEST' Study (University of Rental Study (University of Compass Health	100,000	175,000
	-	113,850
	-	40,250
	53,125	71,875
Total Energy Efficiency Projects Grants	402,040	534,747
TOTAL DISTRIBUTIONS	1,003,762	1,292,608

10 FINANCIAL INSTRUMENTS

(a) Classification of financial assets

The carrying amounts presented in the Balance Sheet relate to the following categories of financial assets and liabilities.

	\$ 2019	\$ 2018
Loans and receivables		
Cash & Cash Equivalents	63,090	89,930
Prepayments	6,898	61,090
Short Term Deposits	-	-
	<u>69,988</u>	<u>151,020</u>
Financial assets at fair value through surplus and deficit		
Cash Funds	6,202,457	340,381
International Fixed Interest Securities	8,471,871	8,890,071
New Zealand Fixed Interest Securities	-	4,410,640
International Equities	20,620,679	20,823,400
New Zealand Equities	3,407,184	2,911,934
International Properties	2,467,750	2,235,082
New Zealand Properties	-	-
	<u>41,169,941</u>	<u>39,611,508</u>
Total financial assets	<u>41,239,929</u>	<u>39,762,528</u>

(b) Classification of financial instruments

All financial liabilities held by the Trust are carried at amortised cost.



(c) **Financial instruments measured at fair value**

The following table presents financial assets and liabilities measured at fair value in the Balance Sheet in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2019

	Level 1	Level 2	Level 3	Total
Cash Funds	6,202,457	-	-	6,202,457
International Fixed Interest	8,471,871	-	-	8,471,871
New Zealand Fixed Interest	-	-	-	-
International Equities	20,620,679	-	-	20,620,679
New Zealand Equities	3,407,184	-	-	3,407,184
International Properties	2,467,750	-	-	2,467,750
New Zealand Properties	-	-	-	-
	<u>41,169,941</u>	<u>-</u>	<u>-</u>	<u>41,169,941</u>

2018

	Level 1	Level 2	Level 3	Total
Cash Funds	340,381	-	-	340,381
International Fixed Interest	8,890,071	-	-	8,890,071
New Zealand Fixed Interest	4,410,640	-	-	4,410,640
International Equities	20,823,400	-	-	20,823,400
New Zealand Equities	2,911,934	-	-	2,911,934
International Properties	2,235,082	-	-	2,235,082
New Zealand Properties	-	-	-	-
	<u>39,611,508</u>	<u>-</u>	<u>-</u>	<u>39,611,508</u>

(d) **Financial risk management**

The Trust is exposed to various risks in relation to financial instruments. The main types of risks are market risk and foreign exchange risk.

Market Risk

The Trust is exposed to equity price risk arising from its investments in managed funds and equities. The Trust manages this risk by investing in a diverse portfolio of investments, and regular monitoring of these investment portfolios.

Market risk is the risk that the carrying amount (and the ultimate amount realised upon sale) of financial instruments will fluctuate because of changes in market demand. The Trust is exposed to other price risk in respect of its equity securities.

Sensitivity analysis

The following analysis illustrates the sensitivity of profit and equity to a reasonably possible change in equity prices of +/- 10%. These changes are considered to be reasonably possible based on observation of current market conditions.

	Impact on Net Surplus and Equity	
	\$	\$
	2019	2018
10% increase in equity investment market prices	2,402,786	2,373,533
10% decrease in equity investment market prices	(2,402,786)	(2,373,533)



Currency Risk

Currency risk is the risk that the fair value of financial instruments will fluctuate due to a change in foreign exchange rates.

The Trust holds fixed interest securities, cash deposits and equity investments denominated in foreign currencies. The Trust manages this risk by investing in a diverse portfolio of investments, and regular monitoring of these investment portfolios.

Sensitivity analysis

The following analysis illustrates the sensitivity of profit and equity to a reasonably possible change in foreign exchange rates of +/- 5%. These changes are considered to be reasonably possible based on observation of current market conditions.

	Impact on Net Surplus and Equity	
	\$	\$
	2019	2018
5% increase in foreign exchange rates	1,578,015	1,597,428
5% decrease in foreign exchange rates	(1,578,015)	(1,597,428)

Interest Rate Risk

The Trust is exposed to interest rate risk on Fixed Interest Securities. The Trust's investments in Fixed Interest Securities all pay fixed interest rates and are generally held to maturity, and therefore the interest rate risk is not considered material. Interest rate risk is managed by investing in Fixed Interest Securities with varying maturity dates.

The following analysis illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1%. These changes are considered to be reasonably possible based on observation of current market conditions.

	Impact on Net Surplus and Equity	
	\$	\$
	2019	2018
1% increase in interest rates	146,743	136,410
1% decrease in interest rates	(146,743)	(136,410)

Capital Management

The Trust's capital includes Trust Fund and Accumulated Funds. The Trust's policy is to maintain a strong capital base so as to maintain confidence and to sustain future development of the Trust. There have been no material changes in the Trust's management of capital during the period.

Fair Value

The fair value of financial assets is equivalent to the carrying amount disclosed in the Balance Sheet.

11 RELATED PARTIES

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Trust.

During the year, the Trust has distributed community grants to some organisations where a trustee holds a position in. However, trustees who have interests in the grant candidates do not participate in the grant decision-making process.

Kendons Chartered Accountants Limited has been providing Administration and Professional Services to the Trust, and these are considered to be services in the capacity of Key Management Personnel. Fees paid to Kendons Chartered Accountants Limited are disclosed in Note 4. As at 30 June 2019, there was \$7,186 owing to Kendons Chartered Accountants Limited for these services.

12 CONTINGENT ASSETS & CONTINGENT LIABILITIES

There are no contingent assets or contingent liabilities at year end (prior year: nil).



13 GRANT COMMITMENTS

At 30 June 2019, there are three grant commitments totalling \$250,000 that will be paid during the 2020 income year. Two Grants are a result of making two "Large Ongoing Grants" - a commitment made of \$200,000 grant made to each of the two organisations named below, at an agreed rate of \$100,000 each per year. A further grant commitment of \$100,000 to Mary Potter Hospice has been approved - a commitment of \$50,000 payable over the next two income years.

	2019	2018
Compass Health	-	53,125
Expressions Arts & Education Centre	100,000	100,000
Hutt City Community Facilities Trust	100,000	100,000
Mary Potter Hospice	50,000	-
	<u>250,000</u>	<u>253,125</u>

14 EVENTS AFTER THE REPORTING PERIOD

The Trustees have elected to change investment managers to Forsyth Barr, with affect from 1 July 2019 for all held investments. All investments transferred will be managed by Forsyth Barr. The only funds held with Forsyth Barr at balance date is \$200,000 of cash, which was the result of funds transferred from the cash account of Rutherford Rede investment fund.





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INDEPENDENT AUDITOR'S REPORT

To the Members of Hutt Mana Charitable Trust

Opinion

We have audited the financial statements of Hutt Mana Charitable Trust (the "Trust") on pages 4 to 24 which comprise the balance sheet as at 30 June 2019, and the statement of comprehensive income, statement of changes in net assets and 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 present fairly, in all material respects, the financial position of the Trust as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime 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 (Revised) *Code of Ethics for Assurance Practitioners* 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.

Responsibilities of the Trustees for the Financial Statements

The Trustees are responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, 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 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 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.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in blue ink that reads "Crowe".

Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

30 August 2019

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