

ANNUAL REPORT

For the year ended 31 March 2019



NetworkTasman
CHARITABLE TRUST

NetworkTasman **CHARITABLE TRUST**

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NetworkTasman **CHARITABLE TRUST**

Chair's Report to Annual Meeting

Friday 26 July 2019

I have pleasure in presenting the Annual Report of Network Tasman Charitable Trust for the year ended 31 March 2019.

The Trust had a surplus of \$101,402 for the year. This was due to the donations and interest received exceeding the amount of grants, scholarships and expenses paid.

Community Activities

This year the Network Tasman Charitable Trust paid out \$98,249 in grants. A schedule of these payments is listed in the appendix to this Report. You will see this has benefited a wide range of community organisations across the Network Tasman distribution area.

Sir Wallace Rowling Scholarships

Our congratulations to Maria Phillips of Garin College and Alisha Olney of Collingwood Area School as the recipients of the above award. They received \$3,000 each. We wish them both well as they continue their studies. Once again the standard of the applicants was very high. It is a pleasure to interview these students and to be able to help the awardees with these scholarships.



Gwenny Davis
Chair



*Maria Phillips of Garin College and Alisha Olney of Collingwood Area School
2018 Sir Wallace Rowling Scholarship Winners*

Network Tasman Charitable Trust

Trust Directory

As at 31st March 2019

Legal Name	Network Tasman Charitable Trust
Legal Basis	The Trust is registered as a charitable entity under the Charities Act 2005
Date Settled	15 August 2006
Nature of Trust	To hold and distribute charitable funds per the Trust deed
Purpose of Trust	The primary objective of the Trust is to provide an educational scholarship to a student from a rural and urban school under the Sir Wallace Rowling Scholarship and to provide community grants and loans to consumers in the Network Tasman distribution area
Registration Number	CC23595
I R D Number	94-563-437
Structure of Trust	The Trust comprises of a Board of six Trustees who oversee the governance of the Trust and Secretary who is responsible for the day-to-day operation of the Trust, reporting to the Trustees. The Trustees are elected by consumers by public election every three years
Trustees	S G Davis (Chair) I F Kearney T M Kreft I P Barker P J Adamson J L Edgar
Secretary	M Buonocore
Source of Resources	A donation from NTT Investments Limited is the primary source of funding to the Trust
Postal Address	P O Box 3115 Richmond, Nelson
Bankers	UDC Finance Limited Westpac New Zealand Limited Bank of New Zealand SBS Bank
Accountants	Craig Anderson Limited Richmond
Auditors	NMA Nelson Marlborough Audit Limited

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Network Tasman Charitable Trust **Statement of Service Performance** **For the Year Ended 31st March 2019**

Description of the Entity's Outcomes:

Network Tasman Charitable Trust received \$200,000 in donations for the year ended 31 March 2019 and made community grants of \$98,249, making a significant difference to the lives of individual and community group recipients.

Description and Quantification of the Entity's Outputs:

	Actual This Year	Budget This Year	Actual Last Year
8 Individuals and 56 Group Community Grants Paid	\$98,249	\$100,000	\$69,915
Scholarships Paid - 2 students supported in initial tertiary studies.	\$6,546	\$6,500	\$6,546

Additional Output Measures:

Benefit to variety of individuals and community groups and sporting codes across the entire Network Tasman electricity distribution area, as listed in the Financial Statements.

NOTE: This Statement is to be read in conjunction with Notes to the Financial Statements and Audit Report.

Network Tasman Charitable Trust

Income Statement

For the Year ended 31st March 2019

	Note	2019 \$	2018 \$
Income			
Donations Received		200,000	100,000
Interest Received	5	17,279	16,441
Sundry Income		-	19
		<u>217,279</u>	<u>116,459</u>
Less:			
<u>Operating Expenses</u>			
Advertising		1,137	1,241
Sundry Expenses		<u>431</u>	<u>431</u>
		1,568	1,672
<u>Grants and Distributions</u>			
Accountancy Fees		2,875	3,427
Administration Costs		51	51
Audit Fees		1,955	2,013
Bank Fees		95	95
Community Grants Paid	6	98,249	69,915
Postage & Stationery		396	386
Scholarships & Book Tokens		6,546	6,546
Secretarial Fee		<u>4,142</u>	<u>6,901</u>
		114,309	89,334
<u>Total Expenditure</u>		<u>115,877</u>	<u>91,006</u>
<u>Net Surplus</u>		<u>101,402</u>	<u>25,453</u>

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NOTE: This Statement is to be read in conjunction with Notes to the Financial Statements and Audit Report.

Network Tasman Charitable Trust

Statement of Changes in Equity

For the Year ended 31st March 2019

	Note	2019 \$	2018 \$
Equity at start of Period		533,156	507,702
Plus			
This years Surplus / (Deficit)		101,402	25,453
		<u>101,402</u>	<u>25,453</u>
<u>EQUITY AT END OF PERIOD</u>		<u><u>\$634,558</u></u>	<u><u>\$533,155</u></u>

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NOTE: This Statement is to be read in conjunction with Notes to the Financial Statements and Audit Report.

Network Tasman Charitable Trust

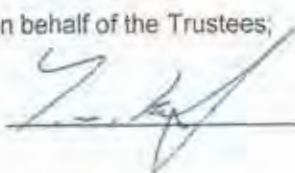
Balance Sheet

As at 31st March 2019

	Note	2019 \$	2018 \$
<u>Current Assets</u>			
Bank Accounts and Cash	10	142,535	86,595
Short Term Deposits		440,000	389,821
Accounts Receivable		2,122	2,122
Interest Accrual		18,776	10,070
Community Loans Current Portion	7	12,080	14,080
		<u>615,513</u>	<u>502,689</u>
<u>Non-Current Assets</u>			
Community Loans Term Portion	7	21,000	33,080
		<u>636,513</u>	<u>535,769</u>
Total Assets			
<u>Current Liabilities</u>			
Accounts Payable		1,955	2,613
		<u>1,955</u>	<u>2,613</u>
Total Liabilities			
		<u>1,955</u>	<u>2,613</u>
<u>NET ASSETS</u>		<u>\$634,558</u>	<u>\$533,155</u>
<u>Represented by:</u>			
<u>TRUST EQUITY</u>			
Opening Balance		533,156	507,702
Trustees Income / Expense		101,402	25,453
		<u>634,558</u>	<u>533,155</u>
<u>TOTAL TRUST EQUITY</u>		<u>\$634,558</u>	<u>\$533,155</u>

For and on behalf of the Trustees;

Trustee:



Trustee:



Date:

31.5.19

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NOTE: This Statement is to be read in conjunction with Notes to the Financial Statements and Audit Report.

Network Tasman Charitable Trust

Cash Flow Statement

For the Year Ended 31st March 2019

	Note	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES			
<u>Cash was provided from:</u>			
Donations Received		200,000	100,000
Interest Received		8,573	22,661
Sundry Income		-	19
		208,573	122,680
<u>Cash was disbursed to:</u>			
Payments to Trustees and Suppliers		1,137	1,672
Accountancy Fees		-	3,427
Administration Costs		577	51
Audit Fees		1,955	1,898
Bank Fees		-	95
Community Grants Paid	6	98,249	69,915
Postage & Stationery		396	386
Scholarships & Book Tokens		6,546	6,546
Secretarial Fee		7,675	6,242
		116,535	90,233
Net cash inflow/(outflow) from operating activities	8	92,038	32,447
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Cash was provided from:</u>			
Community Loan Repayments Received	7	14,080	10,080
		14,080	10,080
<u>Cash was dispersed to:</u>			
Community Loan Advances	7	-	20,000
		-	20,000
Net cash inflow/(outflow) from investing activities		14,080	(9,920)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Cash was provided from:</u>			
Movement in Term Deposits		50,179	14,144
		50,179	14,144
Net cash inflow/(outflow) from financing activities		50,179	14,144
Net increase/(decrease) in cash held		55,939	8,383
Add cash and short term deposits at beginning of year	9	86,596	78,212
Balance of cash and short term deposits at end of year	10	142,535	86,595

Network Tasman Charitable Trust

Notes to the Financial Statements

For the Year ended 31st March 2019

1. STATEMENT OF ACCOUNTING POLICIES

Network Tasman Charitable Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The Trust is a registered charity with the New Zealand Charities Commission.

MEASUREMENT BASE

The financial statements have been prepared on the basis of historical cost.

SPECIFIC ACCOUNTING POLICIES

The following specific accounting policies which materially affect the measurement of the financial performance and financial position have been applied:

(a) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

(b) Goods & Services Tax

These financial statements have been prepared inclusive of GST as the entity is not registered for GST.

(c) Income Tax

The Trust has received Charity and Donee Status by the IRD and therefore is tax exempt under sections CW 41 and 42 of the Income Tax Act 2007.

(d) Financial Instruments

The Trust recognises that in respect of the reported financial instruments, being cash and a short-term investment, fair value is equivalent to the carrying amount as stated in the Statement of Financial Position.

Credit Risk

Credit risks are limited by making deposits only with registered banks or Financial Institutions with a Standards & Poors credit rating of AA or higher.

Interest Rate Risk

Interest rate exposure has been managed by splitting investments into a number of short term deposits. At year end money was placed in short term investments with interest rates of 3.63% to 4.10% (2018: 3.69% to 4.10%).

(e) Tier 2 PBE Standards

The Trustees have not adopted any Tier 2 PBE standards in the preparation of the Performance Report.

2. AUDIT

These financial statements have been subject to audit, please refer to Auditor's Report.

3. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2018:\$0).

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4. CAPITAL EXPENDITURE COMMITMENTS

At balance date there were no material commitments outside of normal activities (2018 :\$0).

Network Tasman Charitable Trust

Notes to the Financial Statements

For the Year ended 31st March 2019

	2019 \$	2018 \$
5. INTEREST RECEIVED		
BNZ	7,510	7,045
Community Loans	1,147	937
SBS	8,200	7,998
UDC	354	373
Westpac	68	88
	17,279	16,441
6. COMMUNITY GRANTS		
During the year Network Tasman Charitable Trust committed \$98,909 for the purpose of Grants and Loans. As at 31 March 2019 grants not uplifted totalled \$900.		
For a complete list of Grants approved and paid refer to the schedule on page 13.		
7. COMMUNITY LOANS		
Opening Balance	47,160	38,240
Plus Advances	-	20,000
Less Repayments	14,080	11,080
Total Loans	33,080	47,160
LESS		
Current Portion	12,080	14,080
Total Non Current Portion	\$21,000	\$33,080
8. RECONCILIATION OF NET SURPLUS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Net Surplus after distributions	101,402	25,453
<u>Adjustments for:</u>		
Community Loans Unpaid	-	1,000
	-	1,000
Net surplus before changes in working capital	101,402	26,453
<u>Movements in working capital:</u>		
(Increase)/Decrease in debtors	-	(1,061)
(Increase)/Decrease in interest accrual	(8,706)	6,281
Increase/(Decrease) in creditors	(658)	773
	(9,364)	5,994
Net cash flows from operating activities	92,038	32,447

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Network Tasman Charitable Trust

Notes to the Financial Statements

For the Year ended 31st March 2019

	2019 \$	2018 \$
9. BANK ACCOUNTS AND CASH OPENING BALANCE		
Westpac Cheque Account	67,575	59,540
UDC Finance Limited	19,021	18,672
	<u>86,596</u>	<u>78,212</u>
10. BANK ACCOUNTS AND CASH CLOSING BALANCE		
Westpac Cheque Account	123,160	67,575
UDC Finance Limited	19,375	19,020
	<u>142,535</u>	<u>86,595</u>

11. RELATED PARTY INFORMATION

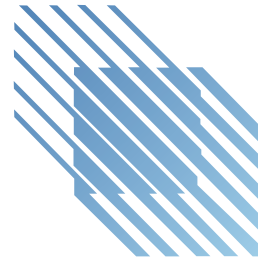
Network Tasman Charitable Trust was established to hold the W E Rowling Scholarship Fund. This trust has the same trustees as Network Tasman Trust.

During the year NTT Investments Limited made a donation of \$200,000 (2018: \$100,000) to Network Tasman Charitable Trust for the purpose of the Peter Malone Grants and Loans Scheme.

12. SUBSEQUENT EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorisation. (2018 year: \$Nil)

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NMA Nelson Marlborough Audit Ltd

INDEPENDENT AUDITOR'S REPORT

To the Beneficiaries of Network Tasman Charitable Trust

Report on the Performance report

Opinion

We have audited the performance report of Network Tasman Charitable Trust which comprise the entity information, the balance sheet as at 31 March 2019, the trust directory, the statement of service performance, the income statement, the statement of changes in equity and cash flow statement for the year then ended, and notes to the performance report, including a summary of significant accounting policies.

In our opinion the performance report presents fairly, in all material respects;

- the trust directory for the year then ended; and
- the financial position of Network Tasman Charitable Trust as at 31 March 2019 and its financial performance, and cash flows for the year then ended

In accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the trust directory in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised).

Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Performance Report* 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 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.

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.

The Responsibility of the Trustees for the Performance Report

The Trustees are responsible on behalf of the entity for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report which comprises:
 - the trust directory;
 - the statement of service performance; and

- the income statement, balance sheet, statement of changes in equity, cash flow statement, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and

- (c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is 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 be reasonably expected to influence the decisions of users taken on the basis of the performance report.

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 performance report, 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 performance report 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 performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

NMA Nelson Marlborough Audit Ltd

NMA Nelson Marlborough Audit Limited

PO Box 732
Nelson 7040
31 May 2019

2018 Grants & Scholarships

INDIVIDUALS	GRANTED
Logan Andrews	200.00
Shylah Andrews	200.00
Zariyah Andrews	200.00
Emily Bryan	200.00
Jacob Bryan	200.00
Natasha Connolly	500.00
Lindy Kelly	200.00
Jack MacNeil	200.00
Jaxon Taikato	200.00
Alan Turley	400.00
	\$2,500.00

GROUPS	GRANTED
Age Concern Nelson Tasman	3,000.00
Big Brothers Big Sisters Nelson Tasman	1,000.00
Brightwater Playcentre	2,499.00
Cawthorn Institute	1,000.00
Citizens Advice Bureau Nelson Tasman	2,200.00
Empowerment Trust (Formerly Kidpower Teenpower Fullpower)	1,000.00
First Years Richmond	2,000.00
Golden Bay High School, Home & School Assn	3,000.00
Golden Bay Shared Recreation Facility	2,000.00
Golden Bay Workcentre Trust	351.75
Henley School	1,690.00
Keep Richmond Beautiful	1,000.00
Life Linc Nelson	2,000.00
Maitahi Outrigger Canoe Club	2,000.00
Mapua & District Community Assn	2,000.00
Mapua Bowling Club	1,180.00
Menzshed Motueka #1	621.00
Menzshed Motueka #2	609.50
Motueka Group RDA	2,000.00
Motueka Music Group	1,500.00
Motueka Recreation Centre	3,000.00
Motueka Search & Rescue	900.00
Motueka Senior Citizens Assn	5,000.00
Motueka Short Term Accommodation Charitable Trust	3,000.00
Neighbourhood Support Nelson	500.00
Neighbourhood Support Waimea	500.00
Nelson Asthma Society	2,000.00
Nelson Badminton Assn	1,500.00
Nelson Bays Tennis Assn	1,200.00
Nelson Bays Youth Team Racing Assn	1,000.00
Nelson Branch of the NZ Tree Crops Assn	2,000.00
Nelson Marlborough Rescue Helicopter Trust	2,258.00
Nelson Provincial Farmers Market	500.00
Nelson Suburbs Football Club	500.00
Nelson Surf Life Saving Club	2,000.00
Nelson Symphony Orchestra	1,000.00
Nelson Womens and Childrens Refuge Services	2,000.00
Parent to Parent Nelson	2,000.00
Richmond District Community Patrol	1,000.00
Richmond Family Support Trust	1,000.00
Richmond Group RDA	900.00
Richmond Playcentre	800.00
Richmond Taekwondo Club	1,000.00
Saxton Velodrome Trust	7,000.00
SPELD NZ - Nelson	1,000.00
Sport Fishing for youth Charitable Trust	1,400.00
St John Golden Bay Area Committee	5,000.00
Takaka Playcentre	2,000.00
Tapawera Menz Shed	4,000.00
Tasman Golf Club	1,500.00
Tasman School BOT	2,000.00
Victim Support Nelson/Motueka	1,000.00
Wakefield Bowling Club	1,300.00
Wakefield School	1,000.00
Whenua Iti Trust	1,000.00
	\$96,409.25

\$98,909.25

Less 2018 Grants not Uplifted	
Natasha Connolly	500.00
Alan Turley	400.00

Plus 2017 Grants Paid	
Please Plant Me Group (PPMG)	239.92

TOTAL GRANTS	\$98,249.17
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Sir Wallace Rowling Scholarship	
Maria Phillips	3,000.00
Alisha Olney	3,000.00
	\$6,000.00