Our Vision:
Bay of Plenty is the greatest place to be
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</tr>
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"BayTrust has been a fantastic supporter of Surf Lifesaving in the BOP Region, our members really appreciate the support that allows them to continue to keep the community safe in coastal zones."

Chris Emmett – Surf Lifesaving New Zealand
Why we exist

Bay of Plenty Community Trust (BayTrust) was initially incorporated on 5 August 1988 as the Trust Bank Bay of Plenty Community Trust in accordance with the provisions of the Trustee Banks Restructuring Act 1988. It continues under the provisions of the Community Trusts Act 1999. The purpose of the Trust as outlined in its Trust Deed, is to provide charitable, cultural, philanthropic, recreational and other benefits to Bay of Plenty communities.

The Trust’s region extends from Katikati to Turangi to Te Kaha and includes the Eastern and Western Bay of Plenty and Rotorua and Taupo districts.

Working closely with our communities, BayTrust has developed a Vision and everything we do and the organisations we support is directed towards achieving our Vision while always being underpinned by our values:

- **Kaitiakitanga** of our assets, our people and our environment
- **Together we are strong**
- **We will make a real difference**
- **Innovative** and balanced solutions produce the best results
- **Everything** we do, we do well.

Bay of Plenty is the greatest place to be

**Our Visions**

**We are looking for these outcomes**

**Our Region**

**Bay of Plenty**

**Inclusive Communities**

**Safe Communities**

**Healthy Sustainable Housing**

**Prosperous Communities**

**Active Communities**

**Vibrant and Fun Communities**

**Strengthened Whanau**

**Improved Natural Environment**

**Stronger Community Organisations**

**Bay of Plenty wide or replicable within the BOP**

**Demonstrate wide, long-term community benefit**

**Support those in the BOP with the greatest need**

**Incorporate partnerships for increased impact**

**Are community led**

**Deliver innovative solutions to social issues**

**Contain measurable outcomes and embedded evaluative practices**

Bay of Plenty Community Trust Incorporated – 2019 Comprehensive Annual Report
Who we are

To support achieving our Vision, BayTrust is governed by a Board of up to 12 Trustees who are appointed by the Minister of Finance for terms of four years to represent the entire region, plus the Trust has four fulltime and two part time staff. We had four new Trustees appointed (Steve Napier and Roger Taylor; WBOP; Stephanie Northey; Rotorua and Mawera Karetai; EBOP) during the year that have brought in new thoughts/diversity and enthusiasm to the Board. Three new Trustees will also commence on 1 June 2019; Judy Harris; Taupo, Kristen Joiner and Gary Smith; WBOP and we will sadly say goodbye to Bill Cleghorn, Kylie Hawker-Green and Kenneth Brown who have all completed two terms (8 years).

The Board’s principal responsibility is to invest the assets of the Trust in a range of diversified investments designed to maximise the total amount of community distributions that can be financed over the long term, and maintain the real (inflation-adjusted) value of the Trust’s capital. In meeting this responsibility, the Board approves the adoption of appropriate strategies, objectives and budgets and reviews the performance of the Trust against these objectives.

Our dedicated and experienced staff led by CEO Alastair Rhodes continue to perform well and assisted by our advisors have ensured both our investment and our granting continue to excel.

It is recognised that Trustees and staff have a wide range of involvement throughout the Bay of Plenty region which is fantastic and as such, the potential for conflict will arise from time to time. To cover this eventuality, Trustees and staff disclose their involvement with other organisations, do not take part in discussions relating to organisations with which they have a conflict of interest and do not vote on any matter where a conflict or potential conflict exists.

BayTrust’s head office is located at 73 Spring St, Tauranga. However, the Trust will be moving to a new office in Tauranga during 2019 which will assist in reducing costs as well as allow easier access and parking for community organisations. BayTrust also operates satellite offices in Rotorua (once a week at Rotorua Energy Trust office, 1358 Eruera St) and Whakatane (once a month at Eastern Bay Energy Trust office, 5 Richardson St) and by appointment in Taupo. BayTrust staff also operate remotely and are often on the road spending time with a variety of organisations and stakeholders throughout the BOP.

Our Board of 12 Trustees is made up of the following individuals:

- **Alastair Rhodes** - CEO
- **Terri Eggleton** - Impact Investment and Partnership Manager
- **Sam Cummins** - Community Funding and Policy Manager
- **Yvonne Baldock** - Finance & Office Services Manager
- **Lisa Hickling** - Part Time Community Research and Evaluation Specialist
- **Jess Gamble** - Part Time Administration and Funding Assistant

Consultants/Advisors
- Investment Advisors – Cambridge Associates
- Legal – Sharpe Tudhope
- Auditors – KPMG
- Accounting – BakerTilly Staples Rodway
- PR/Website – Tailor-made/Moca
- Impact Investments – 4am Consulting
- Maori/Iwi – Jacob Tapiata

Yvonne Baldock (Finance & Office Services Manager); Nigel McAdie; Jess Gamble (Office & Funding Assistant); Simon Clarke; Lisa Hickling (Evaluation & Community Research Specialist); Steve Napier; Maggie Bentley (Deputy Chair); Michael Christensen; Mawera Karetai; Roger Taylor; Rita Nabney (Chair); Stephaine Northey; Terri Eggleton (Impact Investment & Partnership Manager); Sam Cummins (Community Funding and Policy Manager); Alastair Rhodes (CEO). ABSENT: From Top: Kenneth Brown (Ex Chair); Kylie Hawker-Green; Bill Cleghorn (Ex Deputy Chair).
What we have done

Tena Koutou Katoa

BayTrust has a Vision that Bay of Plenty is the greatest place to be and it is our pleasure to share BayTrust’s key activities, achievements and highlights for the year ended 31 March 2019:

Financial

• From an investment perspective it has been a challenging year for BayTrust’s investment portfolio following a strong performance last year, with BayTrust’s investments returning $7.6m (2018: $15.9m) on the back of a volatile international environment.
• In April 2018 after a robust and extensive market review process, BayTrust replaced its long-standing lead Investment Advisor Russell Investment Group with Cambridge Associates who specialise in advising Foundations and Endowments. This year we have been working with Cambridge Associates to further diversify our investment portfolio to ensure it provides solid and sustainable returns for our communities into the future. Taking a staged and cautious approach to this has led to a smooth transition and by the middle of 2019 we expect to have fully transitioned to our new and more diversified investment portfolio.
• As a result of this soft revenue performance, BayTrust’s returns have not quite covered the Trust’s expenses of $1.5m (2018: $1.5m) and granting of $7.0m (2018: $5.9m) leading to an overall deficit of $0.9m (2018 surplus: $8.6m). This deficit has been covered from the Trust’s very healthy grants reserves of $63.7m (2018: $66.7m) which have been built up to help allow the Trust to continue to provide stable and consistent granting even when returns are challenging.
• Looking forward, the Board and its Investment Advisors continue to be cautious around future returns with increasing volatility being experienced in the financial markets. However, because of our healthy reserves and in alignment with our agreed spend policy of 4% of the average trailing 3-year investment values, we anticipate we will be able to increase our granting for next year to a record $7.2m across all our outcome areas.
• At year-end the total equity of BayTrust was $212.6m, which was a $0.9m decrease from 31 March 2018 ($213.5m).

Community & Granting

• BayTrust increased its total granting commitments this year by 20% and committed a total of $7.0m in grants (2018: $5.9m) to 195 community organisations with these grants spread equitably across our outcome areas and across our region. Along with our grants, the Trust provided other significant community support during the year delivered in a variety of ways including capacity-building opportunities such as workshops, which were extremely well received within our communities.
• In February 2018 we completed an in-depth review of our granting “outcome areas” and “funding priorities” to ensure that they are in alignment with community priorities and concluded that when comparing communities’ priorities against the ability for BayTrust to have an impact, our current outcomes and priorities align well. We are now well underway to implementing other findings included in this review including supporting more innovative ideas and projects, working in a true partnership manner with many organisations including increasing our multi-year funding and in 2018 introduced a new Community Amenities Fund for intergenerational community and environmental assets.
• Lastly, one of our key values is ‘together we are strong’ and as such a big thank you to all Trustees and staff for all the hard-work that has been put in over the year working well together for our communities. Plus, an even bigger thank you to all the wonderful community organisations and their supporters for their ongoing work in helping make the “Bay of Plenty the greatest place to be”.

Nā maua noa, nā

Rita Nabney
Chair

Alastair Rhodes
Chief Executive Officer

15 August 2019
BayTrust's investment objective is to protect and equitably grow BayTrust's investment capital so that it can provide ongoing returns for distribution to current and future BOP communities. Over the last year, the Board with the assistance of our Investments Advisors ran a well diversified portfolio of investments including Global Equities, Emerging Market Equity, Private Investments, Growth Alternatives, Global Fixed Income, Cash, Property and Infrastructure and BOP Impact Investments.

**Investment Performance**

An in-depth review of our strategic asset allocations was completed in June 2018 which resulted in the Trust increasing its growth asset allocations from 53% last year to 58% this year. The slightly increased risk associated with the higher growth allocation, reflects the perpetual nature of the Trust and the desire to ensure the Trust's ongoing distributions to our communities remains strong.

During the year the Trust also increased its commitment to BOP Impact Investments where we were looking to drive measurable social impact alongside a financial return from 3% to 6% (1% currently invested) and we were actively looking at opportunities in this space.

**Key performance highlights:**

- The Trust’s investment base has grown from $89m when first established to over $218m (includes cash and impact loans), an increase of $2.5m from the prior year.
- In spite of volatile financial markets, net investment revenue of $8m was only slightly behind forecast, although it was significantly lower than the revenue achieved in the prior year ($16m). Overall, the Trust’s portfolio returned 3.6% versus a benchmark of 6.1%.
- At an asset class level, Global Equities drove the poor performance versus benchmark with a return of 1.7% versus a benchmark return of 6.6% driven largely by the Russell’s Global Opportunity Fund ‘value’ style being out of sync with the market’s current ‘growth’ focus. BayTrust is in the process of transitioning out of this fund as part of its transition to Cambridge Associates.
- The Trust’s other assets classes generally performed as expected and forecasted.

**Future Investment plans**

Lastly, looking ahead we anticipate financial market volatility is likely to continue and we are working closely with our Investment Advisors (Cambridge Associates) to further refine and diversify our investment portfolio to align with our asset allocation targets and its 60% growth allocation. We remain committed to increasing our granting from $7m this year (20% increase from the prior year) to ~$7.2m next year (+2%) as a result of strong returns driven in previous years and a healthy reserving position and in alignment with our 4% spend target based on our last 3 years average trailing investment values.

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**BayTrust’s Investment Portfolio**

**31 March 2019, $218m**

- **38.1%** Global Fixed Income
- **26.1%** Global Equity
- **8.4%** Property and Infrastructure
- **5.8%** Growth Alternatives
- **4.3%** Private Investments
- **2.4%** Emerging Market Equity
- **1.4%** BOP Impact Investments—Loans
- **1.4%** Defensive Alternatives
- **3.6%** Cash

**Growth Assets**

<table>
<thead>
<tr>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>57%</td>
<td>53%</td>
</tr>
</tbody>
</table>

**Investment changes during the year**

**Target Asset Allocation June 2018**

<table>
<thead>
<tr>
<th>%</th>
<th>Investment</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>27%</td>
<td>Global Equity</td>
<td>Global Equity</td>
</tr>
<tr>
<td>5%</td>
<td>Emerging Market Equity</td>
<td>Emerging Market Equity</td>
</tr>
<tr>
<td>10%</td>
<td>Private Investments</td>
<td>Private Investments</td>
</tr>
<tr>
<td>8%</td>
<td>Growth Alternatives</td>
<td>Growth Alternatives</td>
</tr>
<tr>
<td>3%</td>
<td>BOP Impact Investments—Growth</td>
<td>BOP Impact Investments—Growth</td>
</tr>
<tr>
<td>3%</td>
<td>Cash</td>
<td>Cash</td>
</tr>
</tbody>
</table>

60% Growth Asset Target

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**Granting Analysis**

- Building up reserves post Global Financial Crisis
- Post GFC Grants increase
- Stable Granting

- 16% increase from 2016/17
To help achieve our Vision and in alignment with our Values, the Trust granted a record $7m (2018: $5.9m) in grants & scholarships distributed across our region and our outcome areas as outlined below:

**Grants across Outcome Areas**

The Trust aims for an equitable distribution of grants across the region and this has been maintained this year. Included in this year’s granting is the first grants for the Community Amenities Fund. Four organisations were allocated $1.05m for projects across BOP.

The number of applications 284 (2018: 288) has remained steady with the approval rate increasing to 74% (2018: 71%). The total granted as a percentage of requests has also improved from 32% in 2018 to 51% in 2019.

"This funding has helped with our environmental education programme, which teaches the next generation about conservation and protection of our endangered species. From the classroom to the bush, the students gain lifelong knowledge and a passion for our environment. A heartfelt thank you to BayTrust for understanding this importance"

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**Regional Distribution of Granting**

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**Partnerships**

The partnership with Sport BOP has been solidified with BayTrust entering a 3x3 year funding agreement that will strategically deliver programmes to support BOP communities to be active. The funding will support the delivery of Coachforce, Play in the Bay, Youth Engagement and Early Childhood programmes.

**Multi-year funding**

Multi-year funding for operational costs was granted to six new organisations totalling $485,000 (1/3 of this paid out in 2018/19 year).

**Capability Building Support**

Subsidised capability building opportunities were provided to 376 people (235 in 2017/18) from Community organisations across the BOP, with more organisations also attending subsidised governance training, undertaking capability assessments, mentoring, coaching and leadership support activities.
Community Feedback

BayTrust surveys all grantees and key stakeholders annually, the key findings from the latest survey undertaken in Dec 2018/Jan 2019 were:

- BayTrust’s Vision resonated well with stakeholders.
- Stakeholders had high levels of awareness of BayTrust’s funding priorities and outcome areas and were generally satisfied with the outcome areas BayTrust funds.
- Stakeholders thought that BayTrust’s most effective mechanisms to achieve its outcomes were funding and Toolbox funding followed by Impact Investments and research.
- The frequency of communication was about right with the most preferred form of communication being email.
- Most stakeholders felt BayTrust collaborated well/very well or OK with its partners/stakeholders.

Stakeholders, applicants and grantees advised that the three biggest community challenges that BayTrust could influence in the next two to three years were housing/availability/affordability, opportunities for young people and funding sustainability.

Drop-In Hui’s

BayTrust holds annual community engagement drop-in hui’s across the BOP, creating a platform for communities to feedback their successes, priorities and challenges. This year the drop-in hui’s were held in Katikati, Te Puke, Whakatane, Taupo, Rotorua and Opotiki.

There were consistent themes across all the drop in hui’s that emerged around issues that stemmed from housing availability and affordability (homelessness, transience, working poor, mental health, physical health), social isolation and loneliness (particularly for older people) and lack of volunteers.

A strong positive that emerged was how much the organisations valued the subsidised capability building support that BayTrust offers.

"St Chads appreciates the funding we received from BayTrust to support adults with disabilities to gain greater independence, learn and maintain valuable life skills, interact meaningfully with other members of the community, and do everyday things in everyday places"

Jebraun Clifford – St Chads Charitable Trust
Bay of Plenty Community Trust Incorporated – 2019 Annual Report

Statement of comprehensive revenue and expense

For the year ended 31 March 2019
in New Zealand Dollars ($000's)

<table>
<thead>
<tr>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Income</td>
<td>4</td>
<td>7,646</td>
</tr>
<tr>
<td>Less Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio management and advisory fees</td>
<td></td>
<td>387</td>
</tr>
<tr>
<td>Other expenses</td>
<td>5</td>
<td>1,124</td>
</tr>
<tr>
<td>Total Expenses</td>
<td></td>
<td>1,511</td>
</tr>
<tr>
<td>Grants Expenditure</td>
<td>6,15</td>
<td>7,000</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(865)</td>
<td>8,557</td>
</tr>
</tbody>
</table>

Total comprehensive revenue and expense for the period

(865) 8,557

Statement of changes in equity

For the year ended 31 March 2019
in New Zealand Dollars ($000's)

<table>
<thead>
<tr>
<th>Trust capital</th>
<th>Retained earnings</th>
<th>Population reserve</th>
<th>Grants maintenance reserve</th>
<th>Inflation reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 April 2017</td>
<td>89,308</td>
<td>-</td>
<td>10,560</td>
<td>59,615</td>
<td>45,458</td>
</tr>
<tr>
<td>Total comprehensive revenue and expense for the period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves transfers</td>
<td>-</td>
<td>(8,557)</td>
<td>-</td>
<td>7,039</td>
<td>1,518</td>
</tr>
<tr>
<td>Balance at 31 March 2018</td>
<td>89,308</td>
<td>-</td>
<td>10,560</td>
<td>66,654</td>
<td>46,976</td>
</tr>
</tbody>
</table>

Balance at 1 April 2018

89,308 | - | 10,560 | 66,654 | 46,976 | 213,498 |

Total comprehensive revenue and expense for the period

| Reserves transfers | - | (865) | - | (2,919) | 2,054 | - |
| Balance at 31 March 2019 | 89,308 | - | 10,560 | 63,735 | 49,030 | 212,633 |

The notes on pages 10 to 18 are an integral part of these financial statements.
## Statement of financial position

**As at 31 March 2019**

*in New Zealand Dollars ($000’s)*

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>44</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>8</td>
<td>1,234</td>
<td>2,385</td>
</tr>
<tr>
<td>Investments</td>
<td>10</td>
<td>213,759</td>
<td>208,110</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>215,037</td>
<td>210,515</td>
</tr>
<tr>
<td>Loans</td>
<td>8</td>
<td>508</td>
<td>64</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>220</td>
<td>289</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>2,038</td>
<td>4,654</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>2,766</td>
<td>5,007</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>217,803</td>
<td>215,522</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Trust equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust capital</td>
<td></td>
<td>89,308</td>
<td>89,308</td>
</tr>
<tr>
<td>Retained earnings</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Population reserve</td>
<td>9</td>
<td>10,560</td>
<td>10,560</td>
</tr>
<tr>
<td>Grants maintenance reserve</td>
<td>9</td>
<td>63,735</td>
<td>66,654</td>
</tr>
<tr>
<td>Inflation reserve</td>
<td>9</td>
<td>49,030</td>
<td>46,976</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td></td>
<td>212,633</td>
<td>213,498</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants Payable</td>
<td></td>
<td>3,382</td>
<td>1,309</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td></td>
<td>197</td>
<td>205</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>3,579</td>
<td>1,514</td>
</tr>
<tr>
<td>Grants Payable</td>
<td></td>
<td>1,591</td>
<td>510</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>1,591</td>
<td>510</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>5,170</td>
<td>2,024</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td></td>
<td>217,803</td>
<td>215,522</td>
</tr>
</tbody>
</table>

The notes on pages 10 to 18 are an integral part of these financial statements.

Signed on behalf of the Board of Trustees:

Chair: ___________________________

Trustee: _________________________

Date: 15/03/2019
Bay of Plenty Community Trust Incorporated – 2019 Annual Report

Statement of cashflows

For the year ended 31 March 2019  
in New Zealand Dollars ($000’s)  

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cashflows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>148</td>
<td>104</td>
</tr>
<tr>
<td>Cash paid to suppliers, trustees and staff</td>
<td>(1,509)</td>
<td>(1,478)</td>
</tr>
<tr>
<td>Proceeds from realisation of investments</td>
<td>48,735</td>
<td>13,243</td>
</tr>
<tr>
<td>Funds Invested</td>
<td>(47,112)</td>
<td>(1,915)</td>
</tr>
<tr>
<td>Grants paid to the community</td>
<td>(3,845)</td>
<td>(5,668)</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>(3,583)</td>
<td>4,286</td>
</tr>
</tbody>
</table>

| **Cashflows from investing activities** |       |       |
| Acquisition of property, plant and equipment | (34) | -    |
| Loans (Issued) / Repaid                  | 1,001 | (51) |
| **Net cash flows from investing activities** | 967   | (51) |

Net increase/(decrease) in cash and cash equivalents  

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>(2,616)</td>
<td>4,235</td>
</tr>
<tr>
<td>Cash and cash equivalents at 1 April</td>
<td>4,654</td>
<td>419</td>
</tr>
<tr>
<td>Cash and cash equivalents at 31 March</td>
<td>2,038</td>
<td>4,654</td>
</tr>
</tbody>
</table>

The notes on pages 10 to 18 are an integral part of these financial statements.
Bay of Plenty Community Trust Incorporated – 2019 Annual Report

Notes to the financial statements

1  Reporting entity
The Bay of Plenty Community Trust is a Charitable Trust, incorporated in accordance with the provisions of The Community Trusts Act 1999.

2  Basis of preparation
(a)  Statement of compliance
The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted. The Trust qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between $2m and $30m operating expenditure and is not publicly accountable.

The Board of Trustees approved the financial statements on 15 August 2019.

(b)  Basis of measurement
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

(c)  Functional and presentation currency
These financial statements are presented in thousands of New Zealand dollars and rounded to the nearest thousand dollars ($1000s) which is the functional currency of the Trust.

(d)  Use of estimates and judgements
The preparation of financial statements requires management to make judgements, estimates 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Trust's accounting policies management have made judgements regarding whether or not discretionary grants are payable at year end or if discretionary grants are contingent liabilities at year end. This potentially has a significant effect on the amounts recognised in the financial statements. Grants payable are discretionary grants where there are no significant conditions attached to the grant at balance date or where the significant conditions attached to the grant have been met at balance date. Grants that are classified as contingent liabilities at year end are discretionary grant obligations at balance date that are reliant on additional funding or have other significant conditions attached to them to go ahead with a specified project. Refer to note 7 for the grants payable at 31 March 2019 and note 8 for contingent liabilities.

(e)  Taxation
Bay of Plenty Community Trust is exempt from income tax with effect 1 April 2008, under section CW 52 of the Income Tax Act 2007.

3  Significant accounting policies
(a)  Foreign currency
Foreign currency transactions
Transactions in foreign currencies are translated to the functional currency at exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date and any differences are recognised in profit or loss. Classification is also reassessed by management at each reporting date.

KPMG
3 Significant accounting policies (continued)

(b) Financial assets at fair value through profit or loss
The Trust classifies its investments as financial assets at fair value through profit or loss. These financial assets are designated by management at fair value through profit or loss at inception.

Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust's Statement of Investment Policies and Objectives and information is provided internally to key management personnel on that basis.

Regular-way purchases and sales of investments are recognised on the trade date, being the date on which the Trust commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investment have expired or the Trust has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are initially recognised at fair value. Separately identifiable transaction costs (including management, advisory, custodian and direct private equity fees) are expensed as incurred. Where transaction costs are not separately identifiable (i.e. fees deducted at source) these are offset against revenue from investments. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in profit or loss in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Trust's loans and receivables comprise loans.

Loans and receivables are initially recognised at fair value plus transaction costs. The fair value of long term receivables or loans that are interest free or have interest rates below market values are estimated using the present value of all future cash flow receipts discounted using the prevailing market rate of interest for similar instruments with a similar credit rating. After initial recognition, loans and receivables are carried at amortised cost using the effective interest method less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period, to the net carrying amount of the financial asset.

The Trust assesses at each balance sheet date whether there is objective evidence that a loan or receivable is impaired.

Short term deposits
Short term deposits are short term investments with an original maturity of between 3-12 months.

Trade and other payables
Trade and other payables are stated at cost and are classified as other liabilities.

c) Grants expenditure and grants payable
The Trust makes discretionary grants. The grants are recognised as an expense at the point at which the payment of the grant has been approved by the Trustees and the recipient of the grant does not have any further obligations to meet in order to receive the grant.

Grants payable are those grants which have been approved, there are no significant obligations to be met, and the grant has not been paid by the reporting date.

Where grants have been approved in the current or previous years but are subject to the fulfilment of further conditions in future years, they are treated as contingent liabilities (note 7).
3 Significant accounting policies (continued)

(d) Property, plant and equipment

(i) Depreciation
Depreciation is recognised in profit or loss on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment.

The depreciation rates for the current and comparative periods are:
- Furniture & fittings: 8.5% to 40%
- Office equipment: 30% to 50%
- Motor vehicle: 20%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(e) Impairment
The carrying amounts of the Trust's assets are reviewed at each reporting date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in profit or loss.

(ii) Impairment of financial assets
Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised costs, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets.

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 through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Non-financial assets
The carrying amounts of the Trust's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated.

(f) Employee benefits
Liabilities for wages and salaries, including non monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in trade and other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Sick leave is recognised when the leave is taken and measured at the rates paid.
3 Significant accounting policies (continued)

(g) Investment income

(i) Interest income
Interest income is recognised on a time-proportion basis using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(ii) Dividend Income
Dividend income is recognised when the right to receive payment is established.

(iii) Investment Income
Refer to note 3(b) 'Financial Assets at fair value through profit or loss'.

4 Investment Income

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>123</td>
<td>104</td>
</tr>
<tr>
<td>Fair Value Investment gains and losses</td>
<td>7,228</td>
<td>15,836</td>
</tr>
<tr>
<td>Net changes in fair value movement on loans and receivables / other investments</td>
<td>295</td>
<td>(43)</td>
</tr>
<tr>
<td><strong>Total Investment Income</strong></td>
<td>7,546</td>
<td>15,897</td>
</tr>
</tbody>
</table>

As per Policy 3(b) Financial Assets at Fair Value through Profit and Loss the entity have changed the way they report investment fees. These are now netted off income and accordingly last years comparative have been updated.

5 Other expenses

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountancy fees</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>Depreciation</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Office operating costs</td>
<td>77</td>
<td>69</td>
</tr>
<tr>
<td>Office lease expenses</td>
<td>78</td>
<td>64</td>
</tr>
<tr>
<td>Trust administration</td>
<td>200</td>
<td>319</td>
</tr>
<tr>
<td>Employer Kiwisaver contribution</td>
<td>20</td>
<td>14</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>496</td>
<td>419</td>
</tr>
<tr>
<td>Trustees' Remuneration (note 13)</td>
<td>160</td>
<td>155</td>
</tr>
<tr>
<td>Trustee expenses and professional development</td>
<td>40</td>
<td>51</td>
</tr>
<tr>
<td>Vehicle expenses</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td><strong>Auditor's remuneration to KPMG</strong></td>
<td>1,108</td>
<td>1,129</td>
</tr>
<tr>
<td>- audit of financial statements</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total auditor's remuneration</strong></td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td>1,124</td>
<td>1,144</td>
</tr>
</tbody>
</table>

6 Grants expenditure

The Trust's principal activity is to distribute income from its investments to the Community. The following table summarises the grants made to the Community.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants paid</td>
<td>6,931</td>
<td>5,809</td>
</tr>
<tr>
<td>Dillon Scholarship</td>
<td>98</td>
<td>94</td>
</tr>
<tr>
<td>Grants refunded or cancelled</td>
<td>(29)</td>
<td>(49)</td>
</tr>
<tr>
<td><strong>Total Grants</strong></td>
<td>7,000</td>
<td>5,865</td>
</tr>
</tbody>
</table>

A full list of the grants expenditure can be found in note 15. The Trust provides an additional benefit to the Community by providing low interest rate loans; the value of the interest saved by the organisation over the term of the loan is effectively a grant to the organisation when the loan is approved.
Notes to the financial statements (continued)

7 Contingent liabilities

The following conditional future grants have been approved but are subject to the applicants satisfying specific criteria in each case:

<table>
<thead>
<tr>
<th>Grants recipients</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opotiki District Council (2016 Strategic Fund)</td>
<td>-</td>
<td>300</td>
</tr>
<tr>
<td>Sport BOP Bump Club</td>
<td>-</td>
<td>75</td>
</tr>
<tr>
<td>Whakaunui Whanaunga</td>
<td>-</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>575</td>
</tr>
</tbody>
</table>

8 Loans

From time to time the Trust advances funds to organisations at low interest rates or interest free. The loans are classified as loans receivable and, after initial recognition, are measured at amortised cost using effective interest rate method less any impairment loss. The difference between the interest charged and market rates equates to a community benefit provided by the Trust. The actual value of the loans outstanding is $1,939,988 however due to the below market interest rates that have been charged the carrying value of these loans is actually $1,742,642. The variance of $197,345 is essentially a benefit provided to the community over the remaining loan terms.

The loan balance is made up as follows:

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Maturity Date</th>
<th>Interest rate %</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Habitat for Humanity (Tauranga) Ltd</td>
<td>Repaid</td>
<td>2.75%</td>
<td>-</td>
<td>933</td>
</tr>
<tr>
<td>Tauranga Squash Racquets Club Inc</td>
<td>31/07/2025</td>
<td>3%</td>
<td>132</td>
<td>152</td>
</tr>
<tr>
<td>Theatre Whakatane Inc</td>
<td>19/11/2025</td>
<td>3%</td>
<td>140</td>
<td>158</td>
</tr>
<tr>
<td>Tauranga Community Housing Trust</td>
<td>17/10/2019</td>
<td>2.75%</td>
<td>760</td>
<td>760</td>
</tr>
<tr>
<td>Tauranga Community Housing Trust</td>
<td>1/10/2040</td>
<td>2.75%</td>
<td>907</td>
<td>938</td>
</tr>
<tr>
<td>Imputed interest on low interest loans</td>
<td></td>
<td>(197)</td>
<td>(492)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>1,742</td>
<td>2,449</td>
</tr>
</tbody>
</table>

Classified as:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>508</td>
<td>64</td>
</tr>
<tr>
<td>Non-current</td>
<td>1,234</td>
<td>2,385</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,742</td>
<td>2,449</td>
</tr>
</tbody>
</table>

For the purposes of calculating amortised cost and interest, the rate applying to the Reserve Bank swap rate at inception date of each advance is used.

9 Reserves

Grants maintenance reserve

The grants maintenance reserve relates to a capital maintenance reserve established and maintained at the Trustees' discretion.

Inflation reserve

As an "enduring" (everlasting) Trust, BayTrust has a responsibility to ensure it treats all classes of beneficiaries equitably and this includes future potential beneficiaries. For this reason the Trust maintains its "real" capital by adjusting its initial capital for both inflation and, to some extent, population movements. Inflation adjustments are made as at 31 March each year to reflect changes in the Statistics New Zealand All Groups CPI with an adjustment required of $2.05m in the March 2019 year.
9 Reserves (continued)

Population Reserve
To date, population adjustments have reflected a portion of the rate of growth in the Bay of Plenty region, with population reserves of $10.56m being currently set aside which equates to 57% of the BOP population growth from inception of the Trust through to the 2013 census. Future population adjustments will be considered by the Trustees in the year following a New Zealand Census subject to funds being available.

10 Investments

<table>
<thead>
<tr>
<th>Investments</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>NZ fixed interest debt securities - unit trusts</td>
<td>5,790</td>
<td>6,153</td>
</tr>
<tr>
<td>Emerging Market Equity</td>
<td>5,272</td>
<td>-</td>
</tr>
<tr>
<td>Global bonds - unit trusts</td>
<td>82,885</td>
<td>88,943</td>
</tr>
<tr>
<td>Global equities - unit trusts</td>
<td>79,279</td>
<td>90,813</td>
</tr>
<tr>
<td>Global Infrastructure - unit trusts</td>
<td>18,352</td>
<td>15,578</td>
</tr>
<tr>
<td>Growth Alternatives</td>
<td>12,731</td>
<td>-</td>
</tr>
<tr>
<td>Impact Investment - Growth</td>
<td>48</td>
<td>-</td>
</tr>
<tr>
<td>Private Equity Investments</td>
<td>9,402</td>
<td>6,623</td>
</tr>
<tr>
<td>Total investments designated at fair value through profit or loss</td>
<td>213,759</td>
<td>208,110</td>
</tr>
</tbody>
</table>

Management of the interest rate risk is performed by the fund managers by use of interest rate swaps.

11 Operating leases

Leases as leasee
Non-cancellable operating lease in relation to the Trust’s administrative office rentals are payable as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>-</td>
<td>45</td>
</tr>
<tr>
<td>Between one and five years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>45</td>
</tr>
</tbody>
</table>

Lease is currently operating on a month-by-month basis and no commitment made to new premises.

12 Related parties

The Trust held seven Board meetings during the year with Trustees also attending numerous other committee meetings and events representing the Trust. The table below records each Trustee’s attendance at Board meetings and the remuneration paid as fixed by the Minister of Finance:

<table>
<thead>
<tr>
<th>Name</th>
<th>Meeting Attendance</th>
<th>Remuneration $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brown, Kenneth (Chair until 28 February 2019)</td>
<td>6</td>
<td>23</td>
</tr>
<tr>
<td>Marriott, Wayne (retired 30 June 2018)</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Bentley, Maggie (appointed Deputy Chair 1 March 2019)</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Christensen, Michael</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>Clarke, Simon</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Clegorn, Bill (Deputy Chair until 28 February 2019)</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Hawker-Green, Kyle</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>McAdie, Nigel (Audit &amp; Risk Chair)</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Mihirui, Roku (retired June 2018)</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Morris, Steve (retired June 2018)</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Nabney, Rita (appointed Trust Chair 1 March 2019)</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Northey, Stephanie (appointed 1 July 2018)</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Napier, Steve (appointed 1 July 2018)</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Karetal, Mawera (appointed 1 July 2018)</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Taylor, Roger (appointed 1 July 2018)</td>
<td>6</td>
<td>8</td>
</tr>
</tbody>
</table>

| Total                                      | 160 |

There are fees payable to 12 Trustees at balance date of $13,660 gross (2018: 11 Trustees at $12,660).

Trustees and the Chief Executive Officer are considered part of the key management personnel of the Trust. Remuneration paid during the year to the key management personnel totalled $340,337.
13 Subsequent events

There have been no subsequent events since reporting date.

14 Commitments

Prior to balance date the Board moved that they would invest in three bonds with Ruapehu Alpine Lifts Ltd, totalling $1,500,000.

The following is a schedule of committed capital for private equity investments which were uncalled during the financial period, as per the table below:

<table>
<thead>
<tr>
<th>Investment Fund</th>
<th>Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vantage Asset Management (AUD 225,000)</td>
<td>234,570</td>
</tr>
<tr>
<td>Continuity Capital Partners</td>
<td>625,000</td>
</tr>
<tr>
<td>Waterman Capital Ltd</td>
<td>540,000</td>
</tr>
<tr>
<td>Pencarrow Private Equity</td>
<td>1,780,000</td>
</tr>
<tr>
<td>Oriens Capital</td>
<td>550,000</td>
</tr>
<tr>
<td>H.R.L. Morrison &amp; Co Ltd</td>
<td>83,514</td>
</tr>
<tr>
<td>WNT Ventures Fund 2 Limited Partnership</td>
<td>410,000</td>
</tr>
<tr>
<td>ICG (AUD 14,000,000)</td>
<td>14,581,980</td>
</tr>
<tr>
<td>Generation Sustainable Fund 1 (USD 3,500,000)</td>
<td>5,131,980</td>
</tr>
<tr>
<td>Accolade Growth Fund (USD 3,940,000)</td>
<td>5,777,143</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29,714,187</strong></td>
</tr>
</tbody>
</table>
Bay of Plenty Community Trust Incorporated – 2019 Annual Report
Notes to the financial statements (continued)

**in New Zealand Dollars ($000’s)**

## Grants expenditure for the year ended 31 March 2019

### Active Communities

- Bike Tapu Advocacy Working Inc: $6,000
- Sleep Apnea Working: $2,000
- Whakatane District Council: $200

### Healthy Sustainable Housing

- Bay of Plenty Housing Trust: $60
- Kaupapa Ora Trust: $10
- Toko Whakairo: $7
- Whakatane Helping Hands Charitable Trust: $90
- Whakatane/Mataura Charitable Trust: $20,000

### Improved Natural Environment

- Bay Conservation Inc: $15
- Boonangatangi/Bao Tapu Inc: $2
- Coromandel North Island Kindergarten Trust: $3
- EARTH Charitable Trust (inc/sponsor): $10
- Environmental Education for Resource Sustainability Trust: $10
- Fowlertop Ltd: $8
- Gardeners Table Trust: $5
- HIKI Whakatane: $19
- Mahuhu Collegiate Woodland Soc Inc: $15
- Marlborough Eco Trust: $23
- Whakatane Wildlife Trust: $10
- Whakatane Museum: $5
- WPA Inc: $7
- Project: Jobwell Trust: $5
- Taumarunui Community Gardens Trust: $5
- Tauranga Community Development Charitable Trust: $44
- Tauranga Women's Centre Charitable Trust: $39
- VOPDCO/Pharmacy Inc: $250
- Whakatane Community Trust: $12

### Inclusive Communities

- Age Concern - Whakatane District Inc: $17
- Age Concern Taupo Inc: $17
- Age Concern Tauranga Inc: $15
- Alzheimer Soc: $10
- Alzheimer Soc Taupo Inc: $10
- Alzheimer Soc Tauangou/MOPP Inc: $10
- Aotearoa NZ Charitable Trust: $9
- Arataki Cancer Trust: $5
- Awhina Trust Inc: $7
- Asian Community Charitable Trust: $7
- Auckland District Kidney Soc Inc: $20
- Autism NZ Inc: $7
- BDF Therapeutic Foundation Inc: $10
- Beachaven Family Services: $50
- Bethel Baptist Church: $10
- Bokis upholstery Ltd: $2
- Bowens Trust Ltd: $15
- Breast Cancer Support Services Trust - Tauranga Trust: $20
- C3 Church Tauranga: $5
- Catholic Family Support Services: $10
- Catholic Charities Waikato Support Inc: $8
- Childrens Against Poverty NZ: $5
- Disabilities Resource Centre: $2
- Drop in for Success Taumarunui Charitable Trust: $15
- Eastern Bay Welfare Ltd: $25
- Epilepsy Aotearoa NZ Trust: $10
- Hamilton Disability Support Foundation: $10
- House of Science Tauranga Charitable Trust: $30
- Kiwi/Karaiti Charitable Trust: $10
- Kawakawa District Aged in Place Inc: $30
- Matakana Community Assoc: $10
- Manawa Degenereation Trust: $25
- Matariki Family Services Inc: $8
- Mayn Ford Charitable Trust: $10
- Mental Health Community Inc: $10
- Workington Inc: $30
- UT Regional Community Warmth Trust: $8
- Waikato Diocese Charitable Trust: $10
- NZ Centre for Oxford Education: $10
- Van Diemen Trust: $5
- People First NZ Inc: $3
- Tauroa Kiwika Trust: $20
- Totara Trust: $5
- Bopomo Rotorua Inc: $20
- Coronation Trust: $25
- Rotorua region Charitable Trust: $25
- Rotorua Fishing for the Disabled Trust: $10
- Rural Community Welfare Support Group Central Region Inc: $10
- South Waikato Committee: $5
- Society of St Vincent de Paul (Thermal瞭解): $5
- Society of St Vincent de Paul (Whakatane conference): $222
- St Paul's Communication Centre Trust: $5
- St Paul's Charitable Trust: $25
- Supergonorth Charitable Trust: $7
- Taumarunui Trust: $15
- Tauranga Women's Collective Inc: $35
- Tauranga Youth Development Trust: $7
- Te Kahu Trust: $15
- Te Whare Trust: $10
- Te Whare Mangakakahi Aotearoa: $10
- The Harbour Community Warmth Trust: $10
- The Harbour Trust: $25
- The Harbours NZ Charitable Trust: $4
- The Salvation Army (Whakatane Corps): $10
- The Spirit of Excellence Education Trust: $10
- Te Kaha Whakaoranga Whakarongo Trust Ltd: $5
- Tauranga Foodbank Inc: $4
- Waikato Anglican Social Services Trust (Rupani Family Services): $36
- Waikato Anglican Social Services Trust (The Hawk Centre): $25
- Waikato Women's Refuge: $25
- Western Bay Presbyterian Church: $7
- Western BOP Disability Support: $10
- Whakatane/Whakatane Trust: $3
- Whakatane Baptist Community Charitable Trust: $11
- Whakatane Waikato Trust: $12

### Prosperous Communities

- Ciscentor Advice Bureau Taupo Inc: $10
- Enterprise Angels Inc: $24
- Family & Financial Solutions Trust: $7
- Good Neighbour Anamurai Trust: $105
- Kaipara Health Inc: $13
- Kawakawa Life-Kowhai Charitable Trust: $20
- Lincoln Park Community Trust: $26
- Mawaka One: $25
- Ngati Rangi Resources: $10
- St John Baptists Church: $10
- Te Taiwakawa Charitable Trust: $3
- TIKI Trust: $28
- Toa RSA: $30
- Whakatane Citizens Advice Bureau Inc: $422
## Grants expenditure for the year ended 31 March 2019 (continued)

<table>
<thead>
<tr>
<th>Safe Communities</th>
<th>Strong Community Organisations</th>
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<tbody>
<tr>
<td>Safe Communities</td>
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<tr>
<td>Safe Neighbourhood Support Svc Inc</td>
<td>School Verbs 10</td>
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<tr>
<td>Georgetown Street Support Inc</td>
<td>Tangaroa Whakau Community &amp; Volunteer Sector 3</td>
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<tr>
<td>Kaumara Neighbourhood Support Inc</td>
<td>Voluntary Bay of Plenty 3</td>
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<tr>
<td>Opoki Surf Lifesaving Club Inc</td>
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<td>Papamoa Community Surf Rescue Inc</td>
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<td>Rotoura Urban Park Bnd Ltd Inc</td>
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<td>Safe Surf</td>
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<tr>
<td>Surf Lifesaving NZ Inc</td>
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<tr>
<td>Tauranga Community Police Support</td>
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<td>Tauranga Community Policing</td>
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<tr>
<td>Western BOP Neighbourhood Support</td>
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<tr>
<td>Whakatane District Neighbourhood Support Trust</td>
<td></td>
</tr>
<tr>
<td>WHPN Trust</td>
<td></td>
</tr>
</tbody>
</table>

### Strengthened Whanau

- Benellers Inc 10
- Blacksmith Big Sisters of Whakaua Inc 10
- Child Matters 7
- Families Achieving Balance Charitable Trust 15
- First Support Services 20
- Growing through Gift (Tauranga) 5
- Growing through Gift (Tauranga) 5
- Inspiring Futures 13
- Kiwi Care Community Resource Centre Inc 20
- Konkani Blue Light Venture Inc 10
- Kung Fu Community Trust 26
- Malaka Blue Light Ventures Inc 25
- Mornington Community Housing Trust 10
- Mountain Springs Taupo 12
- Police One 35
- Rotorua Community Youth Centre Trust 30
- Rotorua Lakes Council 20
- Rotorua Youth Development Trust 20
- Sir Edmund Hillary Outdoor Education Trust 18
- SportBiz 50
- Storytime Foundation 5
- Te Rangi High School 5
- Taupo Community Housing Trust 65
- Taupo Education - Taupō Trust 49
- The Salvation Army (Tauranga) 15
- The Social Agency of NZ 5
- Tīpā Atua for Life Charitable Trust 25
- Whakatane Blue Light Ventures Trust 75
- Whakatane Blue Light Ventures Trust 19
- Whakatane Blue Light Ventures Trust 15
- Whakatane Blue Light Ventures Trust 25
- Whakatane District Community Area Council 13
- Youth Discovery Ministries Trust 30
- Youthwise Auchentoshan Charitable Trust 10

### Vibrant & Fun Communities

- Arts Ranges Trust 10
- Downtown BOP Trust 7
- Greenpeace Whakau Community Support Inc 5
- Kaiko Hula Inc 10
- Little Love Community Trust 2
- MTG Forum for Art Trust 5
- Rotorua Charitable Trust 8
- Rotorua BOP Charitable Trust 10
- Rotorua Lakefront Charitable Trust 10
- Royal NZ Ballet Trust 3
- Safe Touching 10
- TKI Bus Productions Ltd Inc 8
- Te Puru Quay Park Ltd 16
- The Insulator Creative Hub 32
- The Upland Rangers RAIA Welfare Trust 5
- The Waimakariri RSA Welfare Trust 5
- The National Urotitid Society 5
- The Rotuwa Touch Association Inc 5
- The Tuakaua Community Trust 10
- Waikato Health Trust 2
- Vinnies Bay Heritage Trust Board 5
- Whakatane District Council 8

### Feedback Funding

- Bank of New Zealand NZ 7
- ESOP Economic Development Agency 8
- Enviroment BOP 9
- Habitat for Humanity (Tauranga) Ltd 24
- HUI Trust 3
- He Waka Waka Trust Tauranga 6
- Lakeshore Quay 6
- Niccolia Community Trust 4
- Safi Trust 7
- Social Service Providers Auckland 10
- Takapuna 5
- Tauranga Community Housing Trust 1
- Tauranga District Council 3
- The Cliff Trust 2
- The Inspiring Communities Trust 15
- The Salvation Army Tauranga 9
- Waikato District Council 5

### Scholarships

- Matakitea Charitable Trust 66
- Yarn Health and Social Services 24

### Grand Total - Grants Expenditure

- 7,060

(Refer Note 9)
Independent Auditor’s Report

To the beneficiaries of Bay of Plenty Community Services Trust

Report on the financial statements

Opinion

In our opinion, the accompanying financial statements of Bay of Plenty Community Services Trust (the Trust) on pages 7 to 18:

i. Present fairly in all material respects the Trust’s financial position as at 31 March 2019 and its financial performance and cash flows for the year ended on that date; and

ii. Comply with Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit).

We have audited the accompanying financial statements which comprise:

— The statement of financial position as at 31 March 2019;

— The statements of comprehensive revenue and expense, changes in equity and cash flows for the year then ended; and

— Notes, including a summary of significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (‘ISAs (NZ)’). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the auditor’s responsibilities for the audit of the financial statements section of our report.

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

Other information

The Trustees, on behalf of the Trust, are responsible for the other information included in the entity’s Annual Report. Our opinion on the financial statements does not cover any other information and we do not express any form of 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 materially misstated. If, based on the work we have performed, 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.
Use of this independent auditor’s report

This independent auditor’s report is made solely to the beneficiaries as a body. Our audit work has been undertaken so that we might state to the beneficiaries those matters we are required to state to them in the independent 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 beneficiaries as a body for our audit work, this independent auditor’s report, or any of the opinions we have formed.

Responsibilities of the Trustees for the financial statements

The Trustees, on behalf of the Trust, are responsible for:

- The preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit));
- Implementing necessary internal control to enable the preparation of a set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- Assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objective is:

- 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 independent 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. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:


This description forms part of our independent auditor’s report.

KPMG
Tauranga
15 August 2019